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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)

**VERY SUBSTANTIAL ACQUISITION,
DISCLOSEABLE TRANSACTION
AND CONNECTED TRANSACTIONS
ACQUISITION OF THE ENTIRE INTEREST IN
PACIFIC HEIGHTS HOLDINGS LIMITED
BY WAY OF DISPOSAL OF THE ENTIRE INTEREST IN
TOP GALLANT INTERNATIONAL LIMITED
EXTENSION OF TIME FOR DESPATCH OF FIRST
ACQUISITION CIRCULAR**

On 4 August 2005, the Company and Mr. Cho entered into the Second Acquisition Agreement pursuant to which the Company has conditionally agreed to acquire from Mr. Cho and Mr. Cho has conditionally agreed to sell to the Company or the Company's nominee the entire equity interest in Pacific Heights, for a total consideration of approximately HK\$3.7 million. The consideration is to be satisfied by the Company by the transfer to Mr. Cho of the entire equity interest in Top Gallant the sole asset of which is its investment in 40% equity interest in Hung Luen. As at the date of this announcement, Pacific Heights has an effective interest of approximately 25% in the issued share capital of the Target (through its holding of 38.5% of the issued share capital of Tongfang (BVI) which in turn holds 65% of the issued share capital of the Target).

The consideration for the Second Acquisition was agreed after arm's length negotiation between the Company and Mr. Cho.

At present, the Company has an effective interest of approximately 40% in the issued share capital of the Target. Pursuant to the First Acquisition as announced by the Company on 25 July 2005, the Company will hold an effective interest of approximately 75% in the issued share capital of the Target upon First Acquisition Completion. Upon First Acquisition Completion and Second Acquisition Completion, the Company will beneficially own 100% effective interest in the issued share capital of the Target. The First Acquisition Agreement and the Second Acquisition Agreement are not inter-conditional to each other.

* For identification purpose only

Mr. Cho is the legal and beneficial owner of the entire issued share capital of Pacific Heights, which in turn holds a 38.5% shareholding interest in Tongfang (BVI), an indirect non-wholly owned subsidiary of the Company. Under the GEM Listing Rules, Mr. Cho is considered to be a substantial shareholder of an indirect non-wholly owned subsidiary of the Company, and thus a connected person of the Company. Each of the Second Acquisition and the Disposal constitutes respectively a very substantial acquisition for the Company pursuant to Rules 19.06(5) and 19.22 of the GEM Listing Rules and a discloseable transaction for the Company pursuant to Rule 19.06(2) of the GEM Listing Rules and connected transactions for the Company pursuant to Rule 20.13(1)(a) of the GEM Listing Rules. Accordingly, the Second Acquisition (including the Disposal) is subject to the approval of the independent Shareholders. Any party who has a material interest in the Second Acquisition (including the Disposal) has to abstain from voting on the resolution to approve the Second Acquisition (including the Disposal) at the EGM. As no Shareholder has a material interest in the Second Acquisition (including the Disposal), no Shareholder is required to abstain from voting on the resolution to approve the Second Acquisition (including the Disposal) at the EGM.

An Independent Board Committee will be established to consider the Second Acquisition (including the Disposal) and to advise the independent Shareholders regarding the Second Acquisition (including the Disposal). MasterLink has been appointed as the independent financial adviser to advise the Independent Board Committee and the independent Shareholders in this regard.

A circular containing, among other things, (i) details of the Second Acquisition Agreement (including the Disposal); (ii) the recommendations of the Independent Board Committee in relation to the Second Acquisition (including the Disposal); (iii) the advice of MasterLink to the Independent Board Committee and the independent Shareholders; and (iv) a notice convening the EGM, will be despatched to the Shareholders within 21 days after publication of this announcement pursuant to the GEM Listing Rules.

As additional time is required for the Company to finalise certain financial information (which includes the indebtedness statement and the pro forma financial information on the enlarged Group) for inclusion in the First Acquisition Circular and in order to allow the Shareholders to have the requisite information on both the First Acquisition and the Second Acquisition (including the Disposal) at the time of voting on them, an application has been made to the Stock Exchange for a waiver from strict compliance with the GEM Listing Rules by extending the despatch date of the First Acquisition Circular to within 21 days after publication of this announcement, being on or before 26 August 2005.

