



VTech Holdings Limited
(incorporated in Bermuda with limited liability)
(Stock Code: 303)

**CHANGE IN EXECUTIVE DIRECTORS
APPOINTMENT OF PRESIDENT OF THE GROUP AND
RESIGNATION OF AUDIT COMMITTEE MEMBER**

The board of directors (the "Board") of VTech Holdings Limited (the "Company" and, together with its subsidiaries, the "Group") announces the following:

1. Mr. Edwin YING Lin Kwan will resign as Executive Director of the Company with effect from 1st January 2009 due to his retirement but will remain an adviser to the Company. Mr. YING has confirmed that he has no disagreement with the Board and there is no matter relating to his resignation that will need to be brought to the attention of the shareholders of the Company;
2. Mr. Andy LEUNG Hon Kwong, will be appointed as Executive Director of the Company with effect from 1st January 2009;
3. Dr. PANG King Fai, currently the Group Chief Technology Officer of the Company will be promoted to the position of President of the Group with effect from 1st January 2009. He will continue to hold the position of Executive Director; and
4. Dr. Patrick WANG Shui Chung will cease to be a member of Audit Committee with effect from 1st January 2009 but will remain an independent non-executive director and a member of Nomination Committee.

The Board would like to express its sincere gratitude to Mr. YING for his valuable contributions to the Company during the tenure of his office. The Board also welcomes Mr. LEUNG for joining the Board and Dr. PANG for taking up his new position.

Particulars of Mr. LEUNG are set out below:

Andy LEUNG Hon Kwong, age 50, holds a Bachelor of Science degree in Electrical and Electronic Engineering from the University of Newcastle upon Tyne in the United Kingdom and an MBA degree from Oklahoma City University in the United States. He is currently the Divisional Chief Executive Officer ("Divisional CEO") of Contract Manufacturing Services business of the Company. In addition to the executive role in the division, he is also responsible for overseeing China Services Department of the Group. Mr. LEUNG joined the Group in 1988, left the Group in 1990 and re-joined in 1991. He became the Divisional CEO in April 2002 after serving as General Manager for 9 years. Mr. LEUNG has over 20 years of experience in the electronics and manufacturing industry.

Mr. LEUNG did not hold any directorship in other listed public companies in the last three years but holds directorship of certain members of the Group. He has no relationships with any directors, senior management or substantial or controlling shareholders of the Company.

Mr. LEUNG has interests in 500 shares of the issued share capital of the Company and 372,000 underlying shares in respect of share options granted under the Share Option Scheme of the Company. Save as disclosed above, Mr. LEUNG does not have any other interests in the shares of the Company which are required to be disclosed pursuant to Part XV of the Securities and Futures Ordinance.

There is no service contract signed between Mr. LEUNG and the Company. Mr. LEUNG has not been appointed for specific terms and will be subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Bye-laws of the Company.

Mr. LEUNG will be entitled to receive a director's fee as approved from time to time by the shareholders of the Company at annual general meeting of the Company, pro rata to his length of service during the year. Mr. LEUNG's emolument is US\$426,041 per annum (including a director's fee of US\$20,000 per annum). He will also be entitled to a further payment of bonus which is determined with reference to the Company's profitability. The amount of remuneration will be subject to annual review by the Remuneration Committee of the Company.

Save as disclosed above, there is no other matter relating to his appointment that will need to be brought to the attention of the shareholders of the Company and there is no other information which is required to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

By Order of the Board
VTech Holdings Limited
CHANG Yu Wai
Company Secretary

Hong Kong, 31st December 2008

As at the date of this announcement, the Executive Directors of the Company are Dr. Allan WONG Chi Yun (Chairman and Group Chief Executive Officer), Mr. Edwin YING Lin Kwan and Dr. PANG King Fai. The Independent Non-executive Directors are Dr. William FUNG Kwok Lun, Mr. Denis Morgie HO Pak Cho, Mr. Michael TIEN Puk Sun and Dr. Patrick WANG Shui Chung.

Websites: <http://www.vtech.com>
<http://www.irasia.com/listco/hk/vtech>