



Hong Kong Exchanges and Clearing Limited

香港交易及結算所有限公司

The Stock Exchange of Hong Kong Limited

(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

ANNOUNCEMENT

In relation to the matter of China Specialised Fibre Holdings Limited (In Liquidation) (Stock Code: 285)

Proceeding to the third stage of the delisting procedures as stipulated under Practice Note 17 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”)

The Exchange announces that effective from the date of this announcement, the Company will be put into the third stage of the Delisting Procedures.

Pursuant to the Delisting Procedures, the Company will have a final period of six months for the submission of a viable resumption proposal to the Exchange. If the Company does not put forward a viable resumption proposal as required, the Exchange intends to cancel the listing of the Company on the expiry of the six-month period from the date of this announcement (i.e. 22 September 2005).

The Stock Exchange of Hong Kong Limited (the “Exchange”) announces that effective from the date of this announcement, China Specialised Fibre Holdings Limited (In Liquidation) (the “Company”) will be put into the third stage of the delisting procedures in accordance with Practice Note 17 to the Listing Rules (the “Delisting Procedures”). Practice Note 17 formalises the procedures to be adopted in dealing with long suspended companies.

Dealing in the shares of the Company has been suspended since 26 November 2002. At the end of the second stage of the Delisting Procedures, which in the case of the Company was 1 March 2005, the Company had not submitted any viable resumption proposal. A viable resumption proposal means a proposal that, if it were implemented, would enable the Company to demonstrate that it complies with Rule 13.24 of the Listing Rules. Rule 13.24 of the Listing Rules requires the Company to carry out, directly or indirectly, a sufficient level of operations or have tangible assets of sufficient value and/or intangible assets for which a sufficient potential value can be demonstrated to the Exchange to warrant the continued listing of the Company’s securities on the Exchange. The resumption proposal will also need to demonstrate that the Company has in place adequate financial reporting and compliance systems and procedures to enable the Company to meet its obligations under the Listing Rules.

In view of the absence of any resumption proposal prior to the expiry of the second stage of the Delisting Procedures and the Company’s continued failure to demonstrate that it is able to meet the requirements as stipulated under Rule 13.24 of the Listing Rules, the Company will proceed to the third stage of the Delisting Procedures. The Company will have a final period of six months for the submission of a viable resumption proposal to the Exchange. A viable resumption proposal should be submitted at least 10 business days before the expiry of the six-month period. If the Company does not submit a viable resumption proposal as required, the Exchange intends to cancel the listing of the Company on the expiry of the six-month period from the date of this announcement (i.e. 22 September 2005).

The Exchange will make a further announcement in due course if the delisting takes place.

Hong Kong, 23 March 2005

Please also refer to the published version of this announcement in South China Morning Post.