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CEC-COILS®
CEC INTERNATIONAL HOLDINGS LIMITED
CEC 國際控股有限公司*
(Incorporated in Bermuda with limited liability)
(Stock Code : 759)

DISCLOSEABLE TRANSACTION
PROPOSED ACQUISITION OF PROPERTY

The Vendors and the Purchaser entered into the Agreement on 16 December 2011 for the sale and purchase of the Property at a consideration of HK\$38,000,000.

The proposed acquisition of the Properties constituted a discloseable transaction of the Company pursuant to Rule 14.06(2) of the Listing Rules.

THE AGREEMENT DATED 16 DECEMBER 2011

Parties:

Vendors: Cheung Wai Ching (章惠清), Chan Miu Miu (陳妙妙) and Chan Tak Wai (陳德偉)

The Directors confirm that, to the best of their knowledge, information and belief having made all reasonable enquiry, the Vendors are third parties independent of the Company and the connected persons of the Company.

Purchaser: Coils Electronic Co., Limited (高雅線圈製品有限公司), a wholly-owned subsidiary of the Company.

Properties to be acquired:

The Property

The Valuer has assessed the value of the Property as being HK\$38,277,000 as at 7 December 2011.

Payment terms:

The consideration for the sale and purchase of the Property is HK\$38,000,000 (the "**Consideration**") and is payable by the Purchaser in the following manner:

- (1) a sum of HK\$1,000,000 has been paid by the Purchaser by cheque today upon the signing of the Agreement to the Vendors' solicitors as stakeholders as initial deposit;
- (2) a sum of HK\$2,800,000 shall be paid on or before 29 December 2011 upon the signing of the formal agreement for sale and purchase to the Vendor's solicitors as stakeholders as further deposit; and
- (3) a sum of HK\$34,200,000 shall be paid upon completion as balance of the purchase price.

The Consideration will be satisfied by the Purchaser partly by the internal resources of the Group and partly by bank financing.

The Consideration was arrived at after arm's length negotiations and with reference to the valuation of the Property by the Valuer, being the market value which means the estimated amount for which the Property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

Completion

Completion of the Agreement will take place on or before 18 October 2012.

Vacant possession of the Property is to be delivered to the Purchaser upon completion.

Other terms

The Property is sold on "as is" basis.

The Property is now subject to a notice of unauthorized structure registered in the Land Registry of Hong Kong and the Purchaser will at its own expenses discharge the notice. Pursuant to the notice, an unauthorized structure is present at the yard at the side. The Directors estimate that the costs for rectifying the non-compliance and discharging the notice will be approximately HK\$3,500.

REASONS FOR THE ACQUISITION OF THE PROPERTY

The Company intends to hold the Property for investment purpose.

The Directors consider that the terms for the acquisition of the Property under the Agreement are fair and reasonable and in the interest of the shareholders of the Company as a whole.

INFORMATION ABOUT THE GROUP

The Group is principally engaged in the design, development, manufacture and sale of a wide range of coils, ferrite powder and other electronic components, which are generally used in the manufacture of various kinds of electronic and electrical products, as well as in holding investment properties and carrying out retail business of the food and beverage segments.

GENERAL

Since the value of the Consideration represents more than 5% but less than 25% of the market capitalisation of the Company, the entering into of the Agreement constituted a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules.

TERMS USED IN THIS ANNOUNCEMENT

"Agreement"	the binding provisional agreement for sale and purchase dated 16 December 2011 entered into between the Vendors and the Purchaser in relation to the sale and purchase of the Property
"Board"	the board of Directors
"Company"	CEC International Holdings Limited (CEC 國際控股有限公司), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
"connected persons"	has the meaning ascribed to it under the Listing Rules
"Directors"	the directors of the Company (including the independent non-executive directors of the Company)
"Group"	the Company and its subsidiaries
"HK\$"	Hong Kong dollars, the lawful currency of Hong Kong
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Property"	Workshop A, Ground Floor, Hing Win Factory Building, No. 110 How Ming Street, Kowloon, Hong Kong, which is owned by Cheung Wai Ching (章惠清), Chan Miu Miu (陳妙妙) and Chan Tak Wai (陳德偉) as tenants in common as to 50%, 25% and 25% respectively
"Purchaser"	Coils Electronic Co., Limited (高雅線圈製品有限公司), a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

"Valuer" Castores Magi (Hong Kong) Limited, an independent valuer appointed by the Company

"Vendors" collectively, Cheung Wai Ching (章惠清), Chan Miu Miu (陳妙妙) and Chan Tak Wai (陳德偉), the 50%, 25% and 25% tenants in common of the Property respectively

By Order of the Board
CEC International Holdings Limited
Lam Wai Chun
Chairman

Hong Kong, 16 December 2011

As at the date of this announcement, the board of directors of the Company comprises five executive directors, namely Mr. Lam Wai Chun, Ms. Tang Fung Kwan, Ms. Li Hong, Mr. Chung Wai Kin and Mr. Ho Man Lee; and four independent non-executive directors, namely Mr. Au Son Yiu, Dr. Tang Tin Sek, Mr. Goh Gen Cheung and Professor Zhu Yuhe.

** For identification purpose only*