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NATIONAL ELECTRONICS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 213)

MAJOR TRANSACTION IN RELATION TO ACQUISITION OF PROPERTY

THE PROVISIONAL AGREEMENT

The Board wishes to announce that on 17 July 2026 (after trading hours), the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Provisional Agreement with the Vendor in relation to the acquisition of the Property for an aggregate cash consideration of HK\$195,000,000. Subject to the entering into of the Formal Agreement and the fulfilment of the conditions precedent to be set out therein, it is expected that completion of the Acquisition will take place on the Completion Date.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under Chapter 14 of the Listing Rules) in respect of the Acquisition exceed 25% but all are less than 100%, the Acquisition constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

The Company has a closely allied group of Shareholders which collectively hold in aggregate 516,514,894 Shares, representing approximately 56.596% of the total issued share capital of the Company, as at the date of this announcement. The 516,514,894 Shares, which are part of the property of two discretionary trusts of which Mr. Jimmy Lee Yuen Ching and his family members and Mr. Loewe Lee Bon Chi's family members are named beneficiaries, are directly held by Americus Holdings Limited and Fenmore Investments Limited as to 250,813,276 Shares and 265,701,618 Shares, respectively, representing approximately 27.482% and 29.114% of the total issued share capital of the Company, respectively. Pursuant to Rule 14.44 of the Listing Rules, the Company had obtained a written approval from such closely allied group of Shareholders for the approval of the Acquisition. As such, no general meeting will be convened by the Company to approve the Acquisition.

A circular containing, among other things, further details of the Provisional Agreement and the transactions contemplated thereunder, and the valuation of the Property, is expected to be despatched to the Shareholders on or before 7 August 2026.

Shareholders and potential investors of the Company should be aware that the transactions contemplated under the Provisional Agreement may or may not proceed. Accordingly, Shareholders and potential investors of the Company are advised to exercise caution when they deal in the Shares or other securities of the Company.

INTRODUCTION

The Board is pleased to announce that on 17 July 2026 (after trading hours), the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Provisional Agreement with the Vendor in relation to the acquisition of the Property for an aggregate cash consideration of HK\$195,000,000.

THE PROVISIONAL AGREEMENT

Date: 17 July 2026 (after trading hours)

Vendor: Cerana Limited

Purchaser: Sukie Limited, being an indirect wholly-owned subsidiary of the Company

Property: All those pieces or parcels of ground respectively registered at the Land Registry as The Remaining Portion of Section F of Inland Lot No. 863, Section E of Inland Lot No. 863 and The Remaining Portion of Section D of Inland Lot No. 863 together with the messuages, erections and buildings thereon now known as Nos. 94, 96 and 98 Bonham Strand, Hong Kong

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

Consideration and Payment Terms

The consideration is HK\$195,000,000 which is payable by the Purchaser to the Vendor in the following manner:

- (i) initial deposit in the sum of HK\$9,750,000 (representing 5% of the consideration) shall be paid upon signing of the Provisional Agreement to the Vendor's solicitors as stakeholder;

- (ii) further deposit in the sum of HK\$9,750,000 (representing 5% of the consideration, together with the initial deposit constituting 10% of the consideration) shall be paid on or before 7 August 2026 to the Vendor's solicitors; and
- (iii) the balance of the consideration in the sum of HK\$175,500,000 (representing 90% of the consideration) shall be paid by the Purchaser at or before the Completion Date.

All payments payable shall be made by cashier order(s).

The consideration of HK\$195,000,000 for the Acquisition was arrived at after arm's length negotiations between the Vendor and the Purchaser with reference to, among other things, the market value of the Property as at 17 July 2026 as appraised by an independent valuer using the direct comparison approach in the amount of HK\$210,000,000 and the prevailing property market in the vicinity of the Property. The consideration of the Acquisition will be financed by internal resources or external bank loan facilities of the Group.

Formal Agreement

The Formal Agreement for sale and purchase of the Property shall be signed on or before 7 August 2026.

Completion

Completion of the Acquisition shall take place on the Completion Date.