Shareholders and potential investors in the Company should note that Second Acquisition Completion, which is subject to a number of conditions precedent, may or may not take place. Shareholders and potential investors in the Company are advised to exercise caution when dealing in the Shares.

Trading in the Shares on the Stock Exchange has been suspended with effect from 9:30a.m. on 4 August 2005 at the request of the Company pending the release of this announcement. An application has been made to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30a.m. on 8 August 2005.

Reference is made to the Announcement in relation to the proposed acquisition of a 35% interest in the issued share capital of the Target by the Company from Tsinghua Tongfang pursuant to the First Acquisition Agreement. On 4 August 2005, the Company entered into the Second Acquisition Agreement with Mr. Cho to further acquire an effective interest of 25% in the Target as detailed below.

SECOND ACQUISITION AGREEMENT DATED 4 AUGUST 2005

Parties to the Second Acquisition Agreement

Vendor : Pyong Sig Cho, who legally and beneficially holds the entire issued share capital of Pacific Heights as at the date of this announcement

Purchaser : the Company

Assets to be acquired

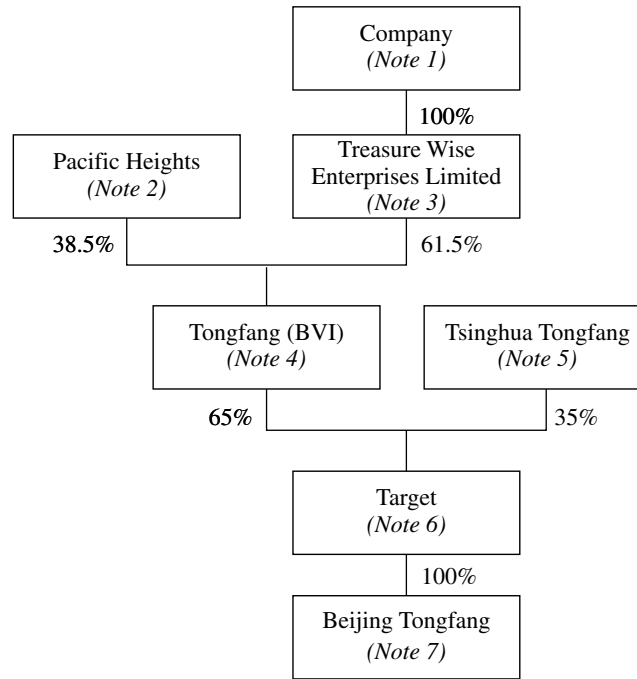
The assets to be acquired is the entire issued share capital of Pacific Heights. Pacific Heights is an investment holding company established by Mr. Cho in October 1999. As stated in the Announcement, Pacific Heights, together with Tsinghua Tongfang (being the vendor of the First Acquisition) and True Value Assets Limited, established the Target in January 2001 through Tongfang (BVI) with an initial shareholding interest in Tongfang (BVI) of 25%, 35% and 40% respectively. True Value Assets Limited had disposed its entire interest in 40% of the issued share capital of Tongfang (BVI) to Treasure Wise Enterprises Limited subsequently in 2004. Tongfang (BVI) is an investment holding company the only asset of which is its 65% shareholding interest in the Target, which in turn is also an investment holding company the sole asset of which is the entire interest in Beijing Tongfang, a foreign investment enterprise incorporated under the laws of the PRC in May 2001 and is principally engaged in research, development and provision of integrated management information system for power plants and for banks in the PRC. As stated in the 2005 annual report of the Company dated 24 June 2005, the Group believed that the strong demand for management information systems for power plants in the PRC would continue for at least another year.

As at the date of this announcement, the sole asset of Pacific Heights is its 38.5% shareholding interest in Tongfang (BVI), through which Pacific Heights presently has an effective interest of approximately 25% in the issued share capital of the Target.

