

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)

UNUSUAL PRICE AND VOLUME MOVEMENTS

This statement is made by China Electronics Corporation Holdings Company Limited (the **“Company”**) at the request of The Stock Exchange of Hong Kong Limited.

We have noted the recent increases in the price and trading volume of the shares of the Company and wish to state that, save as disclosed below, we are not aware of any reasons of such increases:

The Company is negotiating the disposal of a loss-making subsidiary, which is principally engaged in the manufacturing and sales of mobile handsets and other portable electronic products. Such negotiation is ongoing and the parties have not yet entered into any definitive agreement, and the transaction may or may not proceed. Such transaction, if proceeds, is likely to constitute a very substantial disposal and a connected transaction of the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the **“Listing Rules”**) and would be subject to the approval of the independent shareholders of the Company. **In the meantime, investors are advised to exercise caution in dealing in the securities of the Company.** Further announcement will be made by the Company as and when required in accordance with the Listing Rules.

Save as disclosed above, we confirm that 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 of directors of the Company (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, 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, 6 November 2009

As at the date of this announcement, the Board comprises two Non-executive Directors, namely Xiong Qunli (Chairman) and Tong Baoan (Vice Chairman), two Executive Directors, namely Fan Qingwu (Managing Director) and Hua Longxing, and three Independent Non-executive Directors, namely Chan Kay Cheung, Wong Po Yan and Yin Yongli.

** For identification purpose only*