TAI SHING

Tai Shing International (Holdings) Limited
泰盛國際(控股)有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8103)

DISCLOSEABLE TRANSACTION IN RESPECT OF THE DISPOSAL OF 100% EQUITY INTEREST IN THE TARGET COMPANY

On 21 December 2015 (after trading hours), the Vendor, a wholly owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Purchaser pursuant to which the Vendor has agreed to sell and the Purchaser has agreed to acquire the Sale Shares (representing 100% of the existing issued share capital of the Target Company) and the Shareholder's Loan at the Consideration of HK$1,611,395.

The Target Company is principally engaged in the provision of printing services and solutions on advertisement, brochures and bound books to customers mainly in Hong Kong.

GEM LISTING RULES IMPLICATIONS

As one or more of the relevant applicable percentage ratios calculated in accordance with the GEM Listing Rules is greater than 5% but less than 25%, the Disposal constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and is subject to the reporting and announcement requirements but is exempted from Shareholders' approval requirement under the GEM Listing Rules.

THE SALE AND PURCHASE AGREEMENT

On 21 December 2015 (after trading hours), the Vendor, a wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Purchaser in relation to the disposal of the Sales Shares and the Shareholder's Loan. Major terms of the Sale and Purchase Agreement are set out as below:

Date: 21 December 2015 (after trading hour)

* *For identification purpose only*

Vendor: Sage Choice Inc., a company incorporated in the Republic of Vanuatu with limited liability and a wholly-owned subsidiary of the Company

Purchaser: Mr. Ip Po Ki

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Purchaser is an independent third party and not connected with the Company and its connected persons (as defined in the GEM Listing Rules).

Assets to be disposed

Pursuant to the Sale and Purchase Agreement, the Vendor has agreed to sell and the Purchaser has agreed to acquire the Sale Shares and the Shareholder's Loan free from all encumbrances and upon the terms and conditions set out in the Sale and Purchase Agreement.

The Sale Shares involve 1,000 ordinary shares of HK$1.00 each of the Target Company, representing 100% of the existing issued share capital of the Target Company.

The Shareholder's Loan represent the sum of HK$1,190,562 owed to the Vendor by the Target Company by way of loan and outstanding and subsisting as at the date of Completion.

Upon completion of the Disposal, the Target Company will cease to be a subsidiary of the Company and the Company will no longer have any interest in the Target Company.

Consideration

The Consideration for the disposal of the Sale Shares and the Shareholder's Loan shall be HK$1,611,395, which shall be paid by the Purchaser to the Vendor in cashier order at Completion.

The Consideration was determined after arm's length negotiation between the Vendor and the Purchaser after having taken into account, amongst other things, (i) the unaudited net assets value of the Target Company as at 30 September 2015; and (ii) the amount of Shareholder's Loan.

Completion

Completion shall take place on or before 24 December 2015 at such date, time and place as mutually agreed by the Vendor and Purchaser.

FINANCIAL EFFECT OF THE DISPOSAL

As a result of the Disposal, the Group is expected to record a gain of approximately HK$46,000 (subject to audit), which is calculated on the basis of the consideration for the Disposal, the net asset value of the Target Company as at 30 September 2015, the Shareholder's Loan as at 30 September 2015 and the expenses incurred in connection with the Disposal.

The net proceeds from the Disposal will be used by the Group for general working capital purposes.

INFORMATION OF THE TARGET COMPANY

The Target Company is a company incorporated in Hong Kong with limited liability and is principally engaged in the provision of printing services and solutions on advertisement, brochure and bound books to customers mainly in Hong Kong. The Target Company is wholly owned by the Vendor as at the date of the Sale and Purchase Agreement.

FINANCIAL INFORMATION OF THE TARGET COMPANY

The unaudited net asset value of the Target Company as at 30 September 2015 was approximately HK$274,342. Set out below is a summary of the financial performance of the Target Company for the two years ended 31 December 2014 and 2013 based on its audited accounts:

	For the year ended 31 December 2014	**For the year ended 31 December 2013**
Net loss before taxation	1,433,379	324,968
Net loss after taxation	1,226,928	271,327

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group is principally engaged in system development, professional services, money lending business, proprietary trading business and printing services.