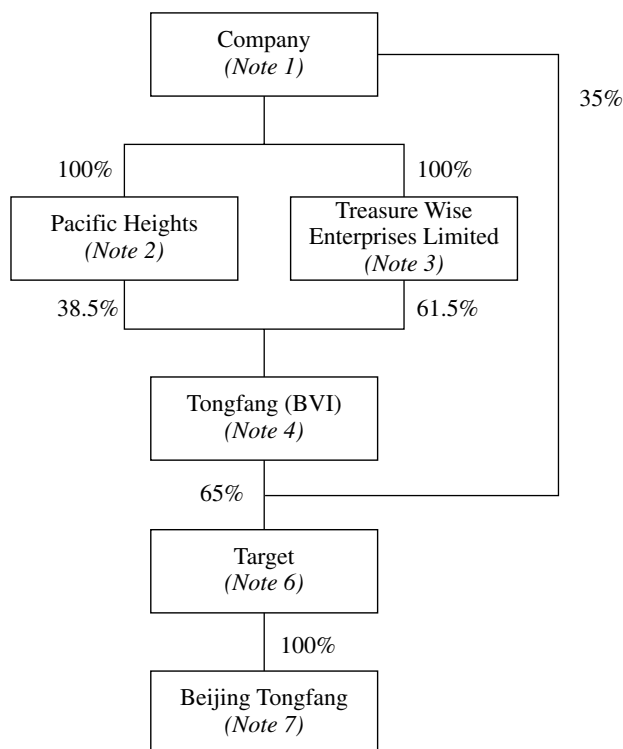
At present, the Company has an effective interest of approximately 40% in the issued share capital of the Target. Pursuant to the First Acquisition as announced by the Company on 25 July 2005, the Company will hold an effective interest of approximately 75% in the issued share capital of the Target upon First Acquisition Completion. Upon First Acquisition Completion and Second Acquisition Completion, the Company will beneficially own 100% effective interest in the issued share capital of the Target.

The shareholding structures of Tongfang (BVI) and the Target as at the date of this announcement and upon First Acquisition Completion and Second Acquisition Completion are illustrated below:

Existing shareholding structure of Tongfang (BVI) and the Target:



Shareholding structure of Tongfang (BVI) and the Target upon First Acquisition Completion and Second Acquisition Completion:



Notes:

1. The Company is an investment holding company which is incorporated in the Cayman Islands
2. Pacific Heights is an investment holding company which is incorporated in the British Virgin Islands
3. Treasure Wise Enterprises Limited is an investment holding company which is incorporated in the British Virgin Islands
4. Tongfang (BVI) is an investment holding company which is incorporated in the British Virgin Islands
5. Tsinghua Tongfang is a domestic company incorporated in the PRC and the shares of which are listed on the Shanghai Stock Exchange. Tsinghua Tongfang, together with its subsidiaries, are principally engaged in the information technology, power and environmental protection, applied nuclear electronic technology, and bio-pharmaceutical businesses
6. Target is an investment holding company which is incorporated in Hong Kong
7. Beijing Tongfang is a foreign investment enterprise incorporated in the PRC which is principally engaged in research, development and provision of integrated management information system for power plants and for banks in the PRC

As Pacific Heights is only an investment holding company and in substance, the Second Acquisition would result in the acquisition by the Company of an additional effective equity interest in the Target of approximately 25%, the consolidated financial information of the Target is set out below:

	For the three months ended 31 March 2005 (Unaudited) HK\$'000	For the year ended 31 December 2004 (Audited) HK\$'000	For the year ended 31 December 2003 (Audited) HK\$'000
Turnover	6,223	59,401	47,279
(Loss)/Profit before taxation	(1,666)	2,318	4,271
(Loss)/Profit after taxation	(1,666)	1,466	4,271

In addition, Target had an audited consolidated net assets value of approximately HK\$25.0 million as at 31 December 2004 and an unaudited consolidated net assets value of approximately HK\$23.4 million as at 31 March 2005. As a result of a restructuring of the Target group as announced by the Company on 18 November 2004, the Target became an indirect non-wholly owned subsidiary of the Company with an effective equity interest of approximately 40% and the results of the Target has been consolidated into the accounts of the Company since December 2004. In the audited consolidated results of the Company for the year ended 31 March 2005, the amount of turnover and profit attributable to Shareholders contributed by the Target group were approximately HK\$24.6 million (representing approximately 81% of the Group's turnover in that year) and HK\$1.2 million respectively.

