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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 IN RELATION TO THE TENANCY AGREEMENT

The Board announces that on 12 May 2026 (after trading hours), Coils Electronic (an indirectly wholly-owned subsidiary of the Company) as the Tenant entered into the Tenancy Agreement with the Landlord in relation to the lease of the Warehouse Premises for a term of 28 months and 8 days commencing from 10 April 2027 to 17 August 2029 (both days inclusive).

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the acquisition of right-of-use asset under the Tenancy Agreement based on the value of the right-of-use asset recognised by the Group pursuant to HKFRS 16 exceeds 5% but less than 25%, the entering into of the Tenancy Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to reporting and announcement requirements but exempt from shareholders' approval requirement.

INTRODUCTION

The Board announces that on 12 May 2026, Coils Electronic (an indirectly wholly-owned subsidiary of the Company) as the Tenant entered into the Tenancy Agreement with the Landlord in relation to the leasing of the Warehouse Premises for a term of 28 months and 8 days commencing from 10 April 2027 to 17 August 2029 (both days inclusive).

THE TENANCY AGREEMENT

The principal terms of the Tenancy Agreement are set out below:

Parties	:	ATL Logistics (as the Landlord) Coils Electronic (as the Tenant)
Date	:	12 May 2026
Warehouse Premises	:	Gridlines 5020E-5027E on the 5th Floor, ATL Logistics Centre Phase III (Centre B), Berth No. 3, Kwai Chung Container Terminal, Kwai Chung, New Territories, Hong Kong
Term	:	28 months and 8 days commencing from 10 April 2027 to 17 August 2029 (both days inclusive)
Rental	:	HK$833,893.50 per calendar month (Rental is exclusive of management fees, government rates, government rent, utility charges and all other outgoings which shall be borne by the Tenant.)

The rental payable under the Tenancy Agreement was determined after arm's length negotiations between the Tenant and the Landlord with reference to the prevailing market rent of comparable properties, and will be satisfied by internal resources of the Group.

INFORMATION ABOUT THE PARTIES

The Company is an investment holding company and the principal business activities of its subsidiaries are (i) retail of food and beverage, household and personal care products, (ii) design, development, manufacture and sale of a wide range of coils, ferrite powder and other electronic components, and (iii) investment property holdings.

The principal businesses of Coils Electronic are investment holding; manufacture and sale of coils and other electronic components; retail business.

To the best of the Director's knowledge, information and belief, having made all reasonable enquiries, the Landlord's principal activities are the operation of cargo handling and storage facilities and its ultimate beneficial owners are Goodman Limited (a company listed on the Australian Securities Exchange, stock code: GMG), DP World Limited (a company which is ultimately owned by the government of Dubai), CTF Services Limited (a company listed on the Main Board of the Stock Exchange, stock code: 659) and Central Development Limited (a private company incorporated in Hong Kong).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Landlord and its ultimate beneficial owners is an Independent Third Party.

REASONS FOR AND BENEFITS OF ENTERING INTO THE TENANCY AGREEMENT

The Group operates over 160 shops of 759 Store in various districts in Hong Kong. The Warehouse Premises is located in a logistics centre adjacent to the container terminal in Kwai Chung. Its size, location and facilities as a whole is in line with the Group's requirements.

The terms of the Tenancy Agreement, including the rent, were determined after arm's length negotiations between the Tenant and the Landlord and with reference to the prevailing market rent of comparable premises. The Board considers that the terms of the Tenancy Agreement are on normal commercial terms, and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

Under the Tenancy Agreement, the total consideration payable by the Tenant amounts to approximately HK$23,556,000, with a security deposit amounts to approximately HK$2,502,000. The value of the right-of-use assets under the Tenancy Agreement in aggregate to be recognised by the Group according to HKFRS 16 amounts to approximately HK$21,100,000 (unaudited), representing the present value of the lease payments payable under the fixed terms of the Tenancy Agreement in aggregate.

The lease transactions under the Tenancy Agreement are transactions involving acquisition of assets as defined under Rule 14.04(1)(a) of the Listing Rules. In accordance with HKFRS 16 "Leases", the Group will recognise the present value of the lease payments under the fixed terms of the Tenancy Agreement in aggregate as right-of-use assets in its consolidated financial statements.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the acquisition of right-of-use asset under the Tenancy Agreement based on the fair value of the right-of-use asset recognised by the Group pursuant to HKFRS 16 exceeds 5% but less than 25%, the entering into of the Tenancy Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to reporting and announcement requirements but exempt from shareholders' approval requirement.

DEFINITIONS

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

"Board"	the board of Directors
'Company"	CEC International Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 759)
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"HKFRS 16"	Hong Kong Financial Reporting Standards 16 – "Leases" issued by the Hong Kong Institute of Certified Public Accountants
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Third Party(ies)"	any entity(ies) or person(s) which, to the best of the Directors' knowledge, information and belief having made reasonable enquiries, is not a connected person of the Company within the meaning ascribed to it under the Listing Rules
"Landlord" or "ATL Logistics"	ATL Logistics Centre Hong Kong Limited, a company incorporated in Hong Kong with limited liability and the landlord of the Warehouse Premises under the Tenancy Agreement
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange

"PRC"	the People's Republic of China
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Tenancy Agreement"	the Tenancy Agreement dated 12 May 2026 in relation to the lease of the Warehouse Premises
"Tenant" or "Coils Electronic"	Coils Electronic Co., Limited, a company incorporated in Hong Kong with limited liability, an indirectly wholly-owned subsidiary of the Company and the tenant of the Warehouse Premises under the Tenancy Agreement
"Warehouse Premises"	Gridlines 5020E-5027E on the 5th Floor, ATL Logistics Centre Phase III (Centre B), Berth No. 3, Kwai Chung Container Terminal, Kwai Chung, New Territories, Hong Kong
"%"	per cent

By Order of the Board of
CEC International Holdings Limited
Tang Fung Kwan
Chairman

Hong Kong, 12 May 2026

As at the date of this announcement, the board of directors of the Company comprises three executive directors, namely Ms. Tang Fung Kwan, Mr. Lam Kwok Chung and Mr. Ho Man Lee; and three independent non-executive directors, namely Mr. Goh Gen Cheung, Mr. Chan Chiu Ying and Ms. Tsui Mei Ling, May.

* *For identification purpose only*