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**CNT GROUP LIMITED**  
**(北海集團有限公司)**  
*(Incorporated in Bermuda with limited liability)*  
**(Stock Code: 701)**

**DISCLOSEABLE TRANSACTION**  
**FURTHER DELAY IN DESPATCH OF CIRCULAR**

Reference is made to the announcement of the Company dated 23rd December 2005 (the “1st Announcement”) in relation to the entering into of a discloseable transaction as described in the 1st Announcement and the announcements of the Company dated 18th January 2006 and 10th February 2006 (collectively the “Subsequent Announcements”) regarding the delay in the dispatch of the circular. An application has been made by the Company to the Stock Exchange for a waiver from the compliance with rule 14.38 of the Listing Rules by further extending the dispatch date of the circular to not later than 13th March 2006.

Reference is made to the 1st Announcement in relation to the entering into of the Agreement by the Company which constitutes a discloseable transaction under the Listing Rules and the Subsequent Announcements regarding the delay in the dispatch of the circular. Terms and expressions used herein shall have the same meanings as defined in the 1st Announcement.

Pursuant to rule 14.38 of the Listing Rules, the Company must send a circular to its shareholders and the Stock Exchange and arrange for its publication in accordance with the provisions of Chapter 2 of the Listing Rules within 21 days after publication of the 1st Announcement, that is, on or before 18th January 2006. On 18th January 2006 and 10th February 2006, the Company announced through the Subsequent Announcements to the effect that application had been made to the Stock Exchange for a waiver from the compliance with rule 14.38 of the Listing Rules by extending the dispatch date of the circular to not later than 3rd March 2006.

As stated in the 1st Announcement, the consideration for the sale of the Equity Interest shall be determined with reference to the consolidated net asset value of the PRC Company attributable to the Equity Interest as at 31st October 2005 as assessed by an independent qualified valuer within 45 days after the date of the Agreement and confirmed between the Vendor and the Purchaser. The independent qualified valuer had completed its preliminary assessment of the consolidated net asset value of the PRC Company as at 31st October 2005 and the Vendor and the Purchaser have no objection to the said preliminary assessment and will confirm the same subject to the issue of the formal assessment report by the independent qualified valuer. The independent qualified valuer had been instructed to prepare and issue the formal assessment report upon which the consideration for the sale of the Equity Interest will be confirmed by the Vendor and the Purchaser. As more time is required by the independent qualified valuer to prepare and issue the formal assessment report, the Company

expects that it will obtain the original of the formal assessment report and the consideration for the sale of the Equity Interest pursuant to the Agreement as confirmed by the Vendor and the Purchaser on or about 6th or 7th March 2006. The Vendor and the Purchaser have further agreed that the Formal Agreement and the Shareholder's Loan Repayment Agreement shall be entered into on or before 17th March 2006 and the completion of the sale and purchase of the Equity Interest shall take place on the date of completion of the relevant registration of change in respect of the PRC Company (工商變更登記) with the relevant PRC authority as a result of the sale of the Equity Interest which is expected to be completed within 45 days from the date of the Formal Agreement.

As the amount of the consideration for the sale of the Equity Interest pursuant to the Agreement is expected to be confirmed on or about 6th or 7th March 2006, the Company has made an application to the Stock Exchange for a waiver from the compliance with rule 14.38 of the Listing Rules by further extending the dispatch date of the circular to not later than 13th March 2006.

On behalf of the Board  
**Lam Ting Ball, Paul**  
*Chairman*

Hong Kong, 3rd March 2006

*The Board as at the date of this announcement comprises Messrs. Tsui Tsin Tong, Lam Ting Ball, Paul, Tsui Ho Chuen, Philip and Tsui Yam Tong, Terry as executive directors; Mr. Hung Ting Ho, Richard as non-executive director and Sir David Akers-Jones, Messrs. Lau Wong Fat, Li Hui Yan and Danny T Wong as independent non-executive directors.*

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