Consideration

The total consideration for the Second Acquisition is approximately HK\$3.7 million, which will be solely satisfied by the Company at Second Acquisition Completion by the transfer to Mr. Cho or his nominee the entire equity interest in Top Gallant, a wholly-owned subsidiary of the Company. Top Gallant has no operating business and it recorded an audited consolidated net deficit of approximately HK\$0.3 million as at 31 March 2005 and an unaudited consolidated net assets value of approximately HK\$1.4 million as at 30 June 2005. The audited consolidated net loss before and after taxation of Top Gallant for the year ended 31 March 2005 were both approximately HK\$4,600 and those for the year ended 31 March 2004 were both approximately HK\$0.4 million. Upon Second Acquisition Completion, the Company will cease to have any shareholding interest in Top Gallant.

As at the date of this announcement, Top Gallant is an investment holding company the sole asset of which is its 40% equity interest in Hung Luen, which was acquired in November 2003 at a consideration of HK\$1.8 million by way of issue of a promissory note by the Company (details of such acquisition was set out in the Company's announcement dated 9 September 2003). The remaining 60% equity interest in Hung Luen is held by four parties who are independent third parties not connected with the Company, any directors, chief

executive, substantial shareholders or management shareholders of the Company or any of its subsidiaries or any Associates of any of them. The Company is the single largest shareholder of Hung Luen. Hung Luen is incorporated in the PRC with limited liability and its principal business is the research, development and provision of information-on-demand system solutions, telecommunication and broadcasting media, network solutions and provision of related products and services. In the Group's audited consolidated balance sheet as at 31 March 2005, the Group recorded an investment in Hung Luen of approximately HK\$1.4 million.

The amount of consideration and the settlement of the consideration by way of the Disposal under the Second Acquisition Agreement was agreed after arm's length negotiation between the Company and Mr. Cho and having taken into account (i) the business prospects of the Target, which the Directors consider to be good as the Group believed that the strong demand for management information systems for power plants in the PRC would continue, (ii) the financial performance (including the audited consolidated net profits for the two years ended 31 December 2004 and the audited consolidated net assets value as at 31 December 2004) of the Target group, (iii) the HK\$5.2 million consideration payable for the First Acquisition of 35% shareholding interest in the Target; (iv) the effect of the Second Acquisition and the Disposal would allow the Company to further consolidate its interest in and focus on the business of the Target while realizing its investment in Hung Luen at an estimated gain on disposal of approximately HK\$2.3 million; and (v) Mr. Cho is able to convert his 25% non-controlling interest in the Target to being the single largest shareholder of Hung Luen. The total consideration for the Second Acquisition of approximately HK\$3.7 million represents i) a discount of approximately 41% to the audited consolidated net assets value of the Target as at 31 December 2004 attributable to Pacific Heights of approximately HK\$6.3 million (being approximately 25% of the net assets value of the Target as at 31 December 2004 of approximately HK\$25 million); and ii) a premium of approximately 164% over the unaudited consolidated net assets value of Top Gallant as at 30 June 2005.

