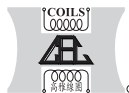


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CEC INTERNATIONAL HOLDINGS LIMITED CEC 國際控股有限公司*

(Incorporated in Bermuda with limited liability)
(Stock Code: 0759)

DISCLOSURE PURSUANT TO RULE 13.18 OF THE LISTING RULES

This announcement is made by the directors of the Company in compliance with the disclosure requirements under Rule 13.18 of the Listing Rules.

The Company's wholly-owned subsidiary, Coils Electronic Co., Limited (as borrower) accepted an offer in respect of certain credit facilities of up to HK\$40,000,000 on 30th July, 2004.

There is a minimum shareholding requirement on the controlling shareholder of the Company under the Facility Letter.

This announcement is made by the directors (the "Directors") of CEC International Holdings Limited (the "Company") in compliance with the disclosure requirements under Rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules").

On 30th July, 2004, the Company's wholly-owned subsidiary, Coils Electronic Co., Limited ("Coils"), accepted an offer of (i) a documentary credit plus trust receipt facility plus invoice financing - import facility of up to HK\$20,000,000 (the "First Facility") and (ii) a 2-year term loan facility of up to HK\$20,000,000 for financing machinery acquisition by the Company and its subsidiaries (the "Group") (the "Second Facility", together with the First Facility, the "Facilities") under a facility letter dated 28th July, 2004 (the "Facility Letter") issued by a bank in Hong Kong (the "Bank"). The Facility Letter was also countersigned by the Company (as corporate guarantor).

The Facilities shall be subject to periodical review as the Bank deems fits and at the Bank's sole and absolute discretion. The Facilities shall expire and be repayable forthwith as and when the Bank has given Coils notice of termination. The Facilities were secured by a guarantee and indemnity (the "Corporate Guarantee") provided by the Company for repayment of the principal amount of up to the extent of HK\$40,000,000 and accrued interest and default interest thereon and all other costs and expenses. Other than the Corporate Guarantee, there is no other security required to be given by the Group to secure the Facilities.

Under the provisions of the Facility Letter, there are conditions, among other things, that (a) Mr. Lam Wai Chun ("Mr. Lam"), the Chairman of the Company, and Ka Yan China Development (Holding) Company Limited ("Ka Yan"), the controlling shareholder of the Company, shall remain the beneficial owners, together, of the largest proportion of the issued share capital of the Company at all times and, Mr. Lam and Ka Yan shall not sell, transfer, assign, encumber or dispose of all or part of their respective beneficial shareholdings in the Company and (b) the aggregate beneficial shareholdings of Mr. Lam and Ka Yan shall not fall below 35% of the issued share capital of the Company throughout the life of the Facilities. Should there be any breach of such conditions, the Bank should have the right to demand for repayment of all outstanding amounts due by Coils under the Facilities.

As at the date of this announcement, Ka Yan is the single largest controlling shareholder of the Company holding 404,008,996 shares of the Company, representing approximately 58.3% of the issued share capital of the Company. Mr. Lam is interested in an aggregate of 411,340,996 shares of the Company, representing approximately 59.35% of the issued share capital of the Company, of which 7,332,000 shares are beneficially owned by Mr. Lam and 404,008,996 shares are held by Ka Yan which is ultimately beneficially owned by Mr. Lam's family trust (the "Trust"). The beneficiaries under the Trust are Mr. Lam's immediate family members.

Disclosure under Rule 13.18 of the Listing Rules will be included in the subsequent quarterly, interim and annual reports of the Company so long as the obligation continues to exist.

As at the date of this announcement, the Directors are as follows:—

Executive Directors:

Mr. Lam Wai Chun
Miss Tang Fung Kwan
Mr. Huang Kong
Mr. Law Hoo Shan

Independent non-executive Directors:

Mr. Au Son Yiu
Mr. Lee Wing Kwan, Dennis
Mr. Tang Tin Sek

By Order of the Board
Lam Wai Chun
Chairman

Hong Kong, 2nd August, 2004

* For identification purpose only

*Please also refer to the published version of this announcement in
The Standard and Hong Kong Economic Times.*