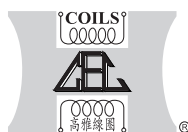

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

If you have sold or transferred all your shares in CEC International Holdings Limited, you should at once hand this circular and the accompanying 2004/2005 Annual Report and form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for transmission to the purchaser.

If you are in any doubt as to any aspect of this circular or as to any action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

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

(Incorporated in Bermuda with limited liability)

(Stock Code: 0759)

**PROPOSALS FOR GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES,
SCRIP DIVIDEND SCHEME,
RE-ELECTION OF RETIRING DIRECTORS,
AMENDMENTS TO BYE-LAWS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of CEC International Holdings Limited to be held at Strategic Financial Relations Limited, Room 3203, 32th Floor, Admiralty Centre I, 18 Harcourt Road, Queensway, Hong Kong, on Friday, 23rd September, 2005 at 10:30 a.m. is set out on pages 16 to 22 of this circular.

Whether or not you are able to attend the Annual General Meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to Computershare Hong Kong Investor Services Limited, the Hong Kong branch share registrar of CEC International Holdings Limited, at 46th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting (or any adjournment thereof). Completion of a form of proxy will not preclude you from attending and voting at the Annual General Meeting (or any adjournment thereof) in person if you so wish.

* *For identification purpose only*

CONTENTS

	<i>Page</i>
Definitions	1
 Letter from the Chairman	
Introduction	3
Closure of Register of Members	4
General Mandates to Issue and Repurchase Shares	4
Scrip Dividend Scheme	5
Re-election of Retiring Directors	5
Amendments to Bye-laws	6
Notice of Annual General Meeting	7
Procedures for Demanding a Poll	7
Recommendation	8
 Appendix I – Explanatory Statement on Repurchase Proposal	 9
 Appendix II – Particulars of Retiring Directors for Re-election	 12
 Notice of Annual General Meeting	 16

DEFINITIONS

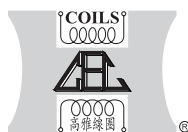
In this circular, the following expressions have the following meanings, unless the context requires otherwise:

“Annual General Meeting”	the annual general meeting of the Company to be held on Friday, 23rd September, 2005 at 10:30 a.m., the notice of which is set out on pages 16 to 22 of this circular
“Board”	the board of Directors
“CCASS”	the Central Clearing and Settlement System established and operated by Hongkong Clearing
“Company”	CEC International Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Directors”	the directors of the Company
“Final Dividend”	the proposed final dividend for the year ended 30th April, 2005 as set out in paragraph 1 of the section headed “Scrip Dividend Scheme” of this circular
“Group”	the Company and its subsidiaries
“HK\$” and “cents”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hongkong Clearing”	Hong Kong Securities Clearing Company Limited
“Latest Practicable Date”	26th August, 2005, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“PRC”	the People’s Republic of China
“Record Date”	23rd September, 2005
“Register of Members”	the register of members of the Company

DEFINITIONS

“Repurchase Proposal”	the general and unconditional mandate proposed to be granted to the Directors to empower the Directors to repurchase the Shares, details of which are set out in the section headed “General Mandates to Issue and Repurchase Shares” of this circular
“Scrip Dividend Scheme”	the proposed scrip dividend scheme whereby Shareholders whose names appear on the Register of Members at the close of business on the Record Date may elect to receive fully paid Scrip Shares in lieu of the payment in cash of the proposed Final Dividend
“Scrip Shares”	new Shares to be allotted and issued under the proposed Scrip Dividend Scheme
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of HK\$0.10 each in the share capital of the Company
“Shareholders”	holders of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent.

LETTER FROM THE CHAIRMAN



CEC INTERNATIONAL HOLDINGS LIMITED

CEC國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 0759)

Executive Directors:

Mr. Lam Wai Chun (*Chairman*)

Ms. Tang Fung Kwan

(Deputy Chairman and Managing Director)

Mr. Chua You Sing

Ms. Li Hong

Registered Office:

Canon's Court

22 Victoria Street

Hamilton HM 12

Bermuda

Principal Place of Business

in Hong Kong:

2nd Floor

Hing Win Factory Building

110 How Ming Street

Kwun Tong

Kowloon

Hong Kong

Independent Non-executive Directors:

Dr. Tang Tin Sek

Mr. Au Son Yiu

Mr. Lee Wing Kwan, Denis

30th August, 2005

To Shareholders

Dear Sir or Madam,

**PROPOSALS FOR GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES,
SCRIP DIVIDEND SCHEME,
RE-ELECTION OF RETIRING DIRECTORS,
AMENDMENTS TO BYE-LAWS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide the Shareholders with information regarding the resolutions to be proposed at the Annual General Meeting relating to, inter alia, (i) the grant of general mandates to the Directors to issue new Shares, (ii) the Repurchase Proposal, (iii) the Scrip Dividend Scheme as set out in the announcement of the Company dated 15th August, 2005, (iv) the re-election of retiring