Conditions

Completion of the Second Acquisition is conditional upon:

- (i) the warranties given by Mr. Cho in respect of, amongst other things, title of his equity interest in Pacific Heights, the assets and liabilities of Pacific Heights and the 25% equity interest of Pacific Heights in the Target, under and as at the date of the Second Acquisition Agreement remaining true, accurate and not misleading upon repetition of the same immediately prior to Second Acquisition Completion;
- (ii) the Company's warranties in respect of, amongst other things, title of the Company's equity interest in Top Gallant and the assets of Top Gallant, given under and as at the date of the Second Acquisition Agreement remaining true, accurate and not misleading upon repetition of the same immediately prior to Second Acquisition Completion;
- (iii) the approval of the Second Acquisition Agreement and the transactions contemplated thereby by the independent Shareholders;

- (iv) all consents, waivers, approvals, authorisations and clearances (if any) of any relevant governmental or regulatory authority or any relevant third party necessary for Mr. Cho to enter into and perform the Second Acquisition Agreement having been obtained; and
- (v) all consents, waivers, approvals, authorisations and clearances (if any) of any relevant governmental or regulatory authority or any relevant third party necessary for the Company to enter into and perform the Second Acquisition Agreement having been obtained.

If any of the conditions has not been fulfilled or in respect of the condition (i) which could be waived in writing by the Company or in respect of the condition (ii) which could be waived in writing by Mr. Cho, on or before 30 November 2005 (or such later date as may be agreed by the Company and Mr. Cho), the Second Acquisition Agreement shall thereupon terminate and none of the parties shall have any claim against the others for costs, damages, compensation or otherwise (save in respect of any prior breach of the Second Acquisition Agreement). As at the date of this announcement, both of Mr. Cho and the Company have no intention to waive any of the above conditions.

The First Acquisition Agreement and the Second Acquisition Agreement are not inter-conditional to each other.

Completion

Completion of the Second Acquisition is to take place on the third business day following the day on which all the conditions stated in the paragraph headed “Conditions” above are fulfilled or waived by the Company or Mr. Cho (as the case may be) or at such other time and/or place as the parties may agree. Pursuant to the Second Acquisition Agreement, the Disposal will not take place if the Second Acquisition is not completed. Upon Second Acquisition Completion, the entire equity interest in Pacific Heights will be transferred to the Company or its nominee, while the entire equity interest in Top Gallant will be transferred to Mr. Cho or his nominee.

REASONS FOR THE SECOND ACQUISITION

The Company is an investment holding company and the subsidiaries of which are principally engaged in the provision of systems development, software and hardware products, professional services and training. As stated in the Announcement, the Company entered into the First Acquisition Agreement on 22 July 2005 to acquire an additional 35% shareholding interest in the Target (which has been a subsidiary of the Company since December 2004) which the Board considered that the First Acquisition was desirable and represented a valuable opportunity for the Group to strengthen its existing business portfolio as (i) one of the main businesses of the Target, the provision of management information systems for power plants in the PRC, is a sector the prospects of which the Directors consider with optimism and have determined to focus on developing and (ii) the Board was of the view that the Target’s financial performance over the last two years has been satisfactory as it has recorded a turnover ranging from approximately HK\$45 million to HK\$60 million with profit before taxation of over HK\$2 million for the latest two consecutive financial years which is

expected to be contributory to the Group's financial performance in the future. The Board noted the Target recorded a loss in the first quarter of 2005, which was considered acceptable as the first quarter is usually the slack season of the Target due to the Lunar Chinese New year holidays.

Upon First Acquisition Completion, the Company would have an effective interest of 75% in the issued share capital of the Target. The Second Acquisition would provide the Company with an opportunity to further acquire an effective interest of 25% in the issued share capital of the Target and as a result of the First Acquisition Completion and Second Acquisition Completion, the Target would become a wholly-owned subsidiary of the Company. Accordingly, the Company will have entire control of the Target and the results of the Target will be fully consolidated into the results of the Company. On the other hand, as stated in the annual report of the Company for the year ended 31 March 2005, the Company has no board representation in and has no significant influence over Hung Luen, the Company's investment in Hung Luen has been treated as an investment security in the accounts of the Company.

Based on the aforesaid, the Board (excluding the independent non-executive Directors who will be advised by MasterLink) considered that the Second Acquisition (including the Disposal) is in the interest of the Company and the Shareholders as a whole and that the terms of the Second Acquisition Agreement (including the Disposal) are fair and reasonable.

