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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)**

## **PLACING OF NEW SHARES UNDER GENERAL MANDATE AND RESUMPTION OF TRADING**

**Placing Agent**



**VC BROKERAGE LIMITED**  
**滙盈證券有限公司**

### **PLACING AGREEMENT**

On 28 April 2010 (before trading hours), the Company and the Placing Agent entered into the Placing Agreement pursuant to which the Placing Agent has agreed to procure Placees, on a best effort basis, for the subscription of up to 130,000,000 Shares at the Placing Price of HK\$0.265 per Placing Share. The maximum number of the Placing Shares represent (i) about 9.96% of the Company's existing issued share capital of 1,305,700,000 Shares and (ii) about 9.05% of the issued share capital of the Company as enlarged by the issue of the Placing Shares.

Completion of the Placing is subject to the fulfillment of the conditions precedent in the Placing Agreement as summarised in the sub-paragraph headed "Conditions of the Placing" below.

**The Placing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

### **SUSPENSION AND RESUMPTION**

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 28 April 2010 pending the issue of this announcement.

Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 29 April 2010.

\* For identification purpose only

## **PLACING AGREEMENT**

### **Date:**

28 April 2010 (before trading hours)

### **Parties:**

The Company and the Placing Agent

### **Number of Placing Shares to be placed:**

Up to 130,000,000 Shares, representing (i) about 9.96% of the Company's existing issued share capital of 1,305,700,000 Shares and (ii) about 9.05% of the issued share capital of the Company as enlarged by the issue of the Placing Shares.

### **Placing agent:**

VC Brokerage Limited

The Placing Agent and its ultimate beneficial owners are independent of and not connected with the Company and its connected persons (as defined in the GEM Listing Rules).

The Placing Agent will be entitled to receive a placing commission of 1.0% on the gross proceeds of the actual number of the Placing Shares being placed, which was arrived at after arm's length negotiation between the Company and the Placing Agent.

### **Placees**

The Placing Agent agreed to place the Placing Shares, on a best effort basis, to the Placees who are independent of and not connected with the Company, the Directors, chief executive, substantial shareholders and management shareholders (as those terms are defined in the GEM Listing Rules) of the Company, its subsidiaries and their respective associates (as defined in the GEM Listing Rules).

In the event that the number of the Placees falls below six, information of the Placees will be disclosed in further announcement of the Company in accordance with the GEM Listing Rules.

### **Placing Price:**

HK\$0.265 per Share, representing a discount of approximately 15.87% to the closing price of HK\$0.315 per Share as quoted on the Stock Exchange on 27 April 2010, and a discount of approximately 16.14% to the average closing price of HK\$0.316 per Share as quoted on the Stock Exchange for the last five trading days ended on and including 27 April 2010.

The Placing Price was determined after arm's length negotiations between the Company and the Placing Agent on the date of the Placing Agreement with reference to the prevailing market price of the Shares.

## **Ranking of the Placing Shares**

The Placing Shares will rank, upon issue, pari passu in all respects with the Shares in issue on the date of allotment and issue of the Placing Shares.

## **Conditions of the Placing**

Completion of the Placing is conditional upon:

- (i) the Stock Exchange having granted or agreeing to grant the listing of, and permission to deal in, the Placing Shares;
- (ii) if so required, the issue of the Placing Shares having been approved by the shareholders of the Company in accordance with the GEM Listing Rules and the requirements of the Stock Exchange; and
- (iii) the Placing Agreement not having been terminated in accordance with its terms.

If any of the above conditions cannot be fulfilled by 5:00 p.m. on 30 June 2010 (or such later time and date as the Company and the Placing Agent may agree), the Placing Agreement shall automatically terminate and all rights, obligations and liabilities of the parties thereunder in relation to the Placing shall cease and determine and none of the parties shall have any claim against any other in respect of the Placing save for any antecedent breaches of the Placing Agreement.

## **Termination**

The Placing Agent shall have the right to terminate the Placing Agreement by notice in writing given to the Company at any time prior to 12:00 noon (Hong Kong time) on the completion date of the Placing if any of the following develops, occurs or comes into force:

- (a) there shall have come to the notice of the Placing Agent any breach of, or any event rendering untrue or incorrect in any material respect, any of the representations and warranties of the Company contained in the Placing Agreement or any failure to perform any of the Company's undertakings in the Placing Agreement;
- (b) any new law, rule or regulation or any change in existing laws (including common law), rules or regulations (or the juridical interpretation thereof) or other occurrence of any nature whatsoever which, in the opinion of the Placing Agent, are or may be materially adverse to the business or financial position of the Company or any other member of the Group taken as a whole or otherwise makes it inexpedient or inadvisable to proceed with the Placing;

- (c) any event or circumstance (whether or not forming part of a series of events or circumstances occurring or continuing before, on and/or after the date of the Placing Agreement) or material change or deterioration in local, national, international, political, military, financial, economic, market or trading conditions or any other conditions (whether or not ejusdem generis with any of the foregoing) in any part of the world in which the Company or any other member of the Group carries on business which, in the opinion of the Placing Agent, is or may be materially adverse to the business or financial position of the Company or any other member of the Group taken as a whole or otherwise makes it inexpedient or inadvisable to proceed with the Placing;
- (d) any suspension of dealings in the Shares for any period of five consecutive trading days or more (other than as a result of announcing the Placing); or
- (e) any moratorium, suspension or material restriction on trading in shares or securities generally on the Stock Exchange.