* For identification purpose only

LETTER FROM THE CHAIRMAN

Directors and (v) the amendments to the Bye-laws of the Company to enable the Shareholders to make informed decisions on whether to vote for or against the resolutions.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the entitlements of Shareholders to the proposed Final Dividend and the Scrip Dividend Scheme and the entitlement to vote at the Annual General Meeting, the Register of Members will be closed from Friday, 16th September, 2005 to Friday, 23rd September, 2005 (both dates inclusive), during which period no transfer of Shares will be effected.

In order to attend and vote at the Annual General Meeting and to qualify for the proposed Final Dividend and the Scrip Dividend Scheme, Shareholders must lodge the completed transfer forms of Shares (together with the relevant share certificates) with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:00 p.m. on Thursday, 15th September, 2005.

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

An ordinary resolution relating to a general mandate will be proposed which, subject to the said resolution being passed at the Annual General Meeting, empowers the Directors to allot, issue and deal with new Shares of not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the resolution during the period up to the conclusion of the next annual general meeting of the Company, or at the expiration of the period within which the next annual general meeting of the Company is required by the applicable laws or the Bye-laws of the Company to be held, or on the date of revocation or variation of the said resolution by passing an ordinary resolution in general meeting prior to the next annual general meeting, whichever is the earliest. As at the Latest Practicable Date, there were in issue an aggregate of 693,028,811 Shares. Assuming that no further Shares are issued or repurchased prior to the Annual General Meeting, no more than 138,605,762 Shares may be allotted and issued by the Company in exercising in full of the mandate.

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general mandate to repurchase the Shares on the Stock Exchange representing up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the resolution.

An explanatory statement in connection with the proposed ordinary resolution for the approval of the Repurchase Proposal is set out in Appendix I to this circular. The explanatory statement contains all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution.

LETTER FROM THE CHAIRMAN

Subject to the passing of the proposed ordinary resolutions regarding the Shares issue general mandate and the Repurchase Proposal, a separate resolution will also be proposed to grant a general mandate to the Directors to add all the aggregate nominal amount of Shares which may from time to time be purchased under the Repurchase Proposal to the 20% Shares issue general mandate.

SCRIP DIVIDEND SCHEME

The Board announced on 15th August, 2005 its recommendation of a final dividend of HK 0.7 cent per Share held in the share capital of the Company for the year ended 30th April, 2005 to be payable to Shareholders whose names appear on the Register of Members at the close of business on the Record Date in cash with an option to receive new fully paid Shares.

The Scrip Dividend Scheme is conditional upon (i) the Shareholders' approval at the Annual General Meeting and (ii) the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Scrip Shares. If these conditions are not satisfied before 24th October, 2005, the Scrip Dividend Scheme will not be effective and the form of election will be void. The proposed Final Dividend will then be paid to the Shareholders wholly in cash.

Upon satisfaction of the above condition (i), a circular setting out information in respect of the Scrip Dividend Scheme together with a form of election will be despatched to Shareholders who shall be entitled thereto.

RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Bye-law 87(1) of the Company's Bye-laws, at each annual general meeting one-third of the Directors for the time being (or, if their number is not multiple of three, the number nearest to but not greater than one-third) shall retire from office by rotation provided that the chairman of the Board and/or the managing director of the Company shall not, whilst holding his office, be subject to retirement by rotation or be taken into account in determining the number of Directors to retire each year. Pursuant to the said Bye-law 87(1), Dr. Tang Tin Sek will retire by rotation at the Annual General Meeting. In view of good corporate governance practices, Mr. Lam Wai Chun, the Chairman of the Company, and Ms. Tang Fung Kwan, the Deputy Chairman and Managing Director of the Company, will voluntarily retire from their offices at the Annual General Meeting notwithstanding that they are not required by the Company's Bye-laws to do so.

LETTER FROM THE CHAIRMAN

Accordingly, Mr. Lam Wai Chun, Ms. Tang Fung Kwan and Dr. Tang Tin Sek will retire at the Annual General Meeting, and will, being eligible, offer themselves for re-election.

In accordance with Bye-law 86(2) of the Company's Bye-laws, Ms. Li Hong and Mr. Chua You Sing will hold office until the Annual General Meeting and will, being eligible, offer themselves for re-election.

The details of the aforesaid Directors as required to be disclosed by the Listing Rules are set out in Appendix II of this circular.

