



KARCE INTERNATIONAL HOLDINGS COMPANY LIMITED

(泰盛實業集團有限公司*)

(incorporated in Bermuda with limited liability)

(Stock code: 1159)

DISCLOSURE PURSUANT TO RULES 13.13 AND 13.15 OF THE LISTING RULES

This announcement is made pursuant to Rules 13.13 and 13.15 of the Listing Rules to disclose details of the relevant advance to certain entity, comprising trade receivables as detailed below, which exceeded 8% of the Company's market capitalisation.

This announcement is made by Karce International Holdings Company Limited (the "Company"), in compliance with Rules 13.13 and 13.15 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

As at 31st December, 2005 (the "Relevant Date"), there were 550,776,000 shares of the Company in issue. Based on the average closing price of the Company's shares of HK\$0.272 per share as stated in the daily quotation sheets of the Stock Exchange for the five business days immediately preceding the Relevant Date, the market capitalisation of the Company was HK\$149,811,072 as at the Relevant Date.

According to the latest management accounts of the Company and its subsidiaries (the "Group") as at 31st December, 2005, trade receivables from a customer of the Group, namely Giant Electronics Limited (the "Customer") amounted to approximately HK\$24,807,000, which represents approximately 16.56% of the market capitalisation of the Company as at Relevant Date. Under Rules 13.13 and 13.15 of the Listing Rules, the Company's general disclosure obligation of certain particulars of the trade receivables as prescribed under Rule 13.15 arose.

To the knowledge of the directors of the Company, the Customer is an independent third party not connected with the directors, chief executive, substantial shareholders of the Company or any of its subsidiaries. The trade receivables were arisen in the ordinary course of business of the Group and was unsecured, interest free and repayable within 120 days.

Save as disclosed above, there is no other matter which is discloseable under the general disclosure obligations imposed by Rules 13.13 to 13.19 of the Listing Rules as at the date of this announcement.

As at the date of this announcement, the board consists of four executive directors, Mr. Tong Shek Lun, Mr. Li Ka Fai, Fred, 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.

By Order of the Board
Karce International Holdings Company Limited
Tong Shek Lun
Chairman

Hong Kong, 10th January, 2006

** For identification purpose only*

Please also refer to the published version of this announcement in The Standard.