Without prejudice to any other provisions of the Placing Agreement, the Placing Agent shall have the right exercisable at any time by notice in writing to the Company to terminate the Placing Agreement if any of the Placing Shares are not delivered by or on behalf of the Company in accordance with the terms of the Placing Agreement.

In the event that the Placing Agent terminate the Placing Agreement in accordance with the terms of the Placing Agreement, all obligations of each of the parties under the Placing Agreement shall cease and determine and no party shall have any claim against any other party in respect of any matter arising out of or in connection with the Placing Agreement except for any antecedent breach of any obligation under the Placing Agreement.

The Directors are not aware of the occurrence of any of such events as at the date of this announcement.

### **Completion of the Placing**

Completion of the Placing will take place within four business days after the fulfillment of the conditions set out in the Placing Agreement.

**The Placing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

### **Shareholding structure of the Company before and after the Placing**

Save for the Service Option conditionally granted by the Company, the Company has no warrants, options or other convertible securities which are still outstanding as at the date of this announcement.

The following table sets out the shareholding structure of the Company prior to and upon completion of the Placing:

	Existing shareholding		Shareholding immediately after the Placing (assuming completion of the Third Subscription has taken place) (note 1)		Shareholding immediately after the Placing (assuming completion of the Third Subscription has NOT taken place) (note 1)	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Wide Source (notes 2 and 5)	85,424,760	6.54	215,424,760	13.76	85,424,760	5.95
Resuccess Investment Ltd. (note 3)	158,900,000	12.17	158,900,000	10.15	158,900,000	11.07
Galaxy China Special Situations Fund SPC (“Galaxy Fund I”), for and on behalf of its Segregated Portfolio, Galaxy China Special Situations Segregated Portfolio 1 (note 4)	70,000,000	5.36	70,000,000	4.47	70,000,000	4.88
Galaxy China Deep Value Fund (“Galaxy Fund II”) (note 4)	74,800,000	5.73	74,800,000	4.78	74,800,000	5.21
The placees under the Third Placing (note 5)	130,000,000	9.96	130,000,000	8.30	130,000,000	9.05
The Placees under the Placing	—	—	130,000,000	8.30	130,000,000	9.05
Other public	786,575,240	60.24	786,575,240	50.24	786,575,240	54.79
<b>Total</b>	<b><u>1,305,700,000</u></b>	<b><u>100.00</u></b>	<b><u>1,565,700,000</u></b>	<b><u>100.00</u></b>	<b><u>1,435,700,000</u></b>	<b><u>100.00</u></b>

Notes:

- As at the date of this announcement, completion of the Third Subscription has not taken place. It is expected that completion of the Third Subscription will take place on or before 7 May 2010.
- Wide Source is wholly owned by Mr. Luk Yat Hung, the chairman of the Board and an executive Director.
- Resuccess Investments Ltd. is wholly owned by Tongfang Co., Ltd., the shares of which are listed on the Shanghai Stock Exchange.
- Galaxy Fund I and Galaxy Fund II are managed by the same fund manager, Galaxy Asset Management (H.K.) Ltd.
- As at the date of this announcement, completion of the Third Placing has taken place where 130,000,000 Shares have been placed to not less than six placees.

## **Mandate to issue the Placing Shares:**

The Placing Shares will be issued pursuant to the General Mandate granted to the Directors at the extraordinary general meeting of the Company held on 15 April 2010. The Directors were authorised to allot and issue up to 261,140,000 Shares pursuant to the General Mandate. Up to the date of the Announcement, the Directors have utilised the General Mandate to issue up to 130,000,000 Shares pursuant to the Third Subscription. Accordingly, the issue of the Placing Shares is not subject to any approval by the shareholders of the Company.

The Company will apply to the Stock Exchange for the listing of and permission to deal in the Placing Shares.

## **REASONS OF THE PLACING**

Assuming 130,000,000 Placing Shares are placed by the Placing Agent, the gross proceeds and net proceeds from the Placing to be received by the Company will be HK\$34.45 million and approximately HK\$33.85 million respectively. The net price to the Company of each Placing Share is approximately HK\$0.26. The Directors consider various ways of raising funds and consider that the Placing represents an opportunity to enlarge the equity base of the Company. The Directors intend to utilise the net proceeds from the Placing to finance future investments and/or for future business development. Save for the proposed acquisition of Fullmark Management Limited by the Company, details of which are set out in the announcements of the Company dated 11 February 2010 and 4 March 2010, the Company does not have any specific plans of investments or business development at present.

The Directors consider that the terms of the Placing Agreement are fair and reasonable based on the current market conditions and in the interests of the Company and its shareholders as a whole.