GENERAL

As stated in the Announcement, the Company acquired an effective interest of 40% in the issued share capital of the Target in September 2004 and entered into the First Acquisition Agreement on 22 July 2005 to acquire an additional 35% direct interest in the Target. Since the first 40% effective interest in the issued share capital of the Target was acquired, and the First Acquisition Agreement was entered into, within a 12 month period of the Second Acquisition, the first 40% effective interest acquisition, the First Acquisition, and the Second Acquisition were aggregated in determining the classification of the Second Acquisition. Since Mr. Cho is the legal and beneficial owner of the entire issued share capital of Pacific Heights, which in turn holds a 38.5% shareholding interest in Tongfang (BVI), an indirect non-wholly owned subsidiary of the Company, Mr. Cho is considered to be a substantial shareholder of an indirect non-wholly owned subsidiary of the Company, and thus a connected person of the Company under the GEM Listing Rules. Each of the Second Acquisition and the Disposal constitutes respectively a very substantial acquisition for the Company pursuant to Rules 19.06(5) and 19.22 of the GEM Listing Rules and a discloseable transaction for the Company pursuant to Rule 19.06(2) of the GEM Listing Rules and connected transactions for the Company pursuant to Rule 20.13(1)(a) of the GEM Listing Rules. Accordingly, the Second Acquisition (including the Disposal) is subject to the approval of the independent Shareholders. Any party who has a material interest in the Second Acquisition (including the Disposal) has to abstain from voting on the resolution to approve the Second Acquisition (including the Disposal) at the EGM. As no Shareholder has a material interest in the Second Acquisition (including the Disposal), no Shareholder is required to abstain from voting on the resolution to approve the Second Acquisition (including the Disposal) at the EGM.

An Independent Board Committee will be established to consider the Second Acquisition (including the Disposal) and to advise the independent Shareholders regarding the Second Acquisition (including the Disposal). MasterLink has been appointed as the independent financial adviser to advise the Independent Board Committee and the independent Shareholders in this regard.

DESPATCH OF CIRCULAR

A circular containing, among other things, (i) details of the Second Acquisition Agreement (including the Disposal); (ii) the recommendations of the Independent Board Committee in relation to the Second Acquisition (including the Disposal); (iii) the advice of MasterLink to the Independent Board Committee and the independent Shareholders; and (iv) a notice convening the EGM, will be despatched to the Shareholders within 21 days after publication of this announcement pursuant to the GEM Listing Rules.

As announced by the Company on 25 July 2005, the Company entered into the First Acquisition Agreement on 22 July 2005 in relation to the proposed acquisition of a 35% interest in the issued share capital of the Target by the Company from Tsinghua Tongfang , and the Company shall issue the First Acquisition Circular within 21 days after publication of the Announcement, being in this case on or before 15 August 2005. However, additional time is required for the Company to finalise certain financial information (which includes the indebtedness statement and the pro forma financial information on the enlarged Group) for inclusion in the First Acquisition Circular. Besides, due to the fact that the First Acquisition and the Second Acquisition (including the Disposal) are both relating to the acquisition of effective interest in the issued share capital of the Target, the Directors consider it is appropriate to extend the period for posting of the First Acquisition Circular and have decided to cover both the First Acquisition and the Second Acquisition (including the Disposal) in one circular in order to allow the Shareholders to have the requisite information on both the First Acquisition and the Second Acquisition (including the Disposal) at the time of voting on them.

Accordingly, an application has been made by the Company to the Stock Exchange for a waiver from strict compliance with the GEM Listing Rules by extending the despatch date of the First Acquisition Circular, covering both the First Acquisition and the Second Acquisition (including the Disposal), to not later than 21 days after publication of this announcement, being 26 August 2005.

Shareholders and potential investors in the Company should note that Second Acquisition Completion, which is subject to a number of conditions precedent, may or may not take place. Shareholders and potential investors in the Company are advised to exercise caution when dealing in the Shares.

