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# **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)**

**ADDENDUM TO THE MEMORANDUM OF UNDERSTANDING  
IN RESPECT OF  
THE POSSIBLE ACQUISITION OF  
FULLMARK MANAGEMENT LIMITED**

**ADVANCE TO AN ENTITY**

Reference is made to the Company's announcement dated 11 February 2010.

The Board wishes to announce that on 4 March 2010, the Company and the Prospective Seller entered into the Addendum, whereby the Company has agreed to pay within seven calendar days from the date of the Addendum, to the nominee of the Prospective Seller (as directed by the Prospective Seller) the Deposit as a matter of good gesture.

The payment of the Deposit by the Company to the Prospective Seller constitutes a discloseable transaction for the Company and is subject to notification and announcement requirements under the GEM Listing Rules. The payment of the Deposit also constitutes an advance to an entity for the Company under the GEM Listing Rules.

**The Board wishes to emphasise that the Proposed Acquisition may or may not materialise and Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## **INTRODUCTION**

Reference is made to the announcement of the Company dated 11 February 2010 (“**MOU Announcement**”). Capitalised terms used in this announcement shall have the same meanings as those defined in the MOU Announcement.

The Board wishes to announce that on 4 March 2010, as a matter of good gesture of the Company, the Company entered into an addendum (“**Addendum**”) to the Memorandum of Understanding with the Prospective Seller to provide for the payment of the Deposit (as defined below) to the nominee of the Prospective Seller (as directed by the Prospective Seller). A summary of the principal terms of the Addendum is set out below.

\* *For identification purpose only*

## ADDENDUM

**Date:** 4 March 2010

**Parties:** the Company as purchaser

the Prospective Seller as seller. The Prospective Seller is an investment holding company. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Prospective Seller and its ultimate beneficial owners are Independent Third Parties.

### **Payment and application of the Deposit:**

The Company has agreed to pay, within seven calendar days from the date of the Addendum, to the nominee of the Prospective Seller (as directed by the Prospective Seller) a sum of HK\$25,000,000 ("**Deposit**") as refundable deposit, and part payment of the consideration, for the Proposed Acquisition.

In the event that the Formal Acquisition Agreement is entered into by the Company and the Prospective Seller prior to the expiry of the 14-days-period (or such later day as the parties may agree to) ("**SPA Finalisation Period**") after the finalisation of the due diligence review, the Deposit shall be applied towards to reduce the Company's obligation to pay an equivalent amount of the cash portion of the consideration payable by the Company under the Formal Acquisition Agreement.

In the event that the Formal Acquisition Agreement is not entered into by the parties prior to the expiry of the SPA Finalisation Period or if the Memorandum of Understanding is terminated by any party, the Prospective Seller shall, within three calendar days after the earlier of (i) the last day of the SPA Finalisation Period or (ii) the day on which the Memorandum of Understanding is terminated, pay to the Company a sum which is equal to the Deposit.

In the event that the final consideration agreed between the parties and as stipulated in the Formal Acquisition Agreement does not comprise any cash portion, the Prospective Seller shall, within three calendar days after the entering into of the Formal Acquisition Agreement, pay to the Company a sum which is equal to the Deposit and in the event that the cash portion comprised in the final consideration agreed between the parties and as stipulated in the Formal Acquisition Agreement is less than the Deposit, the Prospective Seller shall, within three calendar days after the entering into of the Formal Acquisition Agreement, pay to the Company a sum which is equal to the difference between the Deposit and the amount of the cash portion comprised in the final consideration.

### **DIRECTORS' VIEWS AND REASONS FOR THE ADDENDUM**

The terms of the Addendum were arrived at after arm's length negotiations between the Company and the Prospective Seller. The payment of the Deposit will be funded from internal resources of the Company and its subsidiaries (collectively, the "**Group**"). The Directors consider that the transactions contemplated by the Addendum are on normal commercial terms and the terms of the Addendum are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

The payment of the Deposit by the Company represents the Company's gesture to show its interest to proceed with the Proposed Acquisition. **The Directors wish to emphasise that up to the date of this announcement, no detailed terms of the Proposed Acquisition, including the amount of the consideration and how it shall be satisfied, have been agreed upon by the Company and the Prospective Seller.**

The principal activities of the Group are the provision of systems development including maintenance and installation as well as consulting service and provision of professional services including information technology engineering and technical support services.

As stated in the MOU Announcement, the Directors consider that the Proposed Acquisition would provide an opportunity for the Group to participate in the insurance market in the PRC and will further enhance the investment portfolio and future earnings of the Group. More information about the Target Company is set out in the MOU Announcement.

## **IMPLICATIONS UNDER THE LISTING RULES**

### **Discloseable transaction**

The payment of the Deposit under the Addendum constitutes a discloseable transaction for the Company and will be subject to notification and announcement requirements under the GEM Listing Rules.

### **Advance to entity**

The payment of the Deposit also constitutes an advance to an entity for the Company under the GEM Listing Rules. Given that the amount of the Deposit exceeds 8% of the assets ratio of the Company as defined under Rule 19.07(1) of the GEM Listing Rules, the Company is required to make the relevant disclosures under Rule 17.17 of the GEM Listing Rules.

This announcement is also issued pursuant to Rule 17.15 of the GEM Listing Rules.

### **General**

**The Board wishes to emphasise that notwithstanding the payment of the Deposit, the Proposed Acquisition may or may not materialise and Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

By Order of the Board  
**Tai Shing International (Holdings) Limited**  
**Luk Yat Hung**  
*Chairman*

Hong Kong, 4 March 2010

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

*Executive Directors:*

Mr. Luk Yat Hung (*Chairman*)

Ms. Li Wenli

*Independent non-executive Directors:*

Professor Ip Ho Shing, Horace

Mr. Yan Yonghong

Mr. Peng Lijun

Mr. Tang Sze Lok

*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: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

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