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## **Trillion Grand Corporate Company Limited**

(Formerly known as Tai Shing International (Holdings) Limited)

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8103)**

### **VERY SUBSTANTIAL ACQUISITION**

**Financial Adviser to the Company**

# **TRINITY**

**Trinity Corporate Finance Limited**

#### **THE OVERVIEW OF THE ACQUISITION**

On 8 August 2016 (after trading hours), the Purchaser and the Vendor entered into the Sale and Purchase Agreement pursuant to which the Purchaser conditionally agreed to acquire and the Vendor conditionally agreed to sell the Target Group.

The Target Group is the legal and beneficial owner of a landed property situated at the 9th Floor, Global Trade Square, No. 21 Wong Chuk Hang Road, Hong Kong, together with 3 car parking spaces at Global Trade Square (together the “**Property**”).

The Consideration shall be paid by the Purchaser to the Vendor in cash and will be funded by the Loan, details of which are provided under the section headed “**Loan Agreement**” below.

#### **IMPLICATIONS UNDER THE GEM LISTING RULES**

As one of the applicable percentage ratios (as defined under the GEM Listing Rules) of the Acquisition exceeds 100%, the Acquisition constitutes a very substantial acquisition of the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to the reporting, announcement, circular and shareholders’ approval requirements under Chapter 19 of the GEM Listing Rules.

An EGM will be held to consider and, if thought fit, pass ordinary resolutions to approve the Acquisition, the Sale and Purchase Agreement and the transactions contemplated thereunder.

To the best of the knowledge of the Directors, no Shareholder has a material interest in the Acquisition and the Sale and Purchase Agreement and therefore no Shareholder is required to abstain from voting at the EGM in respect of ordinary resolutions for approving the Acquisition, the Sale and Purchase Agreement and the transactions contemplated thereunder.

A circular (“**Circular**”) containing, *inter alia*, (i) further details of the Acquisition, the Sale and Purchase Agreement and the Loan Agreement; (ii) a valuation report on the Property issued by the Independent Property Valuer; (iii) other information as required under the GEM Listing Rules; and (iv) a notice convening the EGM, will be despatched to the Shareholders on or before 29 August 2016.

**As the closing of the Acquisition is subject to the fulfillment or waiver (as the case may be) of the Conditions Precedent as set out in the Sale and Purchase Agreement, the Acquisition and the transactions contemplated hereunder may or may not proceed. Shareholders and potential investors should exercise extreme caution when dealing in the securities of the Company.**

## OVERVIEW

On 8 August 2016 (after trading hours), the Purchaser and the Vendor entered into the Sale and Purchase Agreement pursuant to which the Purchaser conditionally agreed to acquire and the Vendor conditionally agreed to sell the Target Group.

## MAJOR TERMS OF THE SALE AND PURCHASE AGREEMENT

Set out below are the major terms of the Sale and Purchase Agreement:

### 1. Date

8 August 2016

### 2. Parties

Purchaser: the Company

Vendor: the Vendor

To the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, the Vendor and its ultimate beneficial owner are Independent Third Parties.

### 3. Subject matter

The Purchaser has agreed to acquire and the Vendor, as the legal and registered owner of the Sale Shares, has agreed to sell the Sale Shares.

The Target Group is the legal and beneficial owner of a landed property situated at the 9th Floor, Global Trade Square, No. 21 Wong Chuk Hang Road, Hong Kong, together with 3 car parking spaces at Global Trade Square (together the “**Property**”). The Property currently is free from any charge, mortgage, lien and encumbrance. Apart from the Property, the Target Group has no other business activities. Subject to the terms and conditions of the Sale and Purchase Agreement and in particular the fulfilment of the Conditions Precedent, the Vendor shall sell as beneficial owner, and the Purchaser or its nominee shall purchase, the Sale Shares, free from all encumbrances or third-party rights of whatsoever nature and with all rights now or hereafter becoming attached thereto (including the right to receive all dividends and distributions declared, made or paid on or after the date of the Sale and Purchase Agreement).