Trading in the Shares on the Stock Exchange has been suspended with effect from 9:30a.m. on 4 August 2005 at the request of the Company pending the release of this announcement. An application has been made to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30a.m. on 8 August 2005.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“Announcement”	the Company’s announcement dated 25 July 2005 in relation to, among other things, the First Acquisition
“Associates”	has the meaning ascribed thereto under the GEM Listing Rules
“Beijing Tongfang”	北京同方電子科技有限公司 (Beijing Tongfang Electronic Science & Technology Company Limited), a wholly owned foreign investment enterprise incorporated in the PRC and a wholly owned subsidiary of the Target
“Board”	board of Directors
“Company”	Tai Shing International (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM
“Director(s)”	director(s) of the Company
“Disposal”	the transfer of the entire equity interest in Top Gallant to Mr. Cho from the Company as the consideration for the Second Acquisition pursuant to the Second Acquisition Agreement
“EGM”	the extraordinary general meeting of the Company to be convened to consider, among other things, the First Acquisition and the Second Acquisition
“First Acquisition”	the proposed acquisition of the 35% interest in the issued share capital of the Target by the Company from Tsinghua Tongfong pursuant to the First Acquisition Agreement as described in the Announcement
“First Acquisition Agreement”	the conditional agreement dated 22 July 2005 entered into between the Company and Tsinghua Tongfang in relation to the First Acquisition as detailed in the Announcement
“First Acquisition Circular”	a circular in relation to, among other things, the First Acquisition Agreement to be despatched by the Company to the Shareholders
“First Acquisition Completion”	completion of the First Acquisition Agreement as referred to in the Announcement
“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 PRC
“Hung Luen”	北京中廣鴻聯網絡技術有限公司 (Beijing Hung Luen Network Technology Company Limited), a company incorporated in the PRC with limited liability
“Independent Board Committee”	an independent committee of the Board appointed by the Board to advise the independent Shareholders in respect of the Second Acquisition, comprising Mr. Chung Shui Ming, Timpson, Professor Ip Ho Shing, Horace, Mr. Yan Yonghong and Mr. Peng Lijun
“MasterLink”	MasterLink Securities (Hong Kong) Corporation Limited, a licensed corporation under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) to carry out types 1,4, and 6 regulated activities
“Mr. Cho”	Mr. Pyong Sig Cho, a substantial shareholder of an indirect non-wholly owned subsidiary of the Company and thus a connected person of the Company
“Pacific Heights”	Pacific Heights Holdings Limited, a company incorporated in the British Virgin Islands with limited liability
“PRC”	People’s Republic of China
“Second Acquisition”	the proposed acquisition of the entire equity interest in Pacific Heights by the Company from Mr. Cho pursuant to the Second Acquisition Agreement
“Second Acquisition Agreement”	the conditional agreement dated 4 August 2005 entered into between the Company and Mr. Cho in relation to the Second Acquisition
“Second Acquisition Completion”	completion of the Second Acquisition Agreement
“Shareholder(s)”	holder(s) of the ordinary share(s) of HK\$0.05 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Target”	Tongfang Electronic (Hong Kong) Company Limited, a company incorporated under the laws of Hong Kong which is an investment holding company holding the entire equity interest in Beijing Tongfang
“Tongfang (BVI)”	Tongfang Electronic Company Limited, a company incorporated in the British Virgin Islands with limited liability
“Top Gallant”	Top Gallant International Limited, a company incorporated in the British Virgin Islands with limited liability
“Tsinghua Tongfang”	清華同方股份有限公司 (Tsinghua Tongfang Co. Limited), a domestic company incorporated under the laws of the PRC and the shares of which are listed on the Shanghai Stock Exchange
“US\$”	United States dollars, the lawful currency of the United States of America

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

Hong Kong, 5 August 2005

As at the date of announcement, the Board comprises the following directors:

Executive Directors:

Mr. Luk Yat Hung (Chairman)

Ms. Li Wenli

Independent Non-executive Directors:

Mr. Chung Shui Ming, Timpson

Professor Ip Ho Shing, Horace

Mr. Yan Yonghong

Mr. Peng Lijun

This announcement will remain on the “Latest Company Announcement” page of the GEM website for at least 7 days from its date of publication.

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: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) 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.