
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisor.

If you have sold or transferred all your shares in Tai Shing International (Holdings) Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser, the transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

PROPOSED REFRESHMENT OF GENERAL MANDATE TO ISSUE SHARES RE-ELECTION OF DIRECTORS AND NOTICE OF EXTRAORDINARY GENERAL MEETING

Financial Advisor to the Company
Freeman Corporate Finance Limited

Independent Financial Advisor to the Independent Board Committee
and the Independent Shareholders



高銀融資有限公司
GOLDIN FINANCIAL LIMITED

Capitalised terms used in this cover page shall have the same meanings as those defined in this circular.

A letter from Goldin Financial Limited, the independent financial advisor to the independent board committee of the Company, containing its opinion to the independent board committee of the Company, in relation to the proposed refreshment of general mandate to issue shares, is set out on pages 14 to 20 of this circular. A letter from the independent board committee of the Company, in relation to the proposed refreshment of general mandate to issue shares, is set out on page 13 of this circular.

A notice convening the extraordinary general meeting of the Company to be held at 8:00 a.m. on 29 January 2016 at Auberger Discovery Bay Hong Kong, 88 Siena Avenue, Discovery Bay, Lantau Island, Hong Kong is set out on pages EGM-1 to EGM-4 of this circular. A form of proxy for use by the shareholders of the Company at the extraordinary general meeting at the Company is enclosed herein.

Whether or not you propose to attend the meeting, you are advised to complete the form of proxy attached to the notice of the extraordinary general meeting in accordance with the instructions printed thereon and return the same to the Company's branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for holding of the extraordinary general meeting of the Company or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting should you so wish.

This circular will remain on the “Latest Company Announcements” page of the website of the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited at www.hkgem.com for at least 7 days from the date of its publication and on the Company's website at <http://www.equitynet.com.hk/8103/>.

* For identification purpose only

12 January 2016

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company held on 24 September 2015
“Articles”	articles of association of the Company
“associate(s)”	has the meaning ascribed thereto in the GEM Listing Rules
“Board”	the board of Directors
“Company”	Tai Shing International (Holdings) Limited (Stock Code: 8103), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the GEM
“Directors”	director(s) of the Company
“Dr. Wan”	Dr. Wan Ho Yuen, Terence, an independent non-executive Director
“EGM”	the extraordinary general meeting of the Company to be held at 8:00 a.m. on 29 January 2016 for the purpose of considering, and if thought fit, approving the proposed grant of the Refreshed General Mandate and re-election of directors, the notice of which is set out on page EGM-1 to EGM-4 of this circular
“Existing General Mandate”	the general mandate approved and granted to the Directors at the AGM to allot, issue and deal with shares up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the AGM
“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

DEFINITIONS

“Independent Board Committee”	the independent committee of the Board comprising the three independent non-executive Directors formed for the purpose of advising and giving recommendation to the Independent Shareholders in relation to the Refreshed General Mandate
“Independent Financial Advisor” or “Goldin Financial”	Goldin Financial Limited, a licensed corporation under the SFO licensed to conduct type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial advisor appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Refreshed General Mandate
“Independent Shareholders”	Shareholders other than any controlling Shareholders and their associates or, where there are no controlling Shareholders, any Directors (excluding independent non-executive Directors) and the chief executive of the Company who shall hold shares as at the date of the EGM and their respective associates
“Latest Practicable Date”	6 January 2016, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Mr. Lau”	Mr. Lau, Kelly, an executive Director
“Placing”	the issue of 135,724,862 shares under the Existing General Mandate by way of placing, details of which are set out in the announcements of the Company dated 16 November 2015 and 19 November 2015
“PRC”	the Peoples’ Republic of China which, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Refreshed General Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the EGM to exercise the power of the Company to allot, issue or otherwise deal with the shares of the Company up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the resolution
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong

DEFINITIONS

“Share Consolidation”	the consolidation of every ten (10) issued and unissued shares of HK\$0.1 each into one (1) share of HK\$1.0 each which took effect on Wednesday, 30 December 2015
“Shareholder(s)”	holder(s) of the share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

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)

Executive Directors:

Dr. Chew Chee Wah (*Chairman*)
Mr. Tam Kwok Leung (*Chief Executive Officer*)
Ms. Ju Lijun
Mr. Zhang Jinshu
Mr. Luk Chi Shing
Mr. Lau, Kelly

