



## KARL THOMSON HOLDINGS LIMITED

高信集團控股有限公司\*

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 7)

### LATEST DEVELOPMENT ON DISCLOSEABLE TRANSACTION INVESTMENT IN THE SHARE CAPITAL OF ORIENTAL VICTOR LIMITED AND GRANT OF SHAREHOLDER'S LOAN

The Board wishes to announce that the Company has been informed today that the Presidential Decree in relation to the concession right of the Oil Field has been granted to Aminex Petroleum.

Reference is made to the announcement of the Company published on 25 April 2006 (the "Announcement") in relation to, among others, the discloseable transaction regarding the Investment. Unless otherwise defined, capitalised terms used herein shall have the same meanings as ascribed to them in the Announcement.

The Company has previously obtained a legal opinion from a Egyptian law practitioner who advised that the conventional administrative process after a tender is awarded is as follows:-

- a) Relevant Concession Agreement is sent to the Ministry of Petroleum for the approval.
- b) The Ministry of Petroleum in turns presents such concession to Cabinet of Ministers for Approval and requests that it be sent to Egyptian Parliament.
- c) The Egyptian Parliament approves the concession and issues a special Law in this regard.
- d) A Presidential Decree is then issued granting the said concession to the successful bidder.

The Company has previously been advised that approvals of the concession right of the Oil Field have already been obtained from the Ministry of Petroleum and the Cabinet of Ministers. The Board wishes to announce that the Company has been informed today that approval by the Egyptian Parliament has been obtained and that the Presidential Decree in relation to the concession right of the Oil Field has also been granted to Aminex Petroleum Egypt Ltd. ("**Aminex Petroleum**"), which was referred to as Company C in the Announcement.

It is expected that the actual signing of the Concession Agreement shall take place in Egypt around late June/early July 2006.

A circular, containing further details of the Investment and further particulars of the concession right of the Oil Field, will be despatched to the Shareholders on or before 20 June 2006.

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

Hong Kong, 2 June 2006

\* *For identification purposes only.*

*As at the date of this announcement, the Executive Directors are Mr. Lam Kwok Hing and Mr. Nam Kwok Lun, and the Independent Non-Executive Directors are Mr. Chen Wei-ming, Eric, Mr. Kwan Wang Wai, Alan and Mr. Ng Chi Kin, David.*

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