



# **KARCE INTERNATIONAL HOLDINGS COMPANY LIMITED**

**(泰 盛 實 業 集 團 有 限 公 司\*)**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code : 1159)**

## **ANNOUNCEMENT**

The Board wishes to inform the shareholders of the Company and investors that:-

- (1) Ascalade, an available-for-sale investment owned as to approximately 14.7% by the Company and the shares of which are listed on the Toronto Stock Exchange, has issued an announcement to revise its financial guidance for the financial year 2006; and
- (2) the closing share price of Ascalade has dropped from CAD5.93 per share on 20 September 2006 (Canadian time) to CAD2.25 per share on 25 September 2006 (Canadian time).

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

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors (the “Board”) of Karce International Holdings Company Limited (the “Company”) and together with its subsidiaries (the “Group”) wishes to inform the shareholders of the Company and investors that:

- (1) Ascalade Communications Inc. (“Ascalade”), an available-for-sale investment owned as to approximately 14.7% by the Company and the shares of which are listed on the Toronto Stock Exchange, has issued an announcement (the “Announcement”) to revise its financial guidance for the financial year 2006 on 20 September 2006 (Canadian time). Pursuant to the Announcement, Ascalade announced that revenue for the financial year 2006 is expected to be below the amount it has reported in 2005. Details of the announcement are set out at [www.ascalade.com/press](http://www.ascalade.com/press).
- (2) the closing share price of Ascalade has dropped from CAD5.93 per share on 20 September 2006 (Canadian time) to CAD2.25 per share on 25 September 2006 (Canadian time). There is no assurance that the share price of Ascalade may further fluctuate.

Further details of Ascalade’s impact to the Group will be disclosed when the annual results for the year ending 31 December 2006 is being announced.

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

By order of the board of  
**Karce International Holdings Company Limited**  
**Tong Shek Lun**  
*Chairman*

Hong Kong, 26 September 2006

*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 purpose only*

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