Independent non-executive Directors:

Dr. Wan Ho Yuen, Terence
Mr. Koh Kwing Chang
Mr. Lui Wai Ming
Mr. Lai Chi Leung

Registered Office:

Cricket Square
Hutchins Drive, P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Head office and principal place
of business in Hong Kong:*

M2B2, 7/F.
Kaiser Estate, Phase 3
No. 11 Hok Yuen Street Hunghom,
Kowloon
Hong Kong

12 January 2016

To the Shareholders

Dear Sir/Madam,

**PROPOSED REFRESHMENT OF GENERAL MANDATE TO ISSUE SHARES
RE-ELECTION OF DIRECTORS
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with (i) information in respect of the resolutions to be proposed at the EGM regarding the proposed grant of the Refreshed General Mandate and re-election of Directors; (ii) the recommendation of the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from the Independent Financial Advisor to the Independent Board Committee and the Independent Shareholders in respect of the Refreshed General Mandate; and (iv) the notice of the EGM.

A notice convening the EGM is set out on pages EGM-1 to EGM-4 of this circular.

* For identification purpose only

LETTER FROM THE BOARD

PROPOSED REFRESHMENT OF GENERAL MANDATE TO ISSUE SHARES

Pursuant to an ordinary resolution passed by the Shareholders at the AGM, the Directors were granted the Existing General Mandate to allot and issue up to 135,724,862 shares (before the Share Consolidation), representing 20% of the issued share capital of the Company as at the date of the AGM. There had not been any refreshment of the Existing General Mandate since the AGM up to the Latest Practicable Date.

EQUITY FUND RAISING ACTIVITIES UNDER THE EXISTING GENERAL MANDATE

Save for the equity fund raising activities mentioned below, the Company has not carried out other equity fund raising activities under the Existing General Mandate during the last 12 months immediately preceding the Latest Practicable Date.

Date of event	Fund raising activity	Net proceeds raised	Proposed use of the net proceeds	Actual use of the net proceeds
16 November 2015 and 19 November 2015	Placing of 135,724,862 new shares under general mandate	HK\$12,900,000	For general working capital and repayment of debt of the Group	Used as intended. Mostly used in repayment of debt.
23 July 2015 and 29 July 2015	Placing of 216,644,771 new shares under general mandate	HK\$17,600,000	For general working capital of the Group	HK\$17.6 million was used in general working capital including (i) HK\$12.7 million for repayment of debt; (ii) approximately HK\$1.6 million was used for proprietary trading business; and (iii) the remaining balance of HK\$3.3 million was used for payment of general and administrative expenses. (Note)

Note: Due to certain indebtedness of the Company falling due, the Company had applied HK\$12.7 million out of the HK\$17.6 million raised from the placing of 216,644,771 new shares under general mandate towards repayment of debt.

LETTER FROM THE BOARD

EXTENT OF EXISTING GENERAL MANDATE UTILISED

As at the Latest Practicable Date, the Placing was completed and 135,724,862 (before the Share Consolidation) new shares had been allotted and issued under Existing General Mandate, representing 100% of the Existing General Mandate.

REASONS FOR THE PROPOSED GRANT OF THE REFRESHED GENERAL MANDATE

The Group is principally engaged in (i) system development, (ii) professional services, (iii) money lending business, and (iv) proprietary trading business.

Given that the Company currently does not have a target/need to use the Refreshed General Mandate, and the Refreshed General Mandate merely provide an alternative source of funding should any investment opportunity arises, there shall not have immediate dilution impact on the Shareholders. Without prejudice to the aforesaid, the Board is also aware of the issue of new Share under the Refreshed General Mandate may cause dilution impact on the Shareholders. The Board will be prudent in issuing new shares under the Refreshed General Mandate in future. The Directors will well balance the benefit of the potential investment opportunity that brings to the Company, the need of fund and the dilution impact caused by the issue of new shares. The Directors are of the view that the proposed grant of the Refreshed General Mandate is justifiable and in the interest of the Company and its Shareholders as a whole.