AMENDMENTS TO BYE-LAWS

To align with certain amendments made to the Listing Rules in respect of the Code on Corporate Governance Practices (the "Code"), which came into effect on 1st January, 2005 subject to certain transitional arrangements, a special resolution will be proposed at the Annual General Meeting to seek Shareholders' approval for amending the Bye-laws of the Company to reflect certain amendments to the Listing Rules which relate to the Code. The major proposed amendments include:

- (1) A poll can also be demanded at any general meeting and disclosure of voting figures on a poll will be made if it is required by the Listing Rules;
- (2) A proxy or a duly authorised corporate representative appointed by a clearing house (or its nominee(s)) shall be entitled to vote on a show of hands and a poll at the general meetings of the Company;
- (3) Every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years;
- (4) To increase the time allowed for electing chairman to hold a board meeting; and
- (5) Directors are empowered to destroy the specified documents in good faith, if permitted by applicable law.

Details of the proposed amendments are set out in special resolution numbered 8 of the notice of the Annual General Meeting.

LETTER FROM THE CHAIRMAN

NOTICE OF ANNUAL GENERAL MEETING

Notice of the Annual General Meeting is set out on pages 16 to 22 of this circular.

A form of proxy is enclosed with this circular for use at the Annual General Meeting. Whether or not you intend to be present at the Annual General Meeting, you are requested to complete and return the enclosed form of proxy to the office of the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 46th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the holding of the Annual General Meeting (or any adjournment thereof). Completion of a form of proxy will not preclude you from attending and voting at the Annual General Meeting (or any adjournment thereof) in person if you so wish.

PROCEDURES FOR DEMANDING A POLL

Pursuant to Bye-law 66 of the Company's Bye-laws, at any general meeting a resolution put to the vote at the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- (a) by the chairman of the meeting; or
- (b) by at least three Shareholders present in person (or in case of Shareholder being a corporation, by its duly authorised corporate representative) or by proxy for the time being entitled to vote at the meeting; or
- (c) by a Shareholder or Shareholders present in person (or in case of Shareholder being a corporation, by its duly authorised corporate representative) or by proxy and representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the meeting; or
- (d) by a Shareholder or Shareholders present in person (or in case of Shareholder being a corporation, by its duly authorised corporate representative) or by proxy and holding Shares conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all Shares conferring that right.

LETTER FROM THE CHAIRMAN

RECOMMENDATION

The Directors are of the opinion that (i) the proposed general mandates to issue Shares, (ii) the Repurchase Proposal, (iii) the Scrip Dividend Scheme, (iv) the re-election of retiring Directors and (v) the amendments to Bye-laws are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend you to vote in favour of all the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of
CEC International Holdings Limited
Lam Wai Chun
Chairman

APPENDIX I EXPLANATORY STATEMENT ON REPURCHASE PROPOSAL

THE REPURCHASE PROPOSAL

At the Annual General Meeting, an ordinary resolution will be proposed for Shareholders' approval whereby the Directors will be given a general and unconditional mandate to exercise all powers of the Company to repurchase its issued Shares subject to the criteria set out in this appendix.

While it is not possible to anticipate in advance any specific circumstances in which the Directors might think it appropriate to repurchase Shares, the Directors believe that the grant of a general mandate to repurchase Shares would give the Company additional flexibility that would be beneficial. The repurchases may, depending on market conditions and funding arrangements of the Company at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share. Shareholders can be assured that the Directors would only make such purchases in circumstances where they consider them to be in the best interests of the Company. On the basis of the consolidated financial position of the Company as at 30th April, 2005 (being the date to which the latest published audited accounts of the Company have been made up) and in particular the working capital or gearing position of the Company at that time and the number of Shares now in issue, the Directors consider that there may be a material adverse impact on the working capital or gearing position of the Company in the event that the proposed purchases were to be carried out in full at any time during the proposed purchase period. However, no purchase would be made in circumstances that would have a material adverse impact on the working capital or gearing position of the Company (as compared with the financial position as at 30th April, 2005), nor if on the date on which the purchase is to be effected, there are reasonable grounds for believing that the Company is, or after the purchase would be, unable to pay its liabilities as they become due.

SOURCE OF FUNDS

Repurchase must be funded out of funds legally available for the purpose. Any repurchases will be made out of funds of the Company legally permitted in accordance with its memorandum of association and Bye-laws and the laws of Bermuda to be utilized in this connection, including profits available for distribution and sums standing to the credit of the shares premium account of the Company, the proceeds of a fresh issue of Shares made for the purpose of the repurchase or out of capital, if the Company is able, immediately following such payment, to pay its debts as they fall due in the ordinary course of business.