The printing services business of the Group is carried out by the Target Company. With keen industry competition and the lack of progress of the overseas expansion as expected at the time of the acquisition, the customer base of the Target Company has not been expanded as expected. The Target Company was not able to expand its business to the overseas market mainly due to the strong U.S. dollars in recent months which lead to strong Hong Kong dollars due to the linked exchange rate system. Strong Hong Kong dollars weaken the competitiveness of the Target Company's services as compared to printing houses from other countries and hence limit the chance to expand customer base. With reference to the management accounts of the Target Company, the financial performance has deteriorated in the third quarter of the year. The Target Company recorded a slim profit in the first and second quarter of the year whilst it recorded a loss in the third quarter of the year which eroded all the profit made in the first and second quarter of the year and the Target Company recorded an accumulated loss for the first three quarters of the year. In view of the above, the Directors decided to dispose of the Target Company.

The Directors consider the Disposal (i) provides the Company with a good opportunity to receive a reasonable amount as the sales proceeds; and (ii) enables the Group to focus its resources in other business opportunities that could provide a higher return on investment to the Shareholders. The Directors believe the Disposal is in the best interests of the Company and the Shareholders as a whole. In addition, the Directors consider that the terms of the Sale and Purchase Agreement are on normal commercial terms and are fair and reasonable and the Disposal is in the interests of the Company and the Shareholders as a whole.

Upon Completion of the Disposal, printing services will cease to be one of the Group's operating segments. The Group will continue to maintain its strategy to broaden its perspective within/beyond IT sector and potentially also invest into and/or make acquisition in other industries so long as such investments can bring value and are beneficial to the Company and its Shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

As one or more of the relevant applicable percentage ratios calculated in accordance with the GEM Listing Rules is greater than 5% but less than 25%, the Disposal constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and is subject to the reporting and announcement requirements but is exempted from shareholders' approval requirement under the GEM Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expression shall have the following meaning when used herein:

"Board"	the board of Directors
"Company"	Tai Shing International (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability and the Shares are listed on the GEM Board of the Stock Exchange (stock code: 8103)
"Completion"	the completion of the Disposal in accordance with the terms and conditions of the Sale and Purchase Agreement
"Consideration"	HK$1,611,395, being the consideration of the sale and purchase of the Sale Shares and the Shareholder's Loan
"Director(s)"	the director(s) of the Company
"Disposal"	the disposal of Sale Shares and the Shareholder's Loan by the Vendor to the Purchaser as contemplated under the Sale and Purchase Agreement
"GEM"	the Growth Enterprise Market of the Stock Exchange
"GEM Listing Rules"	The Rules Governing the Listing of Securities on GEM

"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong special Administrative Region of the People's Republic of China
"Purchaser"	Mr. Ip Po Ki, to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Purchaser is an independent third party and not connected with the Company and its connected persons (as defined in the GEM Listing Rules)
"Sale and Purchase Agreement"	the agreement dated 21 December 2015 entered into between the Vendor and the Purchaser in relation to the sale and purchase of the whole issued share capital of and shareholder's loan to the Target Company
"Sale Share(s)"	1,000 shares in the share capital of the Target Company in the name of and beneficially owned by the Vendor, representing 100% of the entire issued shares of the Target Company
"Share(s)"	share(s) of HK$0.1 each in the capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Shareholder's Loan"	the sum of HK$1,190,562 owed to the Vendor by the Target Company by way of loan and outstanding and subsisting as at the date of Completion
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Company"	Wilco Printing Co., Limited, a company incorporated in Hong Kong with limited liability
"Vendor"	Sage Choice Inc., a company incorporated in the Republic of Vanuatu with limited liability and a wholly-owned subsidiary of the Company
"%"	per cent.

By Order of the Board of
Tai Shing International (Holdings) Limited
Tam Kwok Leung
Executive Director

Hong Kong, 21 December 2015

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:
Dr. Chew Chee Wah *(Chairman)*
Mr. Tam Kwok Leung *(Chief Executive Officer)*
Ms. Ju Lijun
Mr. Zhang Jinshu
Mr. Luk Chi Shing

Independent non-executive Directors:
Mr. Chan Yee Sze
Mr. Koh Kwing Chang
Mr. Lui Wai Ming
Mr. Lai Chi Leung

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at http://www.hkgem.com on the "Latest Company Announcements" page for 7 days from the date of its publication and is available for reference on the website of the Company at www.equitynet.com.hk/8103/.