The Board would like to provide flexibility for the Company to raise funds for its future business development and/or opportunities to be identified by the Company through equity financing. Given that equity financing (i) does not incur any interest expenses on the Group as compared with bank financing; (ii) is less costly and time-consuming than raising funds by way of rights issue or open offer; and (iii) provides the Company with the capability to capture any capital raising and/or prospective investment opportunity as and when it arises, the Board proposes the Refreshed General Mandate shall be granted to the Directors.

In addition, as the net proceeds from the Placing had been utilised as set out in the paragraph headed “Equity fund raising activities under the Existing General Mandate” above, the Group will still need funds when opportunities arise and the Directors consider that the Refreshed General Mandate will enable the Company to raise funds for capturing opportunities with funding available to be used. As at the Latest Practicable Date, the Company has not identified any such business development and/or opportunities.

Based on the total number of issued shares as at the Latest Practicable Date (i.e. 99,351,565 shares) and assuming that there is no change in the issued share capital of the Company prior to the date of the EGM, the Refreshed General Mandate, if granted, will allow the Directors to allot and issue up to 19,870,313 new shares.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the Directors had no intention to utilise the Refreshed General Mandate, if granted, to allot and issue shares but may do so if new business opportunities arise and/or if the Company is in need of funds for its operations in the future. The Company currently does not have a target/need which requires the utilisation of the Refreshed General Mandate. The Company is merely reserving its right to one alternative source of funding should any investment opportunity arises.

The Refreshed General Mandate, if granted, will expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable law to be held; or (c) the revocation and variation of the Refreshed General Mandate by an ordinary resolution of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

Alternative equity fund raising methods were also considered by the Directors with due and care. Nonetheless, the proposed refreshment of Existing General Mandate allows the Company to raise equity capital within specified number of shares promptly and when necessary rather than the more time consuming process in the case of alternative pro-rata equity fund raising methods such as rights issue and open offer when such need for capital may arise in the future. Given the aforementioned reasons, we are of the view that equity financing through the proposed refreshment of the Existing General Mandate is more flexible and time efficient than alternative equity financing methods such as by way of rights issue or open offer.

After investigating other financing methods, we consider that the proposed refreshment of Existing General Mandate will provide the Company an additional financing alternative and is reasonable for the Company to maintain the flexibility in deciding the financing methods for its future development, including equity issuance. As such, we are of the view that the proposed refreshment of Existing General Mandate is in the interests of the Company and the Independent Shareholders as a whole.

LETTER FROM THE BOARD

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The table below illustrates the shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) immediately upon the completion of the Refreshed General Mandate (assuming the Refreshed General Mandate is utilised in full and no other shares are issued or repurchased by the Company):

Shareholders	(i) As at the Latest Practicable Date		(ii) Immediately upon the completion of the Refreshed General Mandate (assuming the Refreshed General Mandate is utilised in full and no other shares are issued or repurchased by the Company)	
	<i>No. of shares</i>	<i>Approximate %</i>	<i>No. of shares</i>	<i>Approximate %</i>
Public Shareholders	99,351,565	100.00	99,351,565	83.33
Shares to be issued under the Refreshed General Mandate	—	—	19,870,313	16.67
Total:	<u>99,351,565</u>	<u>100.00</u>	<u>119,221,878</u>	<u>100.00</u>

As illustrated in the above table, the shareholdings of the existing public Shareholders would decrease from 100% as at the Latest Practicable Date to approximately 83.33% immediately upon the completion of the Refreshed General Mandate (assuming the Refreshed General Mandate is utilised in full and no other shares are issued or repurchased by the Company) and the potential dilution to shareholdings of the existing Shareholders represents a dilution of approximately 16.67%.

As at the Latest Practicable Date, the authorized share capital of the Company is 200,000,000 shares and the issued share capital of the Company is 99,351,565 shares. As at the Latest Practicable Date, the Company has outstanding principal amount of HK\$10,000,000 of the zero coupon convertible bonds due on 1 April 2016 with adjusted conversion price of HK\$3.5 per share which are convertible into a maximum of 2,857,142 shares upon full conversion of the convertible bonds.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

Mr. Lau and Dr. Wan were appointed as an executive Director and an independent non-executive Director on 31 December 2015 respectively. Pursuant to code provision A.4.2 of Corporate Governance Code as set out in Appendix 15 of the GEM Listing Rules, all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after appointment. Accordingly, each of Mr. Lau and Dr. Wan shall hold office only until the EGM and shall be eligible for re-election.

