

Listed Company Information

KARCE INTL HOLD<1159> – Announcement

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KARCE INTERNATIONAL HOLDINGS COMPANY LIMITED
(incorporated in Bermuda with limited liability)

ANNOUNCEMENT

The board of directors of Karce International Holdings Company Limited wishes to announce two proposed transactions with two separate independent third parties located in the United States of America and Taiwan in relation to the manufacture of high-tech flat liquid crystal display (LCD) panels and multi-layer printed circuit board (PCB) respectively.

The Board wishes to announce that no agreement has been executed at this stage in relation to the above proposed transactions. Investors are reminded that the above proposed transactions may or may not proceed.

The board of directors (the "Board") has noted the recent increases in the

price of the shares of Karce International Holdings Company Limited (the "Company").

The Board wishes to announce that the Company is presently in negotiation with an independent third party located in the United States of America for a possible co-operation to develop and manufacture high-tech flat liquid crystal display (LCD) panels and other related materials, components and products for sale in Asia.

Further to the announcement dated 2nd February, 2000 made by the Company, the Board wishes to announce that the Company is still in discussion with a Taiwanese publicly listed company who is an independent third party to manufacture and sell multi-layer printed circuit board (PCB).

The Board confirms that the above two independent third parties are independent from, not connected with the Company or any of its subsidiaries or the substantial shareholder, chief executive and directors of the Company and its subsidiaries and their respective associates (as defined in the Rules Governing the Listing of Securities on the Stock Exchange).

The Board wishes to announce that no agreement has been executed at this stage in relation to the above proposed transactions. Further announcement will be made as and when appropriate. Investors are reminded that the above proposed transactions may or may not proceed.

Save for the above, the Board confirms that there are no negotiations or agreements relating to intended acquisitions or realisations

which are discloseable under paragraph 3 of the Listing Agreement, neither is the Board aware of any matter discloseable under the general obligation imposed by paragraph 2 of the Listing Agreement, which is or may be of a price-sensitive nature.

Investors are advised to take caution in dealings in the shares of the Company.

For and on behalf of the Board
Tong Shek Lun
Chairman

Hong Kong, 16th February, 2000