

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



## **KARCE INTERNATIONAL HOLDINGS COMPANY LIMITED**

**(泰盛實業集團有限公司\*)**

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 1159)

### **DISPOSAL OF SHARES BY CONTROLLING SHAREHOLDER MOVEMENTS IN PRICE AND TRADING VOLUME AND RESUMPTION OF TRADING**

This announcement is made pursuant to Rule 13.09(1) of the Listing Rules.

The Board announced that it has been informed by its controlling shareholder, Sapphire Profits Limited, that it has disposed 48,816,000 Shares in the Company, representing approximately 8.97% of the issued share capital of the Company, on 3 July 2007 on the market at a price from HK\$0.58 to HK\$0.65 per Share. As a result of the Disposal, the shareholding of Sapphire Profits Limited and its parties acting in concert in the Company will change from approximately 42.47% to 33.5%.

The Directors noted the decrease in the price and increase in the trading volume of the Shares today and wish to state that, save as disclosed in this announcement, they are not aware of the reasons for such movements.

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 12:27 p.m. on Tuesday, 3 July 2007 pending the release of this announcement. Application has been made for trading to resume at 9:30 a.m. on Wednesday, 4 July 2007.

**Shareholders and potential investors are advised to exercise caution when dealing in shares of the Company.**

This announcement is made pursuant to Rule 13.09(1) of the Listing Rules.

The Board announced that it has been informed by its controlling shareholder, Sapphire Profits Limited, that it has disposed 48,816,000 Shares in the Company, representing approximately 8.97% of the issued share capital of the Company, on 3 July 2007 on the market at a price from HK\$0.58 to HK\$0.65 per Share. As a result of the Disposal, the shareholding of Sapphire Profits Limited and its parties acting in concert in the Company will change from approximately 42.47% to 33.5%. To the best knowledge of the Directors and based on the disclosures of interests received by the Company as at the date of this announcement, and after having made reasonable inquiry, there will be no change in the controlling shareholder(s) and the substantial shareholder(s) (both terms as defined in the Listing Rules) after the Disposal. The Company has not been informed of any change or intended change to the Board composition as a result of the Disposal. Below is the shareholding of the Company immediately before and after the Disposal based on the knowledge of the Directors:

	Shareholding immediately before the Disposal		Shareholding immediately after the Disposal	
	No. of Shares (Approximate)	%	No. of Shares (Approximate)	%
Sapphire Profits Limited (note 1)	231,180,000	42.47	182,364,000	33.50
Perfect Treasure Investment Limited (note 2)	88,100,000	16.18	88,100,000	16.18
Public	225,076,000	41.35	273,892,000	50.32
Total:	<u>544,356,000</u>	<u>100</u>	<u>544,356,000</u>	<u>100</u>

Notes:

1. Sapphire Profits Limited is a company incorporated in the British Virgin Islands whose issued share capital is held by Mr. Tong Shek Lun, Ms. Ko Lai King, Kinny and Ms. Chung Wai Yu, Regina, all are Directors, as to approximately 93.87%, 3.46% and 2.67%, respectively.
2. Perfect Treasure Investment Limited is a company incorporated in Hong Kong and a wholly-owned subsidiary of Sing Tao News Corporation Limited, a company incorporated in Bermuda and whose securities are listed on the Stock Exchange.

The Directors noted the decrease in the price and increase in the trading volume of the Shares today and wish to state that, save as disclosed in this announcement, they are not aware of the reasons for such movements. The Board also confirmed that save as disclosed herein, there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under Rule 13.23 of the Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 12:27 p.m. on Tuesday, 3 July 2007 pending the release of this announcement. Application has been made for trading to resume at 9:30 a.m. on Wednesday, 4 July 2007.

Reference is made to the Company's announcement dated 3 July 2007 in relation to suspension of trading of the Shares, which was published at 2:14 p.m. on 3 July 2007. Trading in the Shares was suspended with effect from 12:27 p.m., instead of 2:30 p.m., on 3 July 2007.

**Shareholders and potential investors are advised to exercise caution when dealing in shares of the Company.**

This announcement is made by order of the Board, the Directors of which individually and jointly accept responsibility for the accuracy of this announcement.

## DEFINITIONS

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

“Board”	the board of Directors
“Company”	Karce International Holdings Company Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of 48,816,000 Shares (representing approximately 8.97% of the issued share capital of the Company) by the controlling shareholder of the Company, Sapphire Profits Limited, on the market on 3 July 2007
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the Board of  
**Karce International Holdings Company Limited**  
**Tong Shek Lun**  
*Chairman and Managing Director*

Hong Kong, 3 July 2007

*As at the date of this announcement, the Board consists of three executive Directors, Mr. Tong Shek Lun, Ms. Ko Lai King, Kinny and Ms. Chung Wai Yu, Regina, 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. Chan Ho Man.*

*\* for identification only*