The biographical details of Mr. Lau and Dr. Wan are set out below:

Mr. Lau

Mr. Lau, aged 37, is an executive Director of the Company and the general manager of the money lending business of the Group. Prior to joining the Group, Mr. Lau has worked with the Hong Kong Police Force for twelve years receiving commendations from Secretary of Civil Service and Secretary of Home Affairs for highly rated performances during his tenure. Mr. Lau has worked with Easy Finance Limited as Principal Consultant from 1 May 2011 to 31 October 2015 responsible for all regulatory and legal compliances.

The Company entered into a service agreement with Mr. Lau with a term of three years commencing on 31 December 2015. His emoluments from the Company amount of HK\$325,000 per annum which is determined with reference to his duties and responsibilities with the Group, the Group's performance as well as the market benchmark.

As at the Latest Practicable Date, save as disclosed above, Mr. Lau has confirmed to the Company that (i) he did not have any relationship with any of the Directors, senior management, substantial shareholders or controlling shareholders of the Company (which have the meanings ascribed to them respectively under the GEM Listing Rules); (ii) he did not have any other interest in the shares within the meaning of Part XV of the SFO; (iii) he did not hold other positions in the Company or in other members of the Group; and (iv) he did not have any directorship in other public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the past three years prior to the Latest Practicable Date.

Dr. Wan

Dr. Wan, aged 48, is an independent non-executive Director, the chairman of Audit Committee, Nomination Committee and Remuneration Committee of the Company. He is currently the director of an accounting firm based in Hong Kong and an independent non-executive Director of Pan Asia Mining Limited, a company listed on the GEM (stock code: 8173) since November 2015. Dr. Wan was an independent non-executive Director of China Railsmedia Corporation Limited, a company listed on the Main Board (stock code: 745) from 17 January 2014 to 8 April 2015. Dr. Wan obtained a bachelor of law degree from Tsing Hua University, the PRC in January 2004; and a doctorate degree of philosophy in business administration from Bulacan State University, Philippines in May 2006. Dr. Wan is

LETTER FROM THE BOARD

a certified public accountant (Practicing) of Hong Kong Institute of Certified Public Accountants. Dr. Wan has over 10 years of experiences in taxation advisory, business management and accounting with several professional accounting firms and companies.

The Company entered into a letter of appointment with Dr. Wan with a term of three years commencing on 31 December 2015. His remuneration as an independent non-executive Director is HK\$120,000 per annum, which is determined by the Board with reference to his workload and responsibilities.

As at the Latest Practicable Date, save as disclosed above, Dr. Wan has confirmed to the Company that (i) he did not have any relationship with any of the Directors, senior management, substantial shareholders or controlling shareholders of the Company (which have the meanings ascribed to them respectively under the GEM Listing Rules); (ii) he did not have any other interest in the shares within the meaning of Part XV of the SFO; (iii) he did not hold other positions in the Company or in other members of the Group; and (iv) he did not have any directorship in other public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the past three years prior to the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, there was no further information in relation to the re-election of each of Mr. Lau and Dr. Wan that need to be brought to the attention of the Shareholders and there was no further information which was required to be disclosed pursuant to paragraphs (h) to (w) of Rule 17.50(2) of the GEM Listing Rules.

EGM

The EGM will be held at 8:00 a.m. on, 29 January 2016 at Auberge Discovery Bay Hong Kong, 88 Siena Avenue, Discovery Bay, Lantau Island, Hong Kong for the Independent Shareholders to consider and approve, if thought fit, the proposed grant of the Refreshed General Mandate and for the Shareholders to consider and, if thought fit, to approve the re-election of Directors. The notice of the EGM is set out on pages EGM-1 to EGM-4 of this circular.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish, and in such case, the form of proxy previously submitted shall be deemed to be revoked.

LETTER FROM THE BOARD

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. As such, the resolution set out in the notice of the EGM will be voted on by way of poll.

