

Listed Company Information

KARCE INTL HOLD<1159> – Announcement

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

Announcement on Share Price Movement

The board of directors of Karce International Holdings Company Limited wishes to clarify the recent share price movements.

This statement is made at the request of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

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 who is independent from, not connected with and not acting in concert with the substantial shareholder, chief executive and directors of the Company and all its subsidiaries and all their respective associates (as defined in the Rules Governing the Listing of Securities on the Stock Exchange) for a possible placement of new shares in a subsidiary of the Company. Such subsidiary is an investment holding company which owns the entire interest in a foreign-wholly owned enterprise established in the People's Republic of China which is principally engaged in the manufacture and sale of printed circuit boards. The Board

wishes to announce that the negotiation is in a preliminary stage and no agreement has been executed at this stage.

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 reminded that the proposed placement may or may not proceed. Investors are advised to take caution in dealings in the shares of the Company.

Made by the order of the Board the directors of which individually and jointly accept responsibility for the accuracy of this statement.

For and on behalf of the Board
Tong Shek Lun
Chairman

Hong Kong, 2nd February, 2000