

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CHINA ELECTRONICS CORPORATION HOLDINGS COMPANY LIMITED

中國電子集團控股有限公司*

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 00085)

ANNOUNCEMENT

UNUSUAL PRICE AND VOLUME MOVEMENTS

This statement is made at the request of The Stock Exchange of Hong Kong Limited.

We have noted today's increases in the price and transaction volume of the shares of the Company and wish to state that, save as disclosed below, we are not aware of any reasons for such movements.

China Electronics Corporation Finance Co., Ltd. and the Company propose to provide financial assistance of RMB60 million and HK\$46 million to Shenzhen Sang Fei Consumer Communications Company Limited (the principal operating subsidiary of the Company) through the factoring agreement and the loan agreement (and the pledge as the security document to the loan agreement), respectively, which agreements have not been entered into pending approval of the independent shareholders at the special general meeting (the "**SGM**") to be held at 3:00 p.m. today. Further announcement will be made by the Company in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") regarding the results of the SGM after the conclusion of the SGM today. Details of the factoring agreement, the loan agreement and the pledge are set out in the announcement dated 16 January 2009 and the circular dated 4 February 2009, of the Company.

We also confirm that, save as disclosed above, there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Rule 13.23 of the Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

Made by the order of the Board of the Company, the directors of which individually and jointly accept responsibility for the accuracy of this statement.

By Order of the Board of
China Electronics Corporation Holdings Company Limited
Fan Qingwu
Managing Director

Hong Kong, 26 February 2009

As at the date of this announcement, the Board comprises two non-executive directors, namely Messrs. Xiong Qunli (Chairman) and Tong Baoan (vice-Chairman), two executive directors, namely Messrs. Fan Qingwu (Managing Director) and Hua Longxing, and three independent non-executive directors, namely Messrs. Chan Kay Cheung, Wong Po Yan and Yin Yongli.

** For identification purpose only*