As the proposed grant of the Refreshed General Mandate is to be proposed to the Shareholders before the Company's next annual general meeting, pursuant to the GEM Listing Rules, this proposal is subject to the Independent Shareholders' approval by way of poll at the EGM. According to Rule 17.42A(1) of the GEM Listing Rules, any controlling Shareholders and their associates or, where there are no controlling Shareholders, Directors (excluding independent non-executive Directors) and the chief executives of the Company and their respective associates shall abstain from voting in favour of the resolution to approve the proposed grant of the Refreshed General Mandate. Given that the Company has no controlling Shareholder and neither the Directors (excluding independent non-executive Directors) nor the chief executives of the Company and their respective associates have any interest in the shares, no Shareholders are required to abstain from voting in favour of the proposed resolution(s) at the EGM.

The Independent Board Committee, comprising Dr. Wan Ho Yuen, Terence, Mr. Koh Kwing Chang, and Mr. Lai Chi Leung, all being independent non-executive Directors, has been established to advise the Independent Shareholders on the proposed grant of the Refreshed General Mandate. Goldin Financial Limited has been appointed as the independent financial advisor to advise the Independent Board Committee and the Independent Shareholders in respect of the proposed grant of the Refreshed General Mandate.

GENERAL

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolution to be proposed at the EGM.

RECOMMENDATION

Your attention is drawn to the letter of recommendation from the Independent Board Committee set out on page 13 of this circular and the letter of advice from the Independent Financial Advisor set out on pages 14 to 20 of this circular, which contains, among other matters, its advice to the Independent Board Committee and the Independent Shareholders in relation to the proposed grant of the Refreshed General Mandate and the principal factors considered by it in arriving at its recommendation.

The Independent Board Committee, having taken into account the advice of the Independent Financial Advisor, is of the opinion that the proposed grant of the Refreshed General Mandate is fair and reasonable so far as the Independent Shareholders are concerned and is in the best interests of the Company and the Shareholders and accordingly recommends the Independent Shareholders to vote in favour of the resolution relating to the proposed grant of the Refreshed General Mandate to be proposed at the EGM.

LETTER FROM THE BOARD

Accordingly, the Directors (including the independent non-executive Directors) consider that the proposed grant of the Refreshed General Mandate is fair and reasonable and is in the best interests of the Company and the Shareholders as a whole. Therefore, the Directors (including the independent non-executive Directors) recommend the Independent Shareholders to vote in favour of the relevant resolution to be proposed at the EGM.

The Directors also consider that the re-election of directors is in the best interests of the Company and the Shareholders as a whole. Therefore, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM.

RESPONSIBILITY STATEMENT

This circular, 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 Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular 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 circular misleading.

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

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)

To the Independent Shareholders

Dear Sir/Madam

PROPOSED REFRESHMENT OF GENERAL MANDATE TO ISSUE SHARES

We have been appointed as the Independent Board Committee to advise the Independent Shareholders in connection with the proposed grant of the Refreshed General Mandate, details of which are set out in the circular of the Company to the Shareholders dated 12 January 2016 (the “Circular”), of which this letter forms part. Terms defined in the Circular shall have the same meanings when used herein unless the context otherwise requires.

Having considered the advice of Independent Financial Advisor in relation thereto as set out in the Circular, we are of the view that the proposed grant of the Refreshed General Mandate is fair and reasonable so far as the Independent Shareholders are concerned and that the proposed grant of the Refreshed General Mandate is in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the proposed grant of the Refreshed General Mandate.

Yours faithfully,

For and on behalf of the Independent Board Committee

Dr. Wan Ho Yuen, Terence, Mr. Koh Kwing Chang, Mr. Lai Chi Leung

Independent non-executive Directors

* For identification purpose only

LETTER FROM GOLDIN FINANCIAL LIMITED

Set out below is the full text of the letter of advice from Goldin Financial in relation to the proposed refreshment of the Existing General Mandate to the Independent Board Committee and the Independent Shareholders prepared for inclusion in this Circular.



Goldin Financial Limited

22/F

Two International Finance Centre

8 Finance Street

Central

Hong Kong

12 January 2016

*To the Independent Board Committee and
the Independent Shareholders of
Tai Shing International (Holdings) Limited*

Dear Sirs,

PROPOSED REFRESHMENT OF GENERAL MANDATE

INTRODUCTION

We refer to our engagement as the independent financial advisor to the Independent Board Committee and the Independent Shareholders of the Company in relation to the proposed refreshment of the Existing General Mandate, details of which are contained in the letter from the Board of the circular of the Company dated 12 January 2016 (the “Circular”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the content otherwise requires.

