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KARL THOMSON HOLDINGS LIMITED

高信集團控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 7)

**ANNOUNCEMENT
FURTHER DELAY IN DESPATCH OF CIRCULAR
IN RELATION TO
MAJOR TRANSACTION
ACQUISITION OF THE ISSUED SHARE CAPITAL OF SWISS-INVEST
PETROLEUM GROUP LIMITED
AND GRANT OF SHAREHOLDER'S LOAN**

Company announces that further additional time is required to negotiate the principal terms of the Formal Agreement and prepare the technical report for incorporation into the Circular. As such, the Company has applied to the Stock Exchange for a further extension of time for despatch of the Circular to the Shareholders to on or before 20 April 2006.

Reference is made to the announcements of the Company dated 14 February 2006 and 7 March 2006 respectively (the “**Announcements**”) in relation to, among others, the Major Transaction, the Subscription and the delay in despatch of the Circular. Unless otherwise defined, capitalised terms used herein shall have the same meanings as ascribed to them in the Announcements.

Pursuant to Rule 14.38 of the Listing Rules, the Company is required to, within 21 days after publication of the announcement of the Company dated 14 February 2006, that is, on or before 8 March 2006, despatch to Shareholders the Circular and the Stock Exchange has granted to the Company a waiver from strict compliance with the requirement under Rule 14.38 of the Listing Rules and an extension of time for despatch of the Circular to the Shareholders to on or before 5 April 2006. However, as the Company requires further additional time to negotiate the principal terms of the Formal Agreement and prepare the technical report for incorporation into the Circular, the Company has applied to the Stock Exchange for a further extension of time for despatch of the Circular to the Shareholders to on or before 20 April 2006.

By order of the Board
Karl Thomson Holdings Limited
Lam Kwok Hing
Chairman

Hong Kong, 4 April 2006

** For identification purposes only.*

As at the date of this announcement, the executive Directors are Messrs. Lam Kwok Hing and Nam Kwok Lun, and the independent non-executive Directors are Messrs. Chen Wei-ming, Eric, Kwan Wang Wai, Alan and Ng Chi Kin, David.

Please also refer to the published version of this announcement in China Daily.