## **FUND RAISING ACTIVITIES OF THE COMPANY IN THE 12 MONTHS IMMEDIATELY PRECEDING THE DATE OF THIS ANNOUNCEMENT**

On 23 February 2010, the Company announced that it had entered into an agreement for the First Top-up Subscription. Pursuant to such agreement, the Company has allotted and issued a total of 16,380,000 shares of HK\$0.05 each. The net proceeds received by the Company from the First Top-up Subscription amounted to approximately HK\$16.15 million which is intended to be used as general working capital for the Company's business expansion.

On 1 March 2010, the Company announced that it had entered into an agreement for the Second Top-up Subscription. Pursuant to such agreement, the Company has allotted and issued a total of 5,000,000 shares of HK\$0.05 each. The net proceeds received by the Company from the Second Top-up Subscription amounted to approximately HK\$7.75 million which is intended to be used as general working capital for the Company's business expansion.

The net proceeds raised in the First Top-up Subscription and the Second Top-up Subscription have already been utilised for the payment of the deposit pursuant to the Addendum (as defined in the Company's announcement dated 4 March 2010) as at the date of this announcement.

On 24 February 2010, the Company announced that the Company has conditionally granted the Service Option. The net proceeds to be received by the Company upon the exercise of the Service Option in full are estimated to be about HK\$5.9 million and are intended to be used by the Company as general working capital. As at the date of this announcement, the grant of the Service Option has not become unconditional and the Service Option has not been exercised.

On 23 April 2010, the Company announced the Third Placing and the Third Subscription. The net proceeds from the Third Subscription are expected to be approximately HK\$33.27 million which is intended to be used to finance future investments and/or for future business development. As at the date of this announcement, completion of the Third Placing has taken place while the completion of the Third Subscription has not taken place.

Save for the above fund raising exercises, the Company has not conducted any equity fund raising exercise in the past 12-month period immediately before the date of this announcement.

## **SUSPENSION AND RESUMPTION**

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 28 April 2010 pending the issue of this announcement.

Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 29 April 2010.

## **DEFINITIONS**

Unless the context requires otherwise, the following words and phrases used in this announcement have the following meanings:

“Board”	the board of Directors
“Company”	Tai Shing International (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM
“connected person”	has the meaning set out in the GEM Listing Rules
“Directors”	the directors of the Company
“First Top-up Subscription”	the subscription of 16,380,000 shares of HK\$0.05 each pursuant to the top-up subscription agreement dated 23 February 2010 and entered into by the Company and Wide Source, details of which are set out in the Company’s announcement dated 23 February 2010
“GEM”	the Growth Enterprise Market operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM



“General Mandate”	the general mandate granted to the Directors at the extraordinary general meeting of the Company held on 15 April 2010 to allot or otherwise deal with the unissued Shares
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Placee(s)”	the placee(s) to be procured by the Placing Agent under the Placing
“Placing”	the placing of the Placing Shares pursuant to the Placing Agreement
“Placing Agent”	VC Brokerage Limited, a company incorporated in Hong Kong
“Placing Agreement”	a placing agreement between the Company and the Placing Agent dated 28 April 2010 in relation to the Placing
“Placing Price”	HK\$0.265 per Placing Share
“Placing Shares”	a maximum of 130,000,000 new Shares
“PRC”	the Peoples’ Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Second Top-up Subscription”	the subscription of 5,000,000 shares of HK\$0.05 each pursuant to the top-up subscription agreement dated 1 March 2010 and entered into by the Company and Wide Source, details of which are set out in the Company’s announcement dated 1 March 2010
“Service Option”	the option conditionally granted by the Company to Mr. Wong Chi Keung attached with it the right to subscribe for up to 60,000,000 Shares, details of which are set out in the announcements of the Company dated 24 February 2010 and 23 April 2010 respectively
“Share(s)”	the ordinary share(s) of HK\$0.005 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Third Placing”	the placing of 130,000,000 Shares beneficially owned by Wide Source at the price of HK\$0.265 per Share pursuant to a placing agreement between Wide Source, the Company and the Placing Agent dated 23 April 2010, details of which are set out in the announcement of the Company dated 23 April 2010
“Third Subscription”	the subscription for 130,000,000 Shares by Wide Source pursuant to a subscription agreement between the Company and Wide Source dated 23 April 2010, details of which are set out in the announcement of the Company dated 23 April 2010



“Wide Source”	Wide Source Group Ltd., a company wholly owned by Mr. Luk Yat Hung, an executive Director
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

On behalf of the Board  
**Tai Shing International (Holdings) Limited**  
**Wong Chung Wai, Eric**  
*Director*

Hong Kong, 28 April 2010

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

*Executive Directors:*

Mr. Luk Yat Hung (*Chairman*)  
Ms. Li Wenli  
Mr. Wong Chung Wai, Eric  
Mr. Chan Yun Sang  
Mr. Ng Chi Wing

*Independent non-executive Directors:*

Professor Ip Ho Shing, Horace  
Mr. Yan Yonghong  
Mr. Peng Lijun  
Mr. Tang Sze Lok  
Mr. Lee Kwok Yung

*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: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) 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.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its publication.*