Pursuant to Rule 17.42A of the GEM Listing Rules, any refreshments of the general mandate before the next annual general meeting shall be subject to the approval of Independent Shareholders by way of passing an ordinary resolution at the EGM of the Company. Any controlling Shareholders and their associates, or where there are no controlling Shareholders, the Directors (excluding the Independent Non-executive Directors) and chief executives of the Company and their respective associates shall abstain from voting in favour of the resolutions for approving the proposed refreshment of Existing General Mandate.

As at the Latest Practicable Date, given that the Company has no controlling Shareholder and neither the Directors (excluding independent non-executive Directors) nor the chief executive of the Company and their respective associates have any interest in the shares, no Shareholders are required to abstain from voting in favour of the proposed resolution(s) at the EGM.

LETTER FROM GOLDIN FINANCIAL LIMITED

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee, comprising Dr. Wan Ho Yuen, Terence, Mr. Koh Kwing Chang, and Mr. Lai Chi Leung, all being independent non-executive Directors, has been formed to advise the Independent Shareholders on whether the proposed refreshment of the Existing General Mandate is fair and reasonable, and in the interest of the Company and the Shareholders as a whole. We, Goldin Financial Limited, have been appointed as the Independent Financial Advisor to advise the Independent Board Committee and the Independent Shareholders in this regard.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the accuracy of the statements, information, opinions and representations contained in the Circular and the information and representations provided to us by the Company, the Directors and the management of the Company. We have assumed that all information, representations and opinions contained or referred to in the Circular, which have been provided by the Company, Directors and management of the Company and for which they are solely and wholly responsible, were true and accurate at the time when they were made and continue to be true as at the date of the EGM.

The Directors have collectively and individually accepted full responsibility for the Circular which 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, confirmed that to the best of their knowledge and belief the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other facts the omission of which would make any statement in the Circular or the Circular misleading. We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Group. We have no reason to believe that any information and representations relied on by us in forming our opinion is untrue, inaccurate or misleading, nor are we aware of any material facts the omission of which would render the information provided and the representations made to us untrue, inaccurate or misleading.

PRINCIPAL FACTORS CONSIDERED

In arriving at our opinion in respect of the proposed refreshment of the Existing General Mandate, we have considered the following principal factors and reasons:

1. Background of and reasons for the proposed refreshment of the Existing General Mandate

The Group is principally engaged in (i) system development, (ii) professional services, (iii) money lending business, and (iv) proprietary trading business.

LETTER FROM GOLDIN FINANCIAL LIMITED

At the AGM of the Company held on 24 September 2015, the Shareholders approved, among others, an ordinary resolution to grant the Directors to issue and allot a maximum of 135,724,862 shares (before the Share Consolidation), representing 20% of the issued share capital of the Company as at the date of passing the ordinary resolution.

On 16 November 2015 (after trading hours), a placing agreement was entered into between the Company and Win Wind Securities Limited (“Placing Agent”), pursuant to which the Placing Agent has agreed to place, on a fully underwritten basis, a total of 135,724,862 shares. The completion of the Placing took place on 19 November 2015 and the Existing General Mandate has been fully utilised. As advised by the Company, the Company has not refreshed the Existing General Mandate since the AGM and up to the Latest Practicable Date and the next annual general meeting of the Company will not be held until around September 2016, which is about 9 months away from the Latest Practicable Date.

The Company will convene the EGM at which an ordinary resolution will be proposed to the Independent Shareholders that the Directors will be granted a Refreshed General Mandate to allot and issue shares not exceeding 20% of the issued share capital of the Company as at the date of passing the relevant ordinary resolution at the EGM.

As disclosed in the interim report for the six months ended 30 September 2015 (the “Interim Report 2015”), the Group will continue to look for opportunities to create Shareholders’ value through making investments into and/or acquiring interests in companies or projects that have promising outlooks and prospects. The Group is broadening its perspective beyond the IT sector and potentially also invests into and/or makes acquisitions in other industries (including renewable energy and other “green” businesses, the financial industry, and more traditional non-IT businesses) so long as such and/or acquisitions can bring value and are beneficial to the Company and its Shareholders as a whole. The Company will also continue to focus on existing businesses to bring further value to Shareholders.

