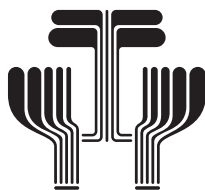


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## **TACK HSIN HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 611)**

### **DISCLOSEABLE TRANSACTION DISPOSAL OF PROPERTY**

The Board wishes to announce that on 26 May 2008, the Vendor, a wholly-owned subsidiary of the Company, entered into the S&P Agreement with the Purchaser, pursuant to which the Vendor agreed to sell, and the Purchaser agreed to purchase, the Property for a cash consideration of HK\$13.5 million.

The Disposal constitutes a discloseable transaction for the Company under Rule 14.06 of the Listing Rules. A circular containing, among others, further details of the Disposal and information required to be disclosed under the Listing Rules will be despatched to the Shareholders in accordance with the relevant requirements under the Listing Rules.

#### **1. THE S&P AGREEMENT**

**Date:**

26 May 2008

**Parties:**

1. Vendor: Newfame Development Limited, a wholly-owned subsidiary of the Company and a property development company.
2. Purchaser: Topbridge Industrial Company Limited, a property investment company incorporated in Hong Kong with limited liability. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner are Independent Third Parties.

**Asset to be disposed of:**

The Property is situated at Lots Nos. 2902, 2903, 2904, 2905, 2906 and 2908 all in Tung Chung Demarcation District No.1, Tung Chung, Lantau Island, New Territories. The Property comprises of house and courtyard with a total site area of about 0.22 acres (about 9,585 sq.ft.), and was enclosed by mesh wire fencing and was generally vacant with ruins of village houses (according to the independent valuation report prepared by the independent property valuer).

**Consideration:**

The consideration payable by the Purchaser to the Vendor for the acquisition of the Property is HK\$13.5 million. The consideration has been/shall be paid by the Purchaser in cash in the following manner:

1. upon signing of the S&P Agreement on 26 May 2008, an initial deposit of HK\$1.35 million has been paid by the Purchaser to the Vendor; and
2. The remaining balance of HK\$12.15 million will be paid by the Purchaser to the Vendor upon Completion, which shall take place within three months from the date of the S&P Agreement, i.e. on or before 25 August 2008

It is estimated that the net sale proceeds arising from the Disposal (after deducting the legal and other related expenses) will be approximately HK\$12.6 million and the Company intends to apply the entire proceeds for the Group's general working capital.

The Property was valued at HK\$5.6 million as at 31 March 2008 by an independent property valuer appointed by the Company, under which they employed the direct comparison method of valuation to assess the current market value of the Property, which involves the assembly and analysis of recent transactions of similar nature in the vicinity. Based on such valuation and taking into account the recent growth of the Hong Kong property market, the Board is of the view that it is a good opportunity for the Company to realize the profit arising therefrom by way of the Disposal. The consideration of HK\$13.5 million is negotiated between the Vendor and the Purchaser at arm's length and is a commercial decision between such parties. The Directors considered that it is in the interests of the Company and its shareholders as a whole.

**Other principal terms:**

1. The Disposal as contemplated under the S&P Agreement to be sold on "as is" basis and shall not make any obligation or requisition thereto or in connection therewith. No warranty or representation whatsoever has been given or is made by the Vendor or his agents regarding the physical state and condition of the Property or of the building of which the Property forms part.
2. The Property to be sold with vacant possession. There are mesh wire fencing and ruins of village houses and garbage in the Property. Vacant possession of the Property shall be deemed to be given to the Purchaser in its presents state as herein mentioned.

**Completion:**

Completion shall take place within three months from the date of the S&P Agreement, i.e. on or before 25 August 2008.

## **2. REASONS FOR AND BENEFITS OF THE DISPOSAL**

The principal activity of the Company is investment holding. In view of the improved market condition of the property sector in Hong Kong, the Board considers that the Group should take this opportunity to dispose of the Property.

It is expected that a net gain of approximately HK\$8.0 million can be realized as a result of the Disposal for the Group (based on the difference between the net proceeds of the Disposal (i.e. HK\$12.6 million) and the net book value of the Property as at 31 March 2007 (i.e. HK\$4.6 million)). The Property is treated as investment properties before Completion and as cash after Completion on the financial statements of the Group. Upon Completion, it is expected that the Group's assets will be increased by approximately HK\$8.0 million. The Board believes that the terms of the transaction for the Disposal are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

## **3. GENERAL**

The Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. A circular containing, among others, further details of the Disposal and information required to be disclosed under the Listing Rules will be despatched to the Shareholders in accordance with the relevant requirements under the Listing Rules.

## **4. DEFINITIONS**

Terms or expressions used in this announcement shall, unless the context otherwise requires, have the meanings ascribed to them below:

“Board”	board of Directors
“Company”	Tack Hsin Holdings Limited, a company incorporated in the Bermuda with limited liability, the issued shares of which are listed on the main board of the Stock Exchange
“Completion”	completion of the Disposal under the S&P Agreement which shall take place within three months from the date of the S&P Agreement, i.e. on or before 25 August 2008
“Directors”	directors of the Company
“Disposal”	disposal of the Property to the Purchaser by the Vendor
“S&P Agreement”	a sale and purchase agreement in relation to the Disposal entered into between the Vendor and the Purchaser on 26 May 2008
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China

“Independent Third Party(ies)”	any party(ies) and/or its ultimate owner who is a third party independent of the Company and its connected persons (as defined in the Listing Rules)
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Property”	Lot Nos. 2902, 2903, 2904, 2905, 2906 and 2908 all in Tung Chung Demarcation District No.1, Tung Chung, Lantau Island, New Territories
“Purchaser”	Topbridge Industrial Company Limited, a limited company incorporated in Hong Kong and, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, is an Independent Third Party
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Newfame Development Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board  
**Tack Hsin Holdings Limited**  
**Chan Shu Kit**  
*Chairman*

27 May 2008

*As at the date of this announcement, the Board comprises Mr. Chan Shu Kit, Mr. Kung Wing Yiu and Mr. Chan Ho Man as executive Directors, and Mr. Kung Fan Cheong, Mr. Chan Ka Ling, Edmond and Mr. Lo Kin Cheung as independent non-executive Directors.*

*Company’s website: [www.tackhsin.etnet.com.hk](http://www.tackhsin.etnet.com.hk)*