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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

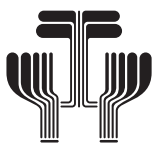
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**If you are in any doubt** as to any aspect about this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Tack Hsin Holdings Limited, you should at once hand this circular to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**TACK HSIN HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 611)**

**DISCLOSEABLE TRANSACTION  
DISPOSAL OF PROPERTY**

**Financial adviser to the Company**



**Oriental Patron Asia Limited**

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions have the following meanings:*

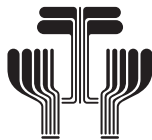
“Announcement”	the announcement dated 27 May 2008 in relation to the Disposal issued by the Company
“Board”	board of Directors
“Company”	Tack Hsin Holdings Limited, a company incorporated in the Bermuda with limited liability, the issued shares of which are listed on the main board of the Stock Exchange
“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
“Director(s)”	director(s) 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)
“Latest Practicable Date”	2 June 2008
“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

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## DEFINITIONS

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“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
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Newfame Development Limited, a wholly-owned subsidiary of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.



# TACK HSIN HOLDINGS LIMITED

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 611)**

*Executive Directors:*

Mr. Chan Shu Kit  
Mr. Kung Wing Yiu  
Mr. Chan Ho Man

*Registered office:*

Clarendon House  
Church Street  
Hamilton HM 11  
Bermuda

*Independent non-executive Directors:*

Mr. Kung Fan Cheong  
Mr. Chan Ka Ling, Edmond  
Mr. Lo Kin Cheung

*Head office and principal place of business:*

Unit 1203, 12/F  
Peninsula Centre  
67 Mody Road  
Tsim Sha Tsui East  
Kowloon  
Hong Kong

5 June 2008

*To the Shareholders*

Dear Sir or Madam,

## **DISCLOSEABLE TRANSACTION DISPOSAL OF PROPERTY**

### **1. INTRODUCTION**

Reference is made to the Announcement in which the Board announced 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, and accordingly, is subject to the announcement and circular requirements as set out in Rule 14.34 and 14.38 of the Listing Rules. The purpose of this circular is to provide the Shareholders with information relating to the Disposal in compliance with the requirements of the Listing Rules.

## **2. 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.

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## LETTER FROM THE BOARD

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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.

### **3. 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 and there would be no change to the liability of the Company. 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.

### **4. LISTING RULES IMPLICATIONS**

The Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, and accordingly, is subject to the announcement and circular requirements as set out in Rule 14.34 and 14.38 of the Listing Rules.

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## LETTER FROM THE BOARD

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### 5. GENERAL

Your attention is drawn to the further information contained in the appendix to this circular.

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



## 1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

## 2. DISCLOSURE OF INTEREST

### (a) Directors' and chief executive's interests

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), as required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); as recorded in the register required to be maintained by the Company under section 352 of the SFO; or as required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies to be notified to the Company and the Stock Exchange were as follows:

*Long positions in the ordinary shares of the Company*

Name of Director	Number of ordinary shares held, capacity and nature of interest			Percentage of the issued share capital of the Company
	Directly beneficial held	Through controlled corporation	Total	
Chan Shu Kit	–	114,240,000 <i>(note)</i>	114,240,000	31.70%
Kung Wing Yiu	7,802,000	–	7,802,000	2.16%

*Notes:*

- (1) These shares are held by Hoylake Holdings Limited. By virtue of the SFO, Chan Shu Kit, who holds 100% equity interest in Hoylake Holdings Limited, was deemed to be interested in the same 114,240,000 ordinary shares held by Hoylake Holdings Limited.

Save as disclosed above, as at the Latest Practicable Date, so far as is known to any Directors or chief executive of the Company, none of the Directors and chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), as required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provision of the SFO); as recorded in the register required to be maintained by the Company under Section 352 of the SFO, or as required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies to be submitted to the Company and the Stock Exchange.

**(b) Discloseable interests under Division 2 and 3 of Part XV of the SFO and Substantial Shareholder's Interests**

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of the SFO and so far as is known to, or can be ascertained after reasonable enquiry by the Directors or chief executive of the Company, persons other than a Director or chief executive of the Company, who had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who is, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group and the amount of each of such person's interest in such securities, together with particular of any options in respect of such capital were as follows:

*Long positions in the ordinary shares of the Company*

<b>Name of person</b>	<b>Nature of interest/Capacity</b>	<b>Number of ordinary shares</b>	<b>Percentage of the issued share capital of the Company</b>
Hoylake Holdings Limited (note)	beneficial held	114,240,000	31.70%

*Notes:*

- (1) The interest has also been disclosed as an interest of Chan Shu Kit under the section headed "Directors' and chief executive's interests" above.

Save as disclosed above, as at the Latest Practicable Date, so far as is known to any Director and chief executive, none of the Shareholders, other than a Director or chief executive of the Company, had any interest or short position in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or had, directly or indirectly, any interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

### 3. LITIGATION

As at the Latest Practicable Date, so far as the Directors were aware, no member of the Group was engaged in any litigation or arbitration or claim of material importance and the Directors were not aware of any litigation or claims of material importance pending or threatened against any member of the Group.

### 4. SERVICE CONTRACTS

Each of the executive Directors has entered into a service agreement with the Company on 1 April 2007 for a term of two years and is subject to retirement and re-election at each annual general meeting of the Company in accordance with the bye-laws of the Company.

Each of the independent non-executive Directors has entered into a service agreement with the Company with effect from 1 April 2007 and is subject to retirement and re-election at each annual general meeting of the Company in accordance with the bye-laws of the Company and the appointment shall be extended for a further period of calendar years, until 31 March 2009.

As at the Latest Practicable Date, save as disclosed above, none of the Directors has entered or has proposed to enter into any service agreements with any member of the Group (other than contracts expiring or determinable by the Group within one year without payment of compensation).

### 5. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or their respective associates has any interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

### 6. MISCELLANEOUS

- a. The company secretary and qualified accountant of the Company is Mr. Cheuk Ho TAM, who is a fellow member of the Hong Kong Institute of Certified Public Accountants and a fellow member of The Association of Chartered Certified Accountants.
- b. The registered office of the Company is situated at Clarendon House, Church Street, Hamilton HM 11, Bermuda.
- c. The head office of the Company is Unit 1203, 12/F., Peninsular Centre, 67 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong.
- d. The Hong Kong branch share registrar and transfer office of the Company is Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- e. The English text of this circular shall prevail over the Chinese text in case of inconsistency.