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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)

- (I) OPEN OFFER ON THE BASIS OF ONE (1) OFFER SHARE FOR EVERY TWO (2) EXISTING SHARES HELD ON THE RECORD DATE; AND
(II) PROPOSED CHANGE IN BOARD LOT SIZE**

Underwriter



Freeman Securities Limited

THE OPEN OFFER

The Company proposes to raise not less than approximately HK\$28.52 million and not more than approximately HK\$40.92 million before expenses by issuing not less than 570,301,928 Offer Shares and not more than 818,499,792 Offer Shares at the Subscription Price of HK\$0.05 per Offer Share on the basis of one Offer Share for every two existing Shares held on the Record Date and payable in full upon application. The Offer Shares not accepted shall not be made available for subscription by other Qualifying Shareholders by means of excess application but shall be taken up by the Underwriter.

Pursuant to the Underwriting Agreement, the Underwriter has undertaken to the Company that, subject to the Open Offer not being terminated, the Underwriter has agreed to fully underwrite the Underwritten Shares on the terms and subject to the conditions set out in the Underwriting Agreement.

* For identification purpose only

Assuming (i) no new Shares being issued (other than those Option Shares, new Shares under the General Mandate and the Conversion Shares) and no Shares being repurchased by the Company; (ii) all 108,322,385 Options being granted and exercised and 108,322,385 Option Shares being allotted and issued; (iii) the General Mandate is fully utilized and 216,644,771 new Shares being allotted and issued; and (iv) all Convertible Bonds being exercised and 171,428,571 Conversion Shares being allotted and issued on or before the Record Date, a maximum of 818,499,792 Offer Shares are proposed to be allotted and issued and they represent approximately 71.76% of the Company's issued share capital as at the date of this announcement and approximately 33.33% of the Company's issued share capital of 2,455,499,376 Shares as enlarged by the allotment and issue of the 108,322,385 Option Shares, the allotment and issue of the 216,644,771 new Shares under the General Mandate, the allotment and issue of 171,428,571 Conversion Shares and 818,499,792 Offer Shares (being the maximum number of Offer Shares to be allotted and issued under the Open Offer) immediately after completion of the Open Offer.

The Open Offer is only available to the Qualifying Shareholders.

PROPOSED CHANGE IN BOARD LOT SIZE

The Board also proposes that the board lot size of the Shares for trading on the Stock Exchange be changed from 10,000 Shares to 20,000 Shares.

EXPECTED TIMETABLE

The expected timetable for the implementation of the Open Offer and the Proposed Change Board Lot Size and the associated trading arrangements, including the date of despatch of the share certificates in respect of the Offer Shares, will be announced by the Company in due course.

GENERAL

Since the Open Offer will not increase the issued share capital or the market capitalization of the Company by more than 50% within the 12-month period immediately preceding this announcement and the Open Offer is fully underwritten by the Underwriter who is not a director, chief executive or substantial shareholder of the Company (or an associate of any of them), the Open Offer is not subject to Shareholders' approval under the GEM Listing Rules.

WARNING OF THE RISK OF DEALINGS IN SHARES

Shareholders and potential investors should note that the Open Offer is conditional upon the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof. Accordingly, the Open Offer may or may not proceed.

SUSPENSION OF TRADING IN THE SHARES

Trading in the Shares on the Stock Exchange has been suspended from 9:00 a.m. on 2 July 2013 and will remain suspended until further notice. The release of this announcement does not indicate that the Shares will resume trading. Accordingly, Shareholders and potential investors are advised to exercise caution when dealings in the Shares.

THE OPEN OFFER

The Company proposes to raise not less than approximately HK\$28.52 million and not more than approximately HK\$40.92 million before expenses by way of Open Offer and details are set out as follows:

Issue statistics

Basis of the Open Offer:	One (1) Offer Share for every two (2) existing Shares held on the Record Date
Subscription Price:	HK\$0.05 per Offer Share
Number of Shares in issue as at the date of this announcement:	1,140,603,857 Shares
Number of Option Shares:	108,322,385 Shares (assuming all Options are granted and exercised on or before the Record Date)
Number of new Shares under General Mandate:	216,644,771 Shares (assuming the General Mandate is fully utilized on or before the Record Date)
Number of Conversion Shares:	171,428,571 Shares (assuming all Convertible Bonds being exercised and 171,428,571 Conversion Shares being allotted and issued on or before the Record Date)