We noted that the Group has actively pursuing in the exploration of potential investment or acquisition opportunities in 2015. On 28 April 2015, the Board announced the acquisition of 100% issued capital of Wilco Printing Co., Limited (“Wilco”) and the director’s loan to Wilco at a consideration of approximately HK\$1.54 million. Wilco is principally engaged in the provision of printing services and solutions on advertisement, brochures and bound books to customers mainly in Hong Kong. On 6 October 2015, the Board announced the acquisition of 19% equity interest in Galaxy Automotive MS Inc. at a consideration of approximately HK\$17.33 million. Galaxy Automotive MS Inc is principally engaged in offering a wide range of automobile parts under its own brand “ZUVER” such as suspension system, brake caliper system, alloy wheels, air intake system, air exhaust system, tire pressure sensor, automotive performance software and hardware and fuel saving device. Products are currently offered at auto parts shops located in Hong Kong, Macau, Taiwan and PRC.

Given the ever-changing merger and acquisition market, we consider that it is important for the Group to maintain flexible fund raising availability so as to make prompt decisions and to solicit funding in a relatively short period of time when investment opportunities arise. With the availability of general mandate on hand, the Group will have

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more options for payment/settlement of the consideration of the investment opportunities in a timely and efficient manner such as undergoing equity fund raising exercise in the financial market for cash; or settling the consideration by issue of equity or convertible securities to the counterparties. In addition, it is considered the equity financing to be an important avenue of financial resources to the Company since it does not create any interest payment obligations on the Group. As such, we are of the opinion that the Refreshed General Mandate would provide the Company with the necessary flexibility essential for fulfilling any possible funding needs or settlement methods for future business development and/or investment decisions and that the proposed grant of the Refreshed General Mandate is in the interests of the Company and the Shareholders as a whole.

In addition, we have reviewed the financial information of the Company. With reference to the Interim Report 2015, as at 30 September 2015, the total current assets amounted to approximately HK\$138.70 million. Bank balances and cash amounted to approximately HK\$7.67 million. The total current liabilities amounted to approximately HK\$190.58 million. Hence, the Company recorded negative working capital of approximately HK\$51.88 million. Nevertheless, given that the total liabilities amounted to approximately HK\$198.18 million and the Company recorded a deficit in shareholders' fund of approximately HK\$19.25 million, the gearing ratio calculated on the basis of total liabilities over the total shareholders' fund was not applicable as at 30 September 2015. In view of the above, the financial position of the Group is being relatively weak.

On the basis of a total of 99,351,565 shares in issue as at the Latest Practicable Date and assuming that no shares would be issued and/or repurchased by the Company between the Latest Practicable Date and the date of the EGM, the Refreshed General Mandate, if granted, will authorise the Directors to allot and issue up to a maximum of 19,870,313 shares, representing 20% of the issued share capital of the Company as at the date of the EGM.

Having considered that (i) the Existing General Mandate has been fully utilised; (ii) the next annual general meeting will only convene until around September 2016, which is 9 months away; (iii) the Group has actively pursuing in the exploration of potential investment or acquisition opportunities; (iv) the financial position of the Group is being relatively weak; (v) net proceeds from the Placing had been fully utilized as mostly for repayment of debt as set out in the afore-mentioned paragraph headed "Equity fund raising activities under the Existing General Mandate" in the Letter from the Board, the proposed refreshment of Existing General Mandate would provide the Group with financial flexibility to raise equity capital expeditiously for its operations or expansion as well as to capture investment opportunities that could create returns to the Shareholders amidst the current uncertain economic and market conditions, we are of the view that the refreshment of the Existing General Mandate is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

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2. History of capital raising activities of the Group during the last 12 months

According to the information provided by the Directors, we summarise the capital raising activity of the Company during the past 12 months immediately preceding the Latest Practicable Date in the following table:

Date of announcement	Description	Net proceeds (approximately)	Intended use of proceeds	Actual use of proceeds
16 November 2015 and 19 November 2015	Placing of 135,724,862 new shares under general mandate	HK\$12,900,000	For general working capital and repayment of debt of the Group	Used as intended. Mostly used for repayment of debt.
23 July 2015 and 29 July 2015	Placing of 216,644,771 new shares under general mandate	HK\$17,600,000	For general working capital of the Group	HK\$17.6 million was used in general working capital including (i) HK\$12.7 million for repayment of debt; (ii) approximately HK\$1.6 million was used for proprietary trading business; and (iii) the remaining balance of HK\$3.3 million was used for payment of general and administrative expenses. (Note)

Save as disclosed above, the Company has not conducted any other capital raising activities in the past 12 months immediately preceding the Latest Practicable Date.