As at the Latest Practicable Date, there were in issue an aggregate of 693,028,811 Shares. Assuming that no further Shares are issued or repurchased prior to the Annual General Meeting, not more than 69,302,881 Shares may be repurchased on the Stock Exchange.

DIRECTORS AND CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge and belief, having made all reasonable enquiries, any of the associates (as defined in the Listing Rules) of any of the Directors have any present intention, in the event that the Repurchase Proposal is approved by the Shareholders, to sell Shares to the Company.

APPENDIX I EXPLANATORY STATEMENT ON REPURCHASE PROPOSAL

No persons who are connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell Shares to the Company nor have they undertaken not to sell any of the Shares held by them to the Company in the event that the Repurchase Proposal is approved by the Shareholders.

UNDERTAKING TO THE STOCK EXCHANGE

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the Repurchase Proposal in accordance with the Listing Rules, all applicable laws of Bermuda, the jurisdiction in which the Company was incorporated, and the Memorandum of Association and Bye-laws of the Company.

HONG KONG CODE ON TAKEOVERS AND MERGERS

If, as a result of a share repurchase, a shareholder's proportionate interest in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code and, if such increase results in a change in control, may in certain circumstances give rise to an obligation to make a general offer for Shares under Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of the SFO, Mr. Lam Wai Chun ("Mr. Lam") and his spouse, Ms Law Ching Yee, are deemed to be interested in 415,840,996 Shares, representing approximately 60% of the issued share capital of the Company, of which 11,832,000 Shares are beneficially owned by Mr. Lam and 404,008,996 Shares are ultimately held by his family trust through Ka Yan China Development (Holding) Company Limited, Ka Yan China Investments Limited and HSBC International Trustee Limited, for the purpose of the SFO.

In the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Repurchase Proposal, assuming the present shareholdings otherwise remain the same, the interests of Mr. Lam and Ms Law Ching Yee together with his family trust in the Company would be increased to approximately 66.67% of the issued share capital of the Company. The Directors consider that such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors will not repurchase the Shares on the Stock Exchange if the repurchase would result in the number of the listed Shares which are in the hands of the public falling below 25% under the Listing Rules.

APPENDIX I EXPLANATORY STATEMENT ON REPURCHASE PROPOSAL

MISCELLANEOUS

During the six months preceding the Latest Practicable Date, no Share was purchased by the Company.

During each of the previous twelve months ended 31st July, 2005 and the current month up to the Latest Practicable Date, the highest and lowest prices at which the Shares traded on the Stock Exchange were as follows:

Month	Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2004		
August	0.1500	0.1500
September	0.1600	0.1420
October	0.1900	0.1560
November	0.1820	0.1660
December	0.1800	0.1570
2005		
January	0.1720	0.1550
February	0.1900	0.1470
March	0.1970	0.1600
April	0.1840	0.1610
May	0.1850	0.1600
June	0.1700	0.1530
July	0.1700	0.1450
August (up to the Latest Practicable Date)	0.1700	0.1480

APPENDIX II PARTICULARS OF RETIRING DIRECTORS FOR RE-ELECTION

The following is the information as required to be disclosed under the Listing Rules on the retiring Directors standing for re-election at the Annual General Meeting:

Mr. LAM Wai Chun, aged 46, was appointed as an executive Director with effect from 29th September 1999, and was appointed the Chairman of the Company with effect from 4th October 1999. Mr. Lam founded the Group in 1979 and has over 34 years of experience in the coils manufacturing industry. He is responsible for formulating the Group's overall business strategies and overseeing corporate management. Mr. Lam is also a director of a number of other subsidiaries of the Company.

As at the Latest Practicable Date, Mr. Lam has a total interest in 415,840,996 Shares (representing approximately 60% of the issued share capital of the Company), which comprised (i) a personal interest in 11,832,000 Shares and (ii) a trust interest in 404,008,996 Shares (for being a founder of his family trust), and is deemed to have an interest in 14,000,000 non-voting deferred shares in Coils Electronic Co., Limited ("Coils"), an associate corporation (as defined under the SFO) of the Company, within the meaning of Part XV of the SFO and holds shares in certain subsidiaries of the Group as trustee for their holding companies. Mr. Lam's trust interest in 404,008,996 Shares (representing approximately 58.30% of the issued share capital of the Company) was ultimately held by his family trust through three substantial shareholders, namely Ka Yan China Development (Holding) Company Limited, Ka Yan China Investments Limited and HSBC International Trustee Limited. The discretionary beneficiaries of Mr. Lam's family trust are his spouse and children. Mr. Lam is the sole director of Ka Yan China Development (Holding) Company Limited, and his spouse, Ms. Law Ching Yee, was deemed a substantial shareholder due to Mr. Lam's interests in the Company for the purpose of SFO. Mr. Lam is also the brother-in-law of Mr. Law Hoo Shan, a director of Coils and CEC-Unitech Electronics Limited ("CEC-Unitech"), two indirect wholly-owned subsidiaries of the Company. Save as disclosed herein, Mr. Lam is not related to any Directors, senior management, substantial or controlling shareholders of the Company and did not hold any directorship in any other listed public companies in the three years preceding the Latest Practicable Date.