Number of Offer Shares: Not less than 570,301,928 Offer Shares and not more than 818,499,792 Offer Shares (assuming (i) no new Shares being issued (other than those Option Shares, new Shares under the General Mandate and the Conversion Shares) and no Shares being repurchased by the Company; (ii) all Option Shares being allotted and issued; (iii) the General Mandate is fully utilized and 216,644,771 new Shares being allotted and issued; and (iv) all Conversion Shares being allotted and issued on or before the Record Date)

Number of Offer Shares underwritten by the Underwriter: Not less than 570,301,928 Offer Shares or not more than 818,499,792 Offer Shares.

Pursuant to the Underwriting Agreement, the Underwriter has undertaken to the Company that, subject to the Open Offer not being terminated, the Underwriter has agreed to fully underwrite the Underwritten Shares on the terms and subject to the conditions set out in the Underwriting Agreement.

Number of enlarged Shares in issue upon completion of the Open Offer: Not less than 1,710,905,785 Shares and not more than 2,455,499,376 Shares

As at the date of this announcement, save for the Convertible Bonds, the Company has no other outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares.

Assuming (i) no new Shares being issued (other than those Option Shares, new Shares under the General Mandate and the Conversion Shares) and no Shares being repurchased by the Company; (ii) all 108,322,385 Options being granted and exercised and 108,322,385 Option Shares being allotted and issued; (iii) the General Mandate is fully utilized and 216,644,771 new Shares being allotted and issued; and (iv) all Convertible Bonds being exercised and 171,428,571 Conversion Shares being allotted and issued on or before the Record Date, a maximum of 818,499,792 Offer Shares are proposed to be allotted and issued and they represent approximately 71.76% of the Company's issued share capital as at the date of this announcement and approximately 33.33% of the Company's issued share capital of 2,455,499,376 Shares as enlarged by the allotment and issue of the 108,322,385 Option Shares, the allotment and issue of the 216,644,771 new Shares under the General Mandate, the allotment and issue of 171,428,571 Conversion Shares and 818,499,792 Offer Shares (being the maximum number of Offer Shares to be allotted and issued under the Open Offer) immediately after completion of the Open Offer.

The aggregate nominal value of the Offer Shares will be not less than HK\$28,515,096.40 and not more than HK\$40,924,989.60.

Subscription Price

The Subscription Price is HK\$0.05 per Offer Share, which will be payable in full upon application.

The Subscription Price represents:

- (a) a discount of approximately 59.68% to the closing price of HK\$0.124 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a discount of approximately 49.66% to the theoretical ex-entitlement price of approximately HK\$0.09933 based on the closing price of HK\$0.124 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (c) a discount of approximately 63.34% to the average closing price of approximately HK\$0.1364 per Share for the last five consecutive trading days immediately prior to and including the Last Trading Day.

The Subscription Price was determined after arm's length negotiations between the Company and the Underwriter with reference to, among others, the prevailing market prices of the Shares prior to the Last Trading Day. The Directors consider that (i) each Qualifying Shareholder will be entitled to subscribe for the Offer Shares at the same Subscription Price in proportion to his/her/its shareholding held on the Record Date; (ii) the Subscription Price has been set as a discount to the closing price of the Shares on the Last Trading Day with an objective of encouraging existing Shareholders to take up their entitlements so as to share in the potential growth of the Company; and (iii) the terms of the Open Offer to be fair and reasonable and in the best interests of the Company and the Shareholders as a whole. After deducting all relevant expenses relating to the Open Offer, the net price per Offer Share will be approximately HK\$0.04825.

Basis of entitlement

The basis of the entitlement shall be one (1) Offer Share for every two (2) Shares held on the Record Date, being not less than 570,301,928 Offer Shares and not more than 818,499,792 Offer Shares. Acceptance for all or any part entitlement of a Qualifying Shareholder should be made by completing the Application Form and lodging the same with a remittance for the Offer Shares being accepted for.

Qualifying Shareholders

The Open Offer is only available to the Qualifying Shareholders.

To qualify for the Open Offer, the Shareholders must at the close of business on the Record Date (a) be registered on the register of members of the Company; and (b) not being the Non-Qualifying Shareholders.

