



**KARCE INTERNATIONAL HOLDINGS COMPANY LIMITED**  
**(泰盛實業集團有限公司\*)**

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 1159)

**NOTICE OF THE SPECIAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that a special general meeting (“SGM”) of Karce International Holdings Company Limited (the “Company”) will be held at Crystal Room No. 7, 3/F, Panda Hotel, 3 Tsuen Wah Street, Tsuen Wan, Hong Kong on Wednesday, 17 December 2008, at 3:00 p.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions as ordinary resolutions of the Company:

1. **“THAT** the conditional agreement dated 30 April 2008 (as supplemented by the agreement dated 24 October 2008) (“**Acquisition Agreement**”) entered into between Sourcestar Profits Limited (“**Sourcestar Profits**”, as the purchaser), China Eagle Development Limited, Fairtime International Limited (collectively the “**Vendors**”), the Company (as warrantor of Sourcestar Profits), Chan Shun Yuen and Hsu Ming Shan (copy of which has been produced to the meeting marked “A” and signed by the chairman of the meeting for the purpose of identification) in relation to, among others, the acquisition (“**Acquisition**”) of the entire issued share capital in Pacific Choice Holdings Limited (“**Target Company**”) and the loans outstanding made by or on behalf of the Vendors to the Target Company by Sourcestar Profits from the Vendors, subject to the terms and conditions of the Acquisition Agreement as set out in the circular (“**Circular**”) of the Company dated 28 November 2008 (copy of which has been produced to the meeting marked “B” and signed by the chairman of the meeting for the purpose of identification) and all the transactions contemplated thereby (including without limitation the issue of the Convertible Bonds (as defined in the Circular), the allotment and issue of the Conversion Shares (as defined in the Circular) upon exercise of the conversion rights attaching to the Convertible Bonds, and the issue of the Promissory Note (as defined in the Circular)) be and they are hereby approved, and that the directors of the Company (“**Directors**”) be and they are hereby authorized to do all such acts and things, to sign and execute all such further documents and to take such steps as the Directors may consider necessary, appropriate, desirable or expedient to give effect to or in connection with the Acquisition Agreement or the transactions contemplated thereunder and the amendments thereto (to the extent such amendments are not material in the context of the entire transaction as a whole).”

\* For identification purposes only

2. “**THAT** the authorized share capital of the Company be and is hereby increased from HK\$200,000,000 divided into 2,000,000,000 shares of par value HK\$0.10 each (“**Shares**”) to HK\$2,000,000,000 divided into 20,000,000,000 Shares by the creation of 18,000,000,000 new Shares in the capital of the Company, and that the Directors be and they are hereby authorized to do all such acts and things, to sign and execute all such further documents and to take such steps as the Directors may consider necessary, appropriate, desirable or expedient to give effect to or in connection with such increase in the authorized share capital of the Company.”

Yours faithfully,  
For and on behalf of the board of Directors  
**Karce International Holdings Company Limited**  
**Tong Shek Lun**  
*Chairman and Managing Director*

Hong Kong, 28 November 2008

*Notes:*

1. Any member entitled to attend and vote at the SGM shall be entitled to appoint another person as his proxy to attend and, in the event of a poll, vote instead of him. A proxy need not be a member of the Company.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney or other person duly authorized to sign the same.
3. Where there are joint registered holders of any share, any one of such persons may vote at the SGM, 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 is present at the SGM the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
4. In order to be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power of attorney or authority, must be deposited at the Company’s branch share registrar in Hong Kong, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the SGM or any adjourned meeting.
5. Delivery of the form of proxy will not preclude a member from attending and voting in person at the SGM convened and in such event, the form of proxy shall be deemed to be revoked.

*As at the date of this announcement, the Board consists of three executive Directors, Mr. Tong Shek Lun, Mr. Chim Kim Lun, Ricky and Mr. Cheng Kwok Hing, Andy, two non-executive Directors, Mr. Lee Kwok Leung and Mr. Yang Yiu Chong, Ronald Jeffrey and three independent non-executive Directors, Mr. Sun Yaoquan, Mr. Goh Gen Cheung and Mr. Wan Hon Keung.*