



CEC INTERNATIONAL HOLDINGS LIMITED

CEC 國際控股有限公司 *

(Incorporated in Bermuda with limited liability)

(Stock Code: 0759)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of CEC International Holdings Limited (the "Company") will be held at 2nd Floor, Hing Win Factory Building, 110 How Ming Street, Kwun Tong, Kowloon, Hong Kong, on Monday, 27th September, 2004 at 10:30 a.m. for the following purposes:

As ordinary business

- 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, 2004.
- To declare a final dividend for the year ended 30th April, 2004.
- To re-elect a retiring Director.
- To approve the payment of a director's fee of HK\$300,000 per annum for each of the independent non-executive Directors until the conclusion of the next annual general meeting of the Company.
- 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 to fix their remuneration.

As special business

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

ORDINARY RESOLUTIONS

- "THAT:**
 - 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;
 - 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;
 - 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
 - for the purposes of this Resolution:

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

 - the conclusion of the next annual general meeting of the Company;
 - 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
 - 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)."

- "THAT:**
 - 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;
 - 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
 - for the purposes of this Resolution:

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

 - the conclusion of the next annual general meeting of the Company;
 - 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
 - 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."

- "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

- "THAT** the Bye-laws of the Company be and are hereby amended in the following manner:
 - by inserting the following new definitions in Bye-law 1:

""associate" shall have the meaning as defined in the Listing Rules.

"Listing Rules" The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)."
 - by deleting the existing definition of "clearing house" in its entirety in Bye-law 1 and substituting therefor the following:

""clearing house" a recognised clearing house within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) or a clearing house or authorised shares depository recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction."
 - by inserting the following as new Bye-law 66A immediately after the existing Bye-law 66:

"66A. Where any Member is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted."

(d) by deleting the existing Bye-law 103 in its entirety and substituting therefor the following:

"103.(1) A Director shall not vote (nor shall he be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or proposal in which he or any of his associate(s) has/have a material interest, and if he shall do so his vote shall not be counted (nor shall he be counted in the quorum for that resolution), but this prohibition shall not apply to any of the following matters namely:

- the giving of any security or indemnity either:
 - to the Director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or
 - to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) is/are himself/ themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- any proposal concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or his associate(s) is/are beneficially interested in shares of that company, provided that the Director and any of his associates are not in aggregate beneficially interested in five (5) per cent or more of the issued shares of any class of such company (or of any third company through which his interest or that of his associate(s) is derived) or of the voting rights;
- any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
 - the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his associate(s) may benefit; or
 - the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, his associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or his associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
- any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.

- A company shall be deemed to be a company in which a Director and any of his associates are materially interested in if and so long as (but only if and so long as) he together with any of his associates is (either directly or indirectly) the holder of or beneficially interested in, in aggregate, five (5) per cent. or more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or of the voting rights of any class of shares available to shareholders of such company. For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee and in which he or his associate(s) has/have no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associate(s) is/are interested only as a unit holder and any shares which carry no voting right at general meetings and very restrictive dividend and return of capital right.
- Where a company in which a Director and any of his associates in aggregate hold five (5) per cent or more of any class of the equity share capital of such company or of the voting rights of any class of shares available to shareholders of such company is materially interested in a transaction, then that Director shall also be deemed materially interested in such transaction.
- If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or as to the entitlement of any Director (other than such chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned or his associate(s) as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting, such question shall be decided by a resolution of the Board (for which purpose such chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman or his associate(s) as known to such chairman has not been fairly disclosed to the Board."

(e) by deleting the existing Bye-law 88 in its entirety and substituting therefor the following:

"88. No person, other than a Director retiring at the meeting, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless a Notice of the intention to propose that person signed by a Member (other than the person to be proposed) duly qualified to attend and vote at the general meeting for which such Notice is given of his intention to propose such person for election as a Director and also a Notice signed by that person to be proposed of his willingness to be elected shall have been lodged at the Office or at the head office or at the principal place of business provided that the minimum length of the period during which such Notices may be given will be at least seven (7) days commencing no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting."

By Order of the Board
Li Lai Sheung
Company Secretary

Hong Kong, 30th August, 2004

Principal Place of Business in Hong Kong:

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

Notes:

- 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.
- 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.
- 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 Shops 1712-1716, 17th 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.
- 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.
- The register of members of the Company will be closed from Wednesday, 22nd September, 2004 to Monday, 27th September, 2004, both dates inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend, all transfers of shares (together with the relevant share certificates) must be lodged with the Company's 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 Tuesday, 21st September, 2004.

As at the date hereof, the Board of Directors of the Company comprises four Executive Directors, namely Mr. Lam Wai Chun, Ms. Tang Fung Kwan, Mr. Huang Kong, Mr. Law Hoo Shan and three Independent Non-executive Directors, namely Mr. Au Son Yiu, Mr. Lee Wing Kwan, Denis and Mr. Tang Tin Sek.

* For identification purpose only