Shareholders whose Shares are held by nominee companies should note that the Board will regard a nominee company as a single Shareholder according to the register of members of the Company. Shareholders with their Shares held by nominee companies are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

In order to be registered as members of the Company prior to the close of business on the Record Date, Shareholders must lodge any transfers of Shares (together with the relevant share certificates) for registration with the Registrar at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, no later than 4:30 p.m. on a date to be announced by the Company.

Closure of register of members for the Open Offer

The Record Date and the dates for the closure of the register of members of the Company will be announced by the Company in due course. No transfers of Shares will be registered during the book closure period.

Rights of Overseas Shareholders

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong.

In compliance with the necessary requirements of the GEM Listing Rules, the Company will make enquiries regarding the feasibility of extending the Open Offer to the Overseas Shareholders. If, based on legal opinions, the Directors consider that it is necessary or expedient not to offer the Offer Shares to the Overseas Shareholders on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place, the Open Offer will not be available to such Overseas Shareholders. Accordingly, the Open Offer will not be extended to the Non-Qualifying Shareholders.

Further information in this connection will be set out in the Prospectus Documents containing, among other things, details of the Open Offer, to be despatched to the Qualifying Shareholders on a date to be announced by the Company. The Company will send copies of the Prospectus to the Non-Qualifying Shareholders for their information only, but no Application Form will be sent to them. Those Qualifying Shareholders who do not take up the Offer Shares to which they are entitled and the Non-Qualifying Shareholders should note that their shareholdings in the Company will be diluted upon completion of the Open Offer.

Status of the Offer Shares

The Offer Shares, when allotted, issued and fully paid, will rank *pari passu* in all respects with the Shares then in issue. Holders of fully-paid Offer Shares will be entitled to receive all future dividends and distributions which are declared, made or paid after the date of allotment of the Offer Shares in their fully-paid form.

Share certificates for the Offer Shares and refund cheques

Subject to the fulfillment of the conditions of the Open Offer, certificates for all fully-paid Offer Shares are expected to be posted to those entitled thereto by ordinary post at their own risk. If the Open Offer is terminated, refund cheques will be despatched by ordinary post at the respective Shareholders' own risk. The relevant dates for the despatch of share certificates for the Offer Shares and refund cheques will be announced by the Company in due course.

No application for excess Offer Shares

Considering that the Open Offer will give the Qualifying Shareholders an equal and fair opportunity to maintain their respective pro rata shareholding interests in the Company, if application for excess Offer Shares is arranged, the Company will be required to put in additional effort and costs to administer the excess application procedures. Accordingly, no excess Offer Shares will be offered to the Qualifying Shareholders. The Offer Shares not accepted shall not be made available for subscription by other Qualifying Shareholders by means of excess application but shall be taken up by the Underwriter.

Fractions of the Offer Shares

Fractional entitlements to the Offer Shares, if any, will not be issued to the Qualifying Shareholders but will be aggregated and underwritten by the Underwriter.

Application for the Offer Shares

The Application Form in respect of the entitlement of the Offer Shares will be enclosed with the Prospectus entitling the Qualifying Shareholders to whom it is addressed to subscribe for the Offer Shares as shown therein by completing such form and lodging the same with a remittance for the Offer Shares being taken up with the Registrar by the Acceptance Date.

Application for listing

The Company will apply to the Listing Committee for the listing of and permission to deal in, the Offer Shares. Dealings in the Offer Shares on the Stock Exchange will be subject to the payment of stamp duty (if any) in Hong Kong and any other applicable fees and charges in Hong Kong. Subject to the granting of the approval for the listing of, and permission to deal in, the Offer Shares on the Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Offer Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

All necessary arrangements will be made to enable the Offer Shares to be admitted into CCASS.

No part of the securities of the Company is listed or dealt in or on which listing or permission to deal is being or is proposed to be sought on any other stock exchange.

UNDERWRITING AGREEMENT

Underwriting Agreement

Date:	17 June 2015 (after trading hours)
Underwriter:	Freeman Securities Limited
Number of Underwritten Shares:	Not less than 570,301,928 Offer Shares and not more than 818,499,792 Offer Shares.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Underwriter and their respective ultimate beneficial owners are Independent Third Parties.

