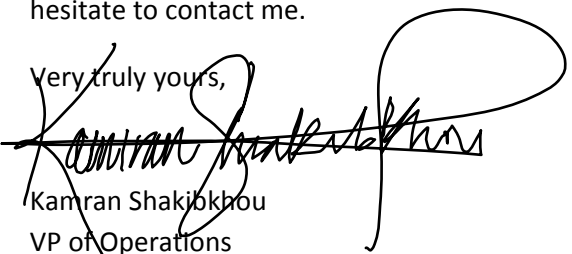


March 23, 2011

ANNOUNCEMENT

Naxa Electronics, Inc. ("Naxa") is proud to announce that Importadora Permar C.A. ("Premar") has been selected as a distributor of the Naxa brand consumer electronics products for the country of Venezuela. Premar, as Naxa's distributor in Venezuela, has full authority to distribute Naxa's product line for all channels of distribution, including, but not limited to, retailers, distributors, catalog houses, and online companies in the Venezuela market. With offices in Venezuela, Premar will have direct day-to-day communication with all customers, provide immediate shipment by stocking Naxa's products in Venezuela, and offer warranty service for the product line making it extremely convenient for their customer base to offer Naxa's product line in the Venezuela market. In addition, Premar will provide a full showroom of Naxa's product line in their local Venezuela office for customers to see and evaluate the products. We are very excited about selecting Premar as Naxa's distributor for Venezuela and look forward to have customers visit their showroom. Should you have any further questions, please do not hesitate to contact me.

Very truly yours,


Kamran Shakibkhou
VP of Operations
Naxa Electronics, Inc.