Mr. Lam entered into a service agreement with the Company on 27th September 1999 for an initial period of three years commencing on 1st October 1999 and thereafter until terminated by either party giving to the other not less than six months' notice in writing terminating on or after the expiry of the initial term of three years. Under the service agreement, Mr. Lam is entitled to an annual remuneration of HK\$1,001,000, reimbursement of insurance premium and an annual management bonus, which was determined by the Board by reference to his duties and responsibilities with the Company, the Company's remuneration policy and the market benchmark. The annual management bonus equivalent to 2% of the audited consolidated profit of the Group attributable to shareholders (after taxation but before extraordinary items and before such management bonus) (the "Net Profit") if the Net Profit for the relevant financial year exceeds HK\$50,000,000 and 4% of the Net Profit if the Net Profit for the relevant year exceeds HK\$70,000,000. Since then, no management bonus has been paid to Mr. Lam. Under the proposed new Bye-law 87 of the Company (if the same is approved by Shareholders at the Annual General Meeting), Mr. Lam shall be subject to retirement by rotation and eligible for re-election at the Company's annual general meeting every three years.

APPENDIX II PARTICULARS OF RETIRING DIRECTORS FOR RE-ELECTION

Ms. TANG Fung Kwan, aged 35, was appointed as an executive Director with effect from 29th September 1999, and the Managing Director and Deputy Chairman of the Company with effect from 5th May 2003 and 1st August 2003 respectively. She is responsible for the Group's overall strategic planning, corporate development, sales and marketing as well as formulation of corporate policies. Ms. Tang has been admitted to the degree of Bachelor of Social Sciences with Honours in The University of Hong Kong in 1992 and the degree of International Master of Business Administration in the University of South Australia, Australia, in 1998. She joined the Group in 1993. Ms. Tang is also a director of a number of other subsidiaries of the Company and a member of the Remuneration Committee of the Company.

As at the Latest Practicable Date, Ms. Tang personally interested in 3,502,611 Shares (representing approximately 0.5% of the issued share capital of the Company) within the meaning of Part XV of the SFO. Ms. Tang is not related to any Directors, senior management, substantial or controlling shareholders of the Company and did not hold any directorship in any other listed public companies in the three years preceding the Latest Practicable Date.

On 30th April 2005, Ms. Tang entered into a service agreement with the Company, which was amended by a supplemental agreement to service agreement dated 3rd August, 2005 (the "Supplemental Agreement"), for a term of two years commencing on 1st May 2005 until terminated by either party giving to the other a prior notice of three months in writing (or such other period as the parties may agree in writing from time to time, but in any event not more than three months) before its expiration. Pursuant to the Supplemental Agreement, the director's remuneration of Ms. Tang was revised from HK\$60,000 per month to HK\$70,000 per month with effect from 1st July, 2005, which was recommended by the Remuneration Committee of the Company and determined by the Board by reference to her duties and responsibilities with the Company, the Company's remuneration policy and the market benchmark. Under the proposed new Bye-law 87 of the Company (if the same is approved by Shareholders at the Annual General Meeting), Ms. Tang shall be subject to retirement by rotation and eligible for re-election at the Company's annual general meeting every three years.

Dr. TANG Tin Sek, aged 46, was appointed as an executive Director with effect from 29th September 1999, and has been re-designated as a non-executive Director and an independent non-executive Director with effect from 1st January 2000 and 3rd June 2003 respectively. He is also the chairman of the Audit Committee and a member of Remuneration Committee of the Company. Save as disclosed herein, Dr. Tang does not hold any other position within the Group. Dr. Tang is a Certified Public Accountant and a partner of Terence Tang & Partners. He has over 24 years' experience in corporate finance, business advisory, financial management and auditing. Dr. Tang is also a member of The Chinese Institute of Certified Public Accountants, The Institute of Chartered Accountants in Australia and Chartered Association of Certified Accountants in the United Kingdom. He obtained a Bachelor of Science degree from The University of Hong Kong in 1980, a Master of Business Administration degree from The University of Sydney, Australia in 1990 and a Doctor of Accountancy degree from The Hong Kong Polytechnic University in 2004.