#### 4. Financial information of the Target Group

Cicero was incorporated on the 2nd day of March 2016. The management accounts of Cicero for the period ended 30 June 2016 showed that net loss before taxation and net loss for the period were HK\$6,649.50 respectively.

The following is the financial information of ISL for the years ended 31 December 2014 (audited) and 2015 (unaudited) respectively, prepared in accordance with the Hong Kong Financial Reporting Standards:

	<b>For the year ended 31 December 2014</b> (audited)	<b>For the year ended 31 December 2015</b> (unaudited)
Net loss before taxation	approximately HK\$5.7 million	approximately HK\$5.7 million
Net loss after taxation	approximately HK\$5.7 million	approximately HK\$5.7 million

#### 5. Consideration

The total consideration for the Acquisition is HK\$128,000,000 (the “**Consideration**”). According to the provisions of the Sale and Purchase Agreement, the Consideration shall be paid by the Purchaser in cash in accordance with the following schedule:

- (i) a non-refundable deposit of HK\$12,800,000 (the “**Deposit**”) will be payable upon the signing of the Sale and Purchase Agreement; and
- (ii) the remainder of the Consideration will be payable upon Completion.

The Consideration shall be paid by the Purchaser to the Vendor in cash and will be funded by the Loan, details of which are provided under the section headed “**Loan Agreement**” below.

The Consideration was arrived at after arm's length negotiation between the Purchaser and the Vendor after taking into account the market price of similar properties of similar size, character and location. Based on the preliminary valuation prepared by the Independent Property Valuer, the current estimated market value is HK\$140,000,000.

## **6. Conditions Precedent**

The Acquisition shall be subject to and conditional upon the fulfillment and satisfaction, at or prior to the Long Stop Date of each of the following conditions precedent:

- (a) The results of the legal and financial due diligence conducted by the Purchaser over the Target Group, including but not limited to the Property and the affairs, business assets, liabilities, operations, records, financial position, value of assets, accounts, results, legal and financial structure of the Target Group, being completed to the reasonable satisfaction of the Purchaser;
- (b) the passing of the necessary resolution(s) by the shareholders of the Company in the EGM to approve the Acquisition and the transactions contemplated in or incidental to the Acquisition in accordance with the requirements of the GEM Listing Rules;
- (c) if applicable, the passing of the necessary resolution(s) by the shareholders of Imagi International Holdings Limited in the special general meeting to approve the Acquisition and the transactions contemplated in or incidental to the Acquisition in accordance with the requirements of the Listing Rules; and
- (d) if applicable, the obtaining of all consents from government or regulatory authorities or third parties which are necessary in connection with the execution and performance of the Acquisition and any of the transactions contemplated hereunder.

The Parties shall use their best endeavours to procure the fulfillment of the Conditions Precedent set out in above clauses (a) to (d) at any time on or before 5 p.m. on the Long Stop Date (including without limitation by making all necessary applications as soon as practicable after the signing of the Sale and Purchase Agreement).

The Purchaser may waive the Conditions Precedent set out in the above clause (a) by written notice to the Vendor.

In the event the Conditions Precedent could not be fulfilled before 5 p.m. on the Long Stop Date or the Parties hereto have not reached any agreement in writing to extend the Long Stop Date, then the Acquisition shall be terminated whereupon all rights, obligations and liabilities of the Parties hereto shall cease and determine and none of the Parties shall have any claim against the other save as to any rights on any antecedent breach of the Acquisition and the Vendor shall not be liable to refund to the Purchaser the Deposit and the Deposit shall be forfeited to the Vendor not as penalty but as liquidated damages.

## 7. Completion

Completion shall take place on or before the 5th Business Day after all the Conditions Precedent are being fulfilled.