Pursuant to the Underwriting Agreement, the Underwriter has undertaken to the Company that, subject to the Open Offer not being terminated, the Underwriter has agreed to fully underwrite the Underwritten Shares on the terms and subject to the conditions set out in the Underwriting Agreement.

Pursuant to the Underwriting Agreement, the Underwriter confirms that (i) it will not and shall procure that each of the ultimate subscribers or purchasers procured by it or the sub-underwriters will not (together with each of their respective parties acting in concert (as such term is defined in the Takeovers Code) hold in aggregate 30% or more of the voting rights of the Company immediately after the Open Offer; (ii) it shall and shall cause the sub-underwriters to procure the independent placees to take up such number of Offer Shares as necessary to ensure that the public float requirements under Rule 11.23(7) of the GEM Listing Rules are complied with immediately after the Open Offer; (iii) each of the Underwriter and the sub-underwriters (and their respective ultimate beneficial owners) is not a party acting in concert with each other; and (iv) each of the Underwriter and the sub-underwriters (and their respective ultimate beneficial owners) is not a connected person of the Company.

Underwriting commission

The Company will pay the Underwriter an underwriting commission at a rate of 3% of the Subscription Price of the final number of the Underwritten Shares as determined on the Record Date. The commission rate was determined after arm's length negotiation between the Company and the Underwriter by reference to market rate. The Directors are of the view that the terms of the Underwriting Agreement, including the commission, accord with the market practice, and are fair and reasonable so far as the Company and the Shareholders are concerned.

Termination of the Underwriting Agreement

The Underwriter shall have the right to terminate the arrangements set out in the Underwriting Agreement by notice in writing given to the Company if at any time at or prior to the Latest Time for Termination:

- (1) in the reasonable opinion of the Underwriter, the success of the Open Offer would be materially and adversely affected by:
 - (i) the introduction of any new regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
 - (ii) the occurrence of any local, national or international event or change, whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date of the Underwriting Agreement, of a political, financial, economic, currency market or other nature (whether or not ejusdem generis with any of the foregoing) or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities market which may, in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
 - (iii) any material adverse change in the business or in the financial or trading position or prospects of the Group as a whole; or
 - (iv) any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out which would, in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
 - (v) there occurs or comes into effect the imposition of any moratorium, suspension or material restriction on trading in the Shares generally on the Stock Exchange due to exceptional financial circumstances or otherwise; or
- (2) any material adverse change in market conditions (including, without limitation, a change in fiscal or monetary policy or foreign exchange or currency markets, suspension or restriction of trading in securities, imposition of economic sanctions, on Hong Kong, the PRC, the Cayman Islands or other jurisdiction relevant to the Group or any member of the Group and a change in currency conditions for the purpose of this clause includes a change in the system under which the value of the Hong Kong currency is pegged with that of the currency of the United States of America) occurs which in the reasonable opinion of the Underwriter makes it inexpedient or inadvisable to proceed with the Open Offer; or

- (3) the Underwriter shall become aware of the fact that, or shall have reasonable cause to believe that, any of the representations or warranties contained in the Underwriting Agreement is untrue, inaccurate, misleading or breached, and in each case the same is (in the reasonable opinion of the Underwriter) material in the context of the Open Offer;

the Underwriter shall be entitled by notice in writing to the Company prior to the Latest Time for Termination to elect to rescind the Underwriting Agreement.

Upon giving any of such notice, all obligations of the Underwriter under the Underwriting Agreement shall cease and determine, all liabilities of the parties thereunder will cease and determine and no party will have any claim against any other party in respect of any matter or thing arising out of or in connection with the Underwriting Agreement save in respect of any antecedent breach of any obligation under the Underwriting Agreement.

Conditions of the Open Offer

The Open Offer is conditional upon the following conditions being fulfilled:

- (i) the delivery to the Stock Exchange and registration by the Registrar of Companies in Hong Kong respectively on or prior to the Posting Date of one copy of each of the Prospectus Documents each duly certified in compliance with section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (and all other documents required to be attached thereto) and the GEM Listing Rules;
- (ii) the posting on the Posting Date of copies of the Prospectus Documents to the Qualifying Shareholders;
- (iii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Offer Shares either unconditionally or subject to such conditions which the Company accepts and the satisfaction of such conditions (if any and where relevant) by no later than the Posting Date and the Listing Committee of the Stock Exchange not having withdrawn or revoked such listings and permission on or before the Latest Time for Termination; and
- (iv) the obligations of the Underwriter under the Underwriting Agreement not being terminated by the Underwriter in accordance with the terms thereof.