As at the Latest Practicable Date, Dr. Tang personally interested in 1,414,000 Shares (representing approximately 0.2% of the issued share capital of the Company) within the meaning of Part XV of the SFO. During the three years preceding the Latest Practicable Date, Dr. Tang is not related to any Directors, senior management, substantial or controlling shareholders of the Company and is also an independent non-executive director of Sinochem Hong Kong Holdings Limited, New Smart Holdings

APPENDIX II PARTICULARS OF RETIRING DIRECTORS FOR RE-ELECTION

Limited, INNOMAXX Biotechnology Group Limited and Frankie Dominion International Limited, all of which are companies whose shares are listed on the Stock Exchange. Dr. Tang is not appointed for a specific term but is subject to retirement by rotation in accordance with the Company's Bye-laws. There is no subsisting service contract between the Company and him. Dr. Tang currently receives a director's fee of HK\$300,000 per annum, which was approved by the Shareholders at the annual general meeting of the Company held in 2004 and was proposed to be increased to HK\$360,000 per annum with effect from 1st May, 2005 until the conclusion of next annual general meeting of the Company, subject to the approval of the Shareholders at the Annual General Meeting. The aforesaid increase in director's fee was recommended by the Remuneration Committee of the Company and determined by the Board by reference to his duties and responsibilities with the Company, the Company's remuneration policy and the market benchmark.

Ms. LI Hong, aged 36, joined the Group in 1994 and was appointed as an executive of Director with effect from 1st May, 2005. Ms. Li is also a director and the general manager of Xiamen Coils Electronic Co., Ltd. ("Xiamen Coils") and 南京國仲磁性材料製品有限公司 (Nanjing Guo Zhong Magnetic Material Co., Ltd.), two indirect wholly-owned subsidiaries of the Company. She is responsible for the overall management of the Group's business operation in Xiamen and Nanjing, the PRC and marketing of the Group in PRC. Ms. Li received a bachelor degree of English literature from Changchun Teacher's College, the PRC and a master of business administration from The University of Northern Virginia, the United States of America.

Under her current employment contract, which was amended by the supplemental agreement to employment contract dated 30th April, 2005, made with Xiamen Coils for a term of two years commencing from 1st May, 2005 regarding her employment as general manager, Ms. Li is entitled to receive a monthly salary of RMB10,000 and a monthly management bonus based on her performance determined by the board of directors of Xiamen Coils at its absolute discretion, provided that the total amount of bonuses payable to Ms. Li shall not exceed RMB120,000 per annum, which is determined by reference to her experience, duties, the Company's remuneration policy and the market conditions. In addition, Ms. Li currently receives HK\$20,000 per month as director's remuneration under a service agreement made with the Company for a term of two years commencing from 1st May, 2005 until terminated by either party giving to the other a prior notice of three months in writing (or such other period as the parties may agree in writing from time to time, but in any event not more than three months) before its expiration. The total remuneration of Ms. Li under the aforesaid agreements was recommended by Remuneration Committee of the Company and determined by the Board by reference to her duties and responsibilities with the Company, the Company's remuneration policy and the market benchmark. Ms. Li shall be subject to retirement by rotation in accordance with the Company's Bye-laws.

As at the Latest Practicable Date, Ms. Li is personally interested in 548,000 Shares (representing 0.08% of the issued share capital of the Company) within the meaning of Part XV of the SFO. Ms. Li is not related to any directors, senior management, substantial or controlling shareholders of the Company and did not hold any directorship in any other listed public companies in the three years preceding the Latest Practicable Date.

Mr. CHUA You Sing, aged 57, was appointed as an executive Director with effect from 1st May, 2005 and has over 35 years' extensive experience in management and electronic manufacturing business. He is responsible for developing new plants of the Group in PRC. He is also a director of CEC-Unitech.

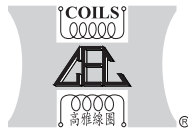
APPENDIX II PARTICULARS OF RETIRING DIRECTORS FOR RE-ELECTION

Mr. Chua has entered into a service agreement with the Company for a term of two years commencing from 1st May, 2005 until terminated by either party giving to the other a prior notice of three months in writing (or such other period as the parties may agree in writing from time to time, but in any event not more than three months) before its expiration. Under the service agreement, Mr. Chua is entitled to HK\$50,000 per month as director's remuneration, which was recommended by the Remuneration Committee of the Company and determined by the Board by reference to his duties and responsibilities with the Company, the Company's remuneration policy and the market benchmark. Mr. Chua shall be subject to retirement by rotation in accordance with the Company's Bye-laws.

As at the Latest Practicable Date, Mr. Chua does not have any interests in the Shares within the meaning of Part XV of the SFO. Mr. Chua is not related to any Directors, senior management, substantial or controlling shareholders of the Company and did not hold any directorship in any other listed public companies in the three years preceding the Latest Practicable Date. Mr. Chua was subject to a bankruptcy order dated 31st January, 2001 imposed by the High Court of Hong Kong and has been discharged therefrom since 31st January, 2005.