### LOAN AGREEMENT

Set out below are the principal terms of the Loan Agreement:

Date	:	5 August 2016
Borrower	:	the Company
Lender	:	Cordoba Homes
Principal Amount	:	A facility of an amount up to HK\$150,000,000
Interest Rate	:	12% per annum
Commitment Fee	:	1% on the facility (in the sum of HK\$1,500,000), payable by the Borrower upon signing of the Loan Agreement and is non-refundable
Maturity Date	:	one year from the date of draw down of the relevant Loan or such other date as mutually agreed by Cordoba Homes and the Company

The Company may prepay all or any part of the Loan on any Business day prior to the Maturity Date without premium or penalty provided that the Company shall have given to Cordoba Homes prior written notice three Business Days in advance specifying the amount and the date of prepayment.

Given that the interest rate of the Loan Agreement is 12% per annum, the Directors (including the independent non-executive Directors) are of the view that the terms of the Loan Agreement are more favorable than those offered to the Company by other financial institutions in Hong Kong and therefore the entering into of the Loan Agreement is in the interest of the Company and the Shareholders as a whole.

Cordoba Homes may in its absolute discretion request from the Company in any drawdown under the facility any security documents in such form satisfactory to Cordoba Homes including but not limited to any mortgage or legal charge through or under which all the legal, beneficial and/or economical interest of and in any property, undertaking and assets to be acquired by the Company in the Acquisition shall be duly charged to Cordoba Homes, and any pledge of Corporate Documents and the title deeds of the subject matter of the Acquisition, as security of the Company's liabilities under the Loan Agreement.

The Company intends to repay or refinance the Loan upon maturity by debt or equity issuance and the exact mechanism or issue terms will depend on, amongst other things, whether and what form of debt or bank financing is available, the prevailing share price and other equity issuance options available to the

Company at the time of repayment or refinancing upon maturity, subject to the requirements of the GEM Listing Rules.

## **INFORMATION OF THE PURCHASER**

The principal business activity of the Company is investment holding.

## **INFORMATION OF THE VENDOR**

The Vendor is a company incorporated in the British Virgin Islands whose registered office is situated at Coastal Building, Wickham's Cay II, P.O. Box 2221, Road Town, Tortola, British Virgin Islands and is also a wholly-owned subsidiary of Imagi International Holdings Limited, a company incorporated in Bermuda whose shares are listed on the Main Board of the Stock Exchange with stock code 585. The Vendor is principally engaged in investment activities.

## **REASONS FOR AND BENEFITS OF THE ACQUISITION**

The Property is located at Wong Chuk Hang Road in Hong Kong. The location is easily accessible by the South Island Line (East) of MTR, which is expected to commence service by late 2016. The Company believes that there will be increasing demand for office space in the area where the Property is located which is driven by the establishment of the South Island Line (East). The Directors therefore believe that the Property will benefit from potential value appreciation and surging demand for high-grade office buildings in the area. In light of the above, the Board is of the view that the Property is a sound investment opportunity for the Company and will become an important asset in its property portfolio following Completion.

Having closely monitored the market environment and assessed the benefits of the Acquisition as discussed above, the Board is of the view that the terms of the Sale and Purchase Agreement are fair and reasonable and it is in the interests of the Company and the Shareholders as a whole for the Company to enter into the Acquisition. The available facility from the Loan Agreement also allows the Company to execute the Acquisition on favourable financing terms and is therefore beneficial to Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As one of the applicable percentage ratios (as defined under the GEM Listing Rules) of the Acquisition exceeds 100%, the Acquisition constitutes a very substantial acquisition of the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

## **EGM AND CIRCULAR**

An EGM will be held to consider and, if thought fit, pass ordinary resolutions to approve the Acquisition, the Sale and Purchase Agreement and the transactions contemplated thereunder.

To the best of the knowledge of the Directors, no Shareholder has a material interest in the Acquisition and the Sale and Purchase Agreement and therefore no Shareholder is required to abstain from voting at the EGM in respect of the ordinary resolutions for approving the Acquisition, the Sale and Purchase Agreement and the transactions contemplated thereunder.