INFORMATION OF THE PROPERTY

The Property comprises three parcels of ground in Sheung Wan, Hong Kong, registered at the Land Registry as The Remaining Portion of Section F of Inland Lot No. 863, Section E of Inland Lot No. 863 and The Remaining Portion of Section D of Inland Lot No. 863, together with the messuages, erections and buildings thereon at Nos. 94, 96 and 98 Bonham Strand, Hong Kong. The Property is a non-residential property. Upon completion, the Vendor shall deliver vacant possession of the Property to the Purchaser on an "as is" basis.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Board believes that the Acquisition presents a good opportunity for the Group to expand its property portfolio. Having regard to the prevailing market conditions and the strategic location of the Property, the Directors consider that the terms of the Acquisition are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE PARTIES

Information of the Company

The Company is an investment holding company and its subsidiaries are principally engaged in the manufacture, assembly and sale of electronic watches and watch parts, trading of watch movements and watch parts, residential and other property development and investment, and commercial property investment.

Information of the Purchaser

The Purchaser, Sukie Limited, is a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company. It is principally engaged in investment holding.

Information of the Vendor

The Vendor, Cerana Limited, is a company incorporated in Hong Kong with limited liability and is principally engaged in property investment. The Vendor is ultimately owned by Crane Capital Partners LLC, a company incorporated in Delaware, United States, which is principally engaged in investment holding.

LISTING RULES IMPLICATIONS

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GENERAL

The Company has a closely allied group of Shareholders which collectively hold in aggregate 516,514,894 Shares, representing approximately 56.596% of the total issued share capital of the Company, as at the date of this announcement. The 516,514,894 Shares, which are part of the property of two discretionary trusts of which Mr. Jimmy Lee Yuen Ching and his family members and Mr. Loewe Lee Bon Chi's family members are named beneficiaries, are directly held by Americus Holdings Limited and Fenmore Investments Limited as to 250,813,276 Shares and 265,701,618 Shares, respectively, representing approximately 27.482% and 29.114% of the total issued share capital of the Company, respectively. Pursuant to Rule 14.44 of the Listing Rules, the Company had obtained a written approval from such closely allied group of Shareholders for the approval of the Acquisition. As such, no general meeting will be convened by the Company to approve the Acquisition.

A circular containing, among other things, further details of the Provisional Agreement and the transactions contemplated thereunder, and the valuation of the Property, is expected to be despatched to the Shareholders on or before 7 August 2026.

Shareholders and potential investors of the Company should be aware that the transactions contemplated under the Provisional Agreement may or may not proceed. Accordingly, Shareholders and potential investors of the Company are advised to exercise caution when they deal in the Shares or other securities of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the meanings given to them as below:

“Acquisition”	the proposed acquisition of the Property by the Purchaser from the Vendor pursuant to the Provisional Agreement
“Board”	the board of Directors
“Company”	National Electronics Holdings Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the Main Board of the Stock Exchange (stock code: 213)
“Completion Date”	at or before 5 p.m. of 9 October 2026, being the date by which completion of the Acquisition shall take place
“connected person”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Formal Agreement”	the formal agreement for sale and purchase to be entered into between the Vendor and the Purchaser in relation to the sale and purchase of the Property
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Property”	all those pieces or parcels of ground respectively registered at the Land Registry as The Remaining Portion of Section F of Inland Lot No. 863, Section E of Inland Lot No. 863 and The Remaining Portion of Section D of Inland Lot No. 863 together with the messuages, erections and buildings thereon now known as Nos. 94, 96 and 98 Bonham Strand, Hong Kong
“Provisional Agreement”	the provisional agreement for sale and purchase dated 17 July 2026 entered into between the Vendor and the Purchaser in relation to the sale and purchase of the Property
“Purchaser”	Sukie Limited (樹田有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Shares”	ordinary share(s) of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Vendor”	Cerana Limited, a company incorporated in Hong Kong with limited liability
“%”	per cent

By Order of the Board
National Electronics Holdings Limited
Lee Yuen Ching, Jimmy
Chairman

Hong Kong, 17 July 2026

As at the date of this announcement, the Executive Directors of the Company are Mr. Lee Yuen Ching, Jimmy, Mr. Lee Bon Chi, Loewe, Mr. Lee Bon Yee, Leonard, Mr. Lee Yuen Cheor, Edward, and Mr. Wai Kwong Yuen, Ricky; the Non-executive Director is Ms. Lee Yuen Yu, Dorathy and the Independent Non-executive Directors are Mr. Chan Kwok Wai, Mr. Sun Dai Wai, David and Mr. Pius Ho.