Save as disclosed herein, all the aforesaid retiring Directors confirmed that there is no other matter relating to their re-election that need to be brought to the attention of the Shareholders.

NOTICE OF ANNUAL GENERAL MEETING



CEC INTERNATIONAL HOLDINGS LIMITED

CEC國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 0759)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of CEC International Holdings Limited (the “Company”) will be held at Strategic Financial Relations Limited, Room 3203, 32th Floor, Admiralty Centre I, 18 Harcourt Road, Queensway, Hong Kong, on Friday, 23rd September, 2005 at 10:30 a.m. for the following purposes:

As ordinary business

1. To receive and adopt the audited accounts of the Company and the Reports of the Directors and the Auditors of the Company for the year ended 30th April, 2005.
- 2A. To re-elect the retiring Directors.
- 2B. To approve an increase in the rate of director’s fee for each of the independent non-executive Directors from HK\$300,000 per annum to HK\$360,000 per annum with effect from 1st May, 2005 until the conclusion of the next annual general meeting of the Company.
3. To re-appoint PricewaterhouseCoopers as the auditors of the Company to hold office until the conclusion of the next annual general meeting of the Company and to authorise the Board of Directors of the Company to fix their remuneration.
- 4A. To declare a final dividend of HK0.7 cent per share for the year ended 30th April, 2005.
- 4B. To approve that subject to the listing of, and permission to deal in, such new shares to be issued by the Company pursuant to this Resolution having been or being granted by the Listing Committee of The Stock Exchange of Hong Kong Limited, the final dividend of HK0.7 cent per share for the year ended 30th April, 2005 be distributed, at the election of the shareholders of the Company whose names appear on the Company’s register of members at the close of business on 23rd September, 2005, in the form of new shares in lieu of cash dividend pursuant to the scrip dividend scheme.

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

As special business

To consider, and if thought fit, pass with or without amendments, the following resolutions as Ordinary Resolutions:

ORDINARY RESOLUTIONS

5. “THAT:

- (i) subject to paragraph (iii) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company or securities convertible into shares of the Company and to make or grant offers, agreements and options, including warrants to subscribe for shares or securities convertible into or exchangeable for shares of the Company, which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options, including warrants to subscribe for shares or securities convertible into or exchangeable for shares of the Company, which might require the exercise of such powers after the end of the Relevant Period;
- (iii) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (i) above, otherwise than pursuant to (a) a Rights Issue (as hereinafter defined); (b) the exercise of any options granted under the share option schemes adopted by the Company; (c) the exercise of rights of subscription or conversion under the terms of any warrants or any securities convertible into shares of the Company or any similar instruments requiring the Company to issue shares, or (d) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares in accordance with the Company’s Bye-laws, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution, and the said approval shall be limited accordingly; and

- (iv) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the applicable laws or the Bye-laws of the Company to be held; and

NOTICE OF ANNUAL GENERAL MEETING

- (c) the date on which the authority set out in this Resolution is revoked or varied by passing an ordinary resolution of the Company in general meeting;

“Rights Issue” means an offer of shares in the capital of the Company open for a period fixed by the Directors to holders of shares in the Company whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

6. **“THAT:**

- (i) subject to paragraph (ii) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase the issued shares of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and which is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (ii) the aggregate nominal amount of shares of the Company which are authorised to be repurchased by the Directors pursuant to the approval in paragraph (i) above during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution, and the said approval shall be limited accordingly; and
- (iii) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the Bye-laws of the Company to be held; and
- (c) the date on which the authority set out in this Resolution is revoked or varied by passing an ordinary resolution of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

7. “**THAT** conditional upon the passing of the Resolutions numbered 5 and 6 set out in the notice of convening this meeting, the general mandate granted to the Directors and for the time being in force to exercise the powers of the Company to allot, issue and deal with new shares pursuant to the Resolution numbered 5 set out in the said notice be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to the said Resolution numbered 6, provided that such extended amount shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution.”