None of the conditions is capable of being waived. If the above conditions are not satisfied on or before the Long Stop Date (or in each case, such later date as the Company and the Underwriter may agree), all liabilities of the parties under the Underwriting Agreement shall cease and determine and none of the parties shall have any claim against the other (save for in respect of any antecedent breaches and claims).

SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company before and after the completion of the Open Offer:

- (a) Assuming no Option Shares or Conversion Shares or new Shares under the General Mandate were allotted and issued on or before the Record Date:

	Immediately after completion of the Open Offer assuming					
	As at the date of this announcement and assuming no Option Shares or Conversion Shares or new Shares under the General Mandate were allotted and issued on or before the Record Date		All Offer Shares are subscribed for by the Qualifying Shareholders		None of the Offer Shares are subscribed for by the Qualifying Shareholders	
	No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %
Underwriter	–	0.00%	–	0.00%	570,301,928	33.33%
Other public shareholders	1,140,603,857	100.00%	1,140,603,857	100.00%	1,140,603,857	66.67%
	<u>1,140,603,857</u>	<u>100.00%</u>	<u>1,140,603,857</u>	<u>100.00%</u>	<u>1,710,905,785</u>	<u>100.00%</u>

- (b) Assuming all Option Shares, Conversion Shares and new Shares under the General Mandate were allotted and issued on or before the Record Date:

	Immediately after completion of the Open Offer assuming							
	As at the date of this announcement				Immediately after Conversion Shares, Option Shares and new Shares under General Mandate were allotted and issued on or before the Record Date			
	No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %
Underwriter	–	0.00%	–	0.00%	–	0.00%	818,499,792	33.33%
holders of new Shares under General Mandate			216,644,771	13.23%	324,967,156	13.23%	216,644,771	8.82%
holders of Option Shares	–	0.00%	108,322,385	6.62%	162,483,578	6.62%	108,322,385	4.41%
holders of Conversion Shares			171,428,571	10.47%	257,142,857	10.47%	171,428,571	6.98%
Other public shareholders	1,140,603,857	100.00%	1,140,603,857	69.68%	1,710,905,785	69.68%	1,140,603,857	46.46%
	<u>1,140,603,857</u>	<u>100.00%</u>	<u>1,636,999,584</u>	<u>100.00%</u>	<u>2,455,499,376</u>	<u>100.00%</u>	<u>2,455,499,376</u>	<u>100.00%</u>

REASONS FOR THE OPEN OFFER AND USE OF PROCEEDS

The Group is principally engaged in system development, professional services, money lending business, proprietary trading business and printing services.

The gross proceeds from the Open Offer will not be less than approximately HK\$28.52 million and not more than approximately HK\$40.92 million. The net proceeds from the Open Offer after deducting all relevant expenses are estimated to be not less than approximately HK\$27.52 million but not more than approximately HK\$39.49 million.

The Company intends to apply such net proceeds of not less than approximately HK\$27.52 million and not more than approximately HK\$39.49 million from the Open Offer for general working capital of the Company, including repayment of debts, expansion of proprietary trading business and other working capital requirements of the Company.

Having considered other fund raising alternatives for the Group, such as placing of new Shares or other convertible securities, and taking into account the benefits and cost of each of the alternatives, the Directors are of the view that the Open Offer is in the interest of the Company and the Shareholders as a whole since it offers the Qualifying Shareholders the opportunity to maintain their pro rata shareholding interests in the Company.

FUND RAISING EXERCISES OF THE COMPANY IN THE PAST 12 MONTHS

The Company's equity fund raising activities over the past 12-month period immediately preceding the date of this announcement are set out below:—

Date of event	Fund raising activity	Net proceeds raised <i>(approximately)</i>	Actual use of the net proceeds
1 April 2015	Exercise of 57,380,000 warrants	HK\$10,902,200	Used for working capital of the Company, including repayment of debt, investments and expansion of proprietary trading business.

Save for the fund raising activities disclosed above, the Company had not conducted any fund raising activities in the past twelve months immediately preceding the date of this announcement.