A Circular containing, *inter alia*, (i) further details of the Acquisition, the Sale and Purchase Agreement and the Loan Agreement; (ii) a valuation report on the Property issued by the Independent Property Valuer; (iii) other information as required under the GEM Listing Rules; and (iv) a notice convening the EGM, will be despatched to the Shareholders on or before 29 August 2016.

**As the closing of the Acquisition is subject to the fulfillment or waiver (as the case may be) of the Conditions Precedent as set out in the Sale and Purchase Agreement, the Acquisition and the transactions contemplated hereunder may or may not proceed. Shareholders and potential investors should exercise extreme caution when dealing in the securities of the Company.**

## DEFINITIONS

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

“Acquisition”	the conditional acquisition of the Target Group by the Purchaser pursuant to the Sale and Purchase Agreement
“Board”	the board of Directors of the Company
“Business Days”	any day on which banks in Hong Kong are open for normal banking business (excluding Saturdays and any day on which a tropical cyclone warning signal no. 8 or above or a “black” rainstorm warning signal is hoisted in Hong Kong)
“Cicero”	Cicero Capital Limited, a limited liability company incorporated in the British Virgin Islands
“Company”	Trillion Grand Corporate Company Limited (formerly known as 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 Acquisition
“Conditions Precedent”	the conditions precedent set out in the Sale & Purchase Agreement
“Cordoba Homes”	Cordoba Homes Finance Limited, a limited liability company incorporated in Hong Kong

“Corporate Documents”	means, in relation to a corporate, its certificate of incorporation, business registration certificate (if any), statutory books and minute book, the Memorandums & Articles of Association, common seals, company chop, share certificate book, all financial and accounting book, contract, all documents and paper in connection with its affairs and all documents of title to its assets
“Director(s)”	directors of the Company
“EGM”	the extraordinary general meeting of the Company to be convened to approve the Acquisition
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	The Rules Governing the Listing of Securities on GEM
“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
“Independent Property Valuer”	Colliers International (Hong Kong) Limited
“Independent Third Parties”	any person independent of and not connected with the Company and its connected persons (as defined in the GEM Listing Rules)
“ISL”	Imagi Services Limited, a wholly-owned subsidiary of Cicero and the legal and beneficial owner of the Property
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	the principal amount(s) drawn and for the time being outstanding under the Loan Agreement
“Loan Agreement”	the loan agreement dated 5 August 2016 in respect of a facility in the principal amount of up to HK\$150,000,000 granted by Cordoba Homes to the Company
“Long Stop Date”	four calendar months after the date of signing of the Sale and Purchase Agreement or such later date to be agreed between the Purchaser and the Vendor in writing
“Parties”	parties to the Sale and Purchase Agreement
“Purchaser”	meaning the Company
“Sale and Purchase Agreement”	the sale and purchase agreement dated 8 August 2016 entered into between the Purchaser and the Vendor in relation to the sale and purchase of the Target Group



“Sale Shares”	the two ordinary shares with no par value legally and beneficially owned by the Vendor representing the entire issued share capital of Cicero
“Shareholders”	holders of the Shares
“Shares”	ordinary share(s) of par value HK\$0.001 each in the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Group”	Cicero and ISL
“Vendor”	Sky Field Holdings Limited, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of Imagi International Holdings Limited
“%”	per cent

On behalf of the Board  
**Trillion Grand Corporate Company Limited**  
**Lau Kelly**  
*Executive Director*

8 August 2016

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

*Executive Directors:*

Mr. Lau Kelly (Chief Executive Officer)  
Mr. Leung Chung Nam  
Mr. Tam Kwok Leung

*Non-executive Director:*

Ms. Jim Ka Man

*Independent non-executive Directors:*

Dr. Wan Ho Yuen, Terence  
Ms. Yeung Mo Sheung, Ann  
Mr. Hau Chi Kit

*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 posting and on the website of the Company at <http://www.trilliongrand.com>.*