To consider, and if thought fit, pass with or without amendments, the following resolution as a Special Resolution:

SPECIAL RESOLUTION

8. “**THAT** the Bye-laws of the Company be and are hereby amended in the following manner:
- (a) by inserting the words “voting by way of a poll is required by the rules of the Designated Stock Exchange or” immediately after the words “decided on a show of hands unless” in Bye-law 66.
 - (b) by deleting the full-stop at the end of Bye-law 66(d) and replacing therewith a semi-colon and adding the word “or” immediately thereafter and by inserting the following as new Bye-law 66(e):
 - “(e) if required by the rules of the Designated Stock Exchange, by the chairman of such meeting and/or any Director(s) who, individually or collectively, hold proxies in respect of shares representing five per cent. or more of the total rights of all the Members having the right to vote at the meeting.”
 - (c) by deleting the existing Bye-law 68 in its entirety and substituting therefor the following:
 - “68. If a poll is duly demanded, the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange.”
 - (d) by deleting the existing Bye-law 84(2) in its entirety and substituting therefor the following as new Bye-law 84(2):
 - “(2) Where a Member is a clearing house (or its nominee(s) and in each case, being a corporation), it may authorise such person(s) as it thinks fit to act as its proxy or proxies or as its corporate representative(s) at any meeting of the

NOTICE OF ANNUAL GENERAL MEETING

Company or at any meeting of any class of shares in respect of which each such proxy or corporate representative is so authorised. Each person so authorised without further evidence of the facts shall be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person were the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) in respect of the number and class of shares specified in the relevant authorisation including, without limitation, the right to vote individually on a show of hands.”

- (e) by deleting the existing Bye-law 86(2) in its entirety and substituting therefor the following new 86(2):

“(2) (a) The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by shareholders in general meeting. Any Director so appointed by the Board shall hold office only until the next following annual general meeting of the Company, and shall then be eligible for re-election at that meeting.

(b) Without prejudice to Bye-law 86(2)(a), the Company may from time to time in general meeting elect any person to be a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office until the next following annual general meeting of the Company, and shall then be eligible for re-election at that meeting.”

- (f) by deleting the existing Bye-law 87 in its entirety and substituting therefor the following:

“87. Notwithstanding any other provisions in these Bye-laws or other terms on which any Director may be appointed or engaged, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, then the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years, or in any event, no later than the third annual general meeting after he was last elected or re-elected. A retiring Director shall be eligible for re-election and shall retain office until conclusion of the meeting or adjourned meeting at which he retires. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of Directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their

NOTICE OF ANNUAL GENERAL MEETING

last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Any Director appointed pursuant to Bye-law 86(2) shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation.”

- (g) by deleting the words “five (5) minutes” in the fourth line of the existing Bye-law 118 and substituting therefor the words “twenty (20) minutes”.
- (h) re-numbering the existing Bye-law 136 as Bye-law 136(1) and inserting the following new Bye-law 136(2):

“(2) Notwithstanding any provision contained in these Bye-laws, the Directors may, if permitted by applicable law, authorise the destruction of documents set out in sub-paragraphs (a) to (e) of paragraph (1) of this Bye-law and any other documents in relation to share registration which have been microfilmed or electronically stored by the Company or by the share registrar on its behalf provided always that this Bye-law shall apply only to the destruction of a document in good faith and without express notice to the Company and its share registrar that the preservation of such document was relevant to a claim.”

By Order of the Board
Li Lai Sheung
Company Secretary

Hong Kong, 30th August, 2005

Principal Place of Business in Hong Kong:

2nd Floor, Hing Win Factory Building
110 How Ming Street
Kwun Tong
Kowloon
Hong Kong

Notes:

1. Any member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and, including on a poll, vote in his stead. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf. A proxy need not be a member of the Company.
2. A form of proxy for the meeting is enclosed herewith. Completion and return of the form of proxy will not preclude a member from attending the meeting if he so wishes. In the event that a member who has lodged a form of proxy attends the meeting, his form of proxy will be deemed to have been revoked.

NOTICE OF ANNUAL GENERAL MEETING

3. To be valid, a form of proxy, together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority must be deposited at the office of the Hong Kong branch share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 46th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, not less than 48 hours before the time appointed for the holding of the meeting or any adjourned meeting thereof.
4. In the case of joint holders of any share, any one of such holders may vote at the meeting either personally or by proxy in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, the said holder whose name stands first in the register of members of the Company shall alone be entitled to vote in respect of that share.
5. The register of members of the Company will be closed from Friday, 16th September, 2005 to Friday, 23rd September, 2005, both dates inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend and the scrip dividend scheme, all completed transfer forms of shares (together with the relevant share certificates) must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by no later than 4:00 p.m. on Thursday, 15th September, 2005.
6. Members of the Company are advised to read the circular dated 30th August, 2005 which contains information concerning the relevant resolutions to be proposed in this notice.

As at the date of this Notice, the board of directors of the Company comprises four Executive Directors, namely Mr. Lam Wai Chun, Ms. Tang Fung Kwan, Mr. Chua You Sing and Ms. Li Hong, and three Independent Non-executive Directors, namely Mr. Au Son Yiu, Mr. Lee Wing Kwan, Denis and Dr. Tang Tin Sek.