PROPOSED CHANGE IN BOARD LOT SIZE

As the value of each board lot of Shares is expected to decrease after dealings in the Shares on an ex-rights basis commence, in order to increase the value of each board lot of the Shares so that the value of each board lot of the Shares will not be less than HK\$2,000, as well as to reduce transaction and registration costs incurred by the Shareholders and investors of the Company, the Board proposes that the board lot size of the Shares for trading on the Stock Exchange be changed from 10,000 Shares to 20,000 Shares with effect from 9:00 a.m. on the next Business Day immediately after the Record Date.

In order to alleviate the difficulties arising from the existence of odd lots of the Shares as a result of the change in board lot size of the Shares and the Open Offer, the Company will appoint an matching agent to stand in the market to provide matching services, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Shares to make up a full board lot, or to dispose of their holdings of odd lots of the Shares. Details will be announced by the Company in due course.

Holders of odd lots of the Shares should note that successful matching of the sale and purchase of odd lots of the Shares are not warranted. Any Shareholder who is in any doubt about the odd lots arrangement, is recommended to consult his/her/its own professional advisers.

The Offer Shares will be traded in the board lot of 20,000 Shares.

EXPECTED TIMETABLE

The expected timetable for the implementation of the Open Offer and the Proposed Change Board Lot Size and the associated trading arrangements, including the date of despatch of the share certificates in respect of the Offer Shares, will be announced by the Company in due course.

ADJUSTMENTS TO THE CONVERTIBLE BONDS AND OPTIONS

Adjustments to the conversion prices of the Convertible Bonds and the exercise prices and numbers of Shares which may be subscribed pursuant to the Options may be required under the terms and conditions of the Convertible Bonds and the Share Option Scheme as a result of the completion of the Open Offer. The auditors or an approved financial adviser of the Company will be appointed to certify the necessary adjustments, if any, to the conversion prices of the Convertible Bonds and the exercise prices and number of the numbers of Shares which may be subscribed pursuant to the Options. Further announcement will be made by the Company in this regard as and when appropriate.

GENERAL

Since the Open Offer will not increase the issued share capital or the market capitalisation of the Company by more than 50% within the twelve-month period immediately preceding this announcement and the Open Offer is fully underwritten by the Underwriter who is not a Director, chief executive or Substantial Shareholder (or an associate of any of them) pursuant to Rules 10.39 and 10.42 of the GEM Listing Rules, the Open Offer is therefore not subject to Shareholders' approval requirement under the GEM Listing Rules.

The Prospectus Documents setting out details of the Open Offer will be despatched to the Qualifying Shareholders, and the Prospectus will be despatched to the Non-Qualifying Shareholders for their information only on a date to be announced by the Company.

WARNING OF THE RISK OF DEALINGS IN SHARES

Shareholders and potential investors should note that the Open Offer is conditional upon the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof. Accordingly, the Open Offer may or may not proceed.

SUSPENSION OF TRADING IN THE SHARES

Trading in the Shares on the Stock Exchange has been suspended from 9:00 a.m. on 2 July 2013 and will remain suspended until further notice. The release of this announcement does not indicate that the Shares will resume trading. Accordingly, Shareholders and potential investors are advised to exercise caution when dealings in the Shares.

DEFINITIONS

Unless the context otherwise requires, the following expressions used in this announcement have the following meanings:–

“Acceptance Date”	such date to be separately agreed by the Underwriter and the Company as the latest date for acceptance of, and payment for, the Offer Shares
“acting in concert”	has the meaning ascribed thereto under the Takeovers Code
“Application Form(s)”	the application form(s) to be issued to the Qualifying Shareholders to apply for the Offer Shares under the Open Offer
“associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Board”	the board of Directors
“BVI”	British Virgin Islands
“Business Day”	a day (other than Saturday and Sunday) on which the Stock Exchange is open for business of dealings in securities
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC

“Company”	Tai Shing International (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM
“connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Conversion Shares”	based on the conversion price of HK\$0.175 per new share, an aggregate of 171,428,571 new Shares to be allotted and issued by the Company upon exercise of the conversion rights attaching to the Convertible Bonds
“Convertible Bonds”	the outstanding convertible bonds due 1 April 2016 in the total outstanding principal amount of HK\$30,000,000
“Director(s)”	director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“General Mandate”	the general mandate to issue and allot Shares granted by the Shareholders to the Directors at the annual general meeting of the Company held on 12 November 2014
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent ThirdParty(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties not connected with or acting in concert with any directors, chief executive or Substantial Shareholder(s) or its subsidiaries and their respective associates
“Last Trading Day”	28 June 2013, being the last trading day immediately before the date of the Underwriting Agreement
“Latest Time for Termination”	such time and date to be separately agreed by the Underwriter and the Company
“Listing Committee”	has the meaning ascribed thereto in the GEM Listing Rules
“Long Stop Date”	such date to be separately agreed by the Underwriter and the Company

“Non-Qualifying Shareholder(s)”	Shareholders whose name appear on the register of members of the Company at the close of business on the Record Date and whose addresses as shown on such register are outside Hong Kong or are in a place where the Directors, based on legal opinions provided by the legal advisers, consider it necessary or expedient not to offer the Open Offer to such Shareholders on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Offer Share(s)”	not less than 570,301,928 new Shares and not more than 818,499,792 new Shares to be allotted and issued pursuant to the Open Offer
“Open Offer”	the proposed offer for subscription of Shares by way of open offer at the Subscription Price to be made by the Company to the Qualifying Shareholders on the basis of one (1) Offer Share for every two (2) Shares in issue and held on the Record Date as contemplated under the Underwriting Agreement
“Options”	options to subscribe for Shares under the Share Option Scheme
“Options Shares”	a maximum of 108,322,385 new Shares to be allotted and issued upon the exercise of all the 108,322,385 Options
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company as at the close of the business on the Record Date and whose address(es) as shown on such register is/are outside Hong Kong
“Posting Date”	such date to be separately agreed by the Underwriter and the Company as the date of despatch of the Prospectus Documents
“PRC”	the People’s Republic of China
“Proposed Change in Board Lot Size”	the change of the board lot size from 10,000 Shares to 20,000 Shares on the next Business Day immediately after the Record Date
“Prospectus”	the prospectus to be despatched to the Shareholders on the Posting Date containing details of the Open Offer in such form as may be agreed between the Company and the Underwriter
“Prospectus Documents”	the Prospectus and the Application Form
“Qualifying Shareholder(s)”	persons shown on the register of the members of the Company on the Record Date, other than the Non-Qualifying Shareholders
“Record Date”	such date to be separately agreed by the Underwriter and the Company as the date of reference to which entitlements to the Open Offer are to be determined

“Registrar”	the branch share registrar of the Company in Hong Kong, being Computershare Hong Kong Investor Services Limited of Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong
“Settlement Date”	such date to be separately agreed by the Underwriter and the Company as the day for settlement of the Open Offer
“Shareholder(s)”	the holder(s) of Shares
“Share(s)”	ordinary share(s) with par value of HK\$0.05 each in the share capital of the Company
“Share Options Scheme”	the share option scheme adopted by the Company on 12 November 2014
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.05 per Offer Share
“Substantial Shareholder(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs
“Underwriter”	Freeman Securities Limited, a licensed corporation to carry out business in Type 1 (dealing in securities) regulated activities under the SFO
“Underwriting Agreement”	the underwriting agreement dated 17 June 2015 entered into between the Company and the Underwriter (after trading hours) in relation to the underwriting arrangement in respect of the Open Offer
“Underwritten Shares”	all the Offer Shares, being not less than 570,301,928 Offer Shares and not more than 818,499,792 Offer Shares
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“%”	per cent

By Order of the Board
Tai Shing International (Holdings) Limited
Tam Kwok Leung
Executive Director

Hong Kong, 17 June 2015

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

Executive Directors:

Dr. Chew Chee Wah (*Chairman*)
Mr. Tam Kwok Leung (*Chief Executive Officer*)
Ms. Ju Lijun
Mr. Zhang Jinshu
Mr. Luk Chi Shing
Ms. Zhang He
Mr. Lee Yiu Tung

Non-executive Directors:

Dr. Pan Jin
Mr. Dai Yuanxin
Ms. Xiao Yongzhen

Independent non-executive Directors:

Mr. Chan Yee Sze
Ms. Hu Yun
Mr. Koh Kwing Chang
Mr. Lui Wai Ming
Mr. Lai Chi Leung

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.equitynet.com.hk/8103/>.