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**KARCE INTERNATIONAL HOLDINGS COMPANY LIMITED**

(泰盛實業集團有限公司\*)

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 1159)

## MAJOR TRANSACTION

### ASSIGNMENT OF LOAN AND ADVANCES AND SUBSCRIPTION OF SECURITIES

#### FURTHER DELAY IN DESPATCH OF CIRCULAR

Reference is made to the announcement of the Company dated 24 March, 2005 pursuant to which the Company announced that the despatch of the circular in relation to the Transactions would be delayed to a date falling on or before 18 April, 2005. The Company wishes to announce that the despatch of the circular will be further delayed to a date falling on or before 9 May, 2005.

Reference is made to the announcement of the Company dated 24 March, 2005 (“**Announcement**”) regarding the delay in despatch of the circular in relation to the Transactions (“**Circular**”). Unless otherwise specified, all capitalized terms used herein shall have the same meanings as defined in the Announcement.

As announced by the Company in the Announcement, the despatch of the Circular to the Shareholders would be delayed to a date falling on or before 18 April, 2005. The Company is currently preparing its annual results for the year ended 31 December, 2004 to be announced on or before 30 April, 2005 (and such information will be included in the Circular). Also, the Company is in the course of gathering information from and discussing various financial issues with Ascalade Inc. for preparation of the accountants’ report of Ascalade Inc. to be incorporated in the Circular. Accordingly, additional time is required and the despatch of the Circular will be further delayed to a date falling on or before 9 May, 2005. The Company has applied to the Stock Exchange for a further extension of the date for despatch of the Circular to the Shareholders.

The Directors are pleased to announce that the Transactions were completed on 31 March, 2005. Also, the Directors were informed that Ascalade Inc. had applied to list its shares (“**Proposed Listing**”) on the Toronto Stock Exchange (“**TSX**”). Listing of Ascalade Inc. Shares is subject to approval by the TSX of Ascalade Inc.’s listing application and fulfilment by Ascalade Inc. of all of the listing requirements. As of today, the TSX has not approved the listing of Ascalade Inc. Shares and there is no assurance that the TSX will approve Ascalade Inc.’s listing application.

**Accordingly, the Proposed Listing may or may not materialize and the Shareholders and investors are advised to exercise caution when dealing in the Shares.**

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. Tsao Kwang Yung, Peter and Mr. Goh Gen Cheung.

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

Hong Kong, 19 April, 2005

\* *for identification only*

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