Note: Due to certain indebtedness of the Company falling due, the Company had applied HK\$12.7 million out of the HK\$17.6 million raised from the placing of 216,644,771 new shares under general mandate towards repayment of debt.

3. Other financing alternatives

Aside from the proposed refreshment of the Existing General Mandate, we have considered the feasibility and effectiveness of other financing alternatives such as debt financing and other equity financing. Regarding debt financing, methods such as bank borrowing would incur interest burden to the Group and may be subject to lengthy due diligence and negotiations. In addition, the ability of the Group to obtain bank borrowing usually depends on the Group's profitability, financial position and the then prevailing market condition. According to the Interim Report 2015, the Group recorded an unaudited loss of approximately HK\$6.13 million for the six months ended 30 September 2015, and maintained at a net current liabilities position of approximately HK\$51.88 million as at 30 September 2015. Given (i) the current unsatisfactory financial performance and position of the Group; and (ii) HK\$12.7 million out of the HK\$17.6 million raised from the placing of 216,644,771 new shares under general mandate had been applied towards repayment of debt as it fell due; we consider that debt financing is not an appropriate means for the Group to raise fund. Moreover, further debt financing may deteriorate the financial healthiness of the Group.

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Alternative equity fund raising methods were also considered by the Directors with due and care. Nonetheless, the proposed refreshment of Existing General Mandate allows the Company to raise equity capital within specified number of shares promptly and when necessary rather than the more time consuming process in the case of alternative pro-rata equity fund raising methods such as rights issue and open offer when such need for capital may arise in the future. Given the aforementioned reasons, we are of the view that equity financing through the proposed refreshment of the Existing General Mandate is more flexible and time efficient than alternative equity financing methods such as by way of rights issue or open offer.

After investigating other financing methods, we consider that the proposed refreshment of Existing General Mandate will provide the Company an additional financing alternative and is reasonable for the Company to maintain the flexibility in deciding the financing methods for its future development, including equity issuance. As such, we are of the view that the proposed refreshment of Existing General Mandate is in the interests of the Company and the Independent Shareholders as a whole.

4. Effect on shareholding structure of the Company

The table below illustrates the shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) immediately upon the completion of the Refreshed General Mandate (assuming the Refreshed General Mandate is utilised in full and no other shares are issued or repurchased by the Company):

Shareholders	(i) As at the Latest Practicable Date		(ii) Immediately upon the completion of the Refreshed General Mandate (assuming the Refreshed General Mandate is utilised in full and no other shares are issued or repurchased by the Company)	
	No of shares	Approximately %	No of shares	Approximately %
Public Shareholders	99,351,565	100.00	99,351,565	83.33
Shares to be issued under the Refreshed General Mandate	—	—	19,870,313	16.67
Total:	<u>99,351,565</u>	<u>100.00</u>	<u>119,221,878</u>	<u>100.00</u>

As at the Latest Practicable Date, the authorized share capital of the Company is 200,000,000 shares and the issued share capital of the Company is 99,351,565 shares. As at the Latest Practicable Date, the Company has outstanding principal amount of HK\$10,000,000 of the zero coupon convertible bonds due on 1 April 2016 with adjusted conversion price of HK\$3.5 per share which are convertible into a maximum of 2,857,142 shares upon full conversion of the convertible bonds.

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Taking into account that (i) the Refreshed General Mandate will provide an alternative to increase the amount of capital of the Company; (ii) the Refreshed General Mandate provides more flexibility and options of financing to the Group for further business development as well as for other potential future investments and/or acquisitions as and when such opportunities arise, especially during the current volatile financial market; and (iii) the fact that the shareholding interests of all the Shareholders will be decreased in proportion to their respective shareholdings upon any utilisation of the Refreshed General Mandate, we consider that such potential dilution to shareholdings of the public Shareholders to be justifiable.

RECOMMENDATIONS

Having taken into account the principal factors and reasons referred to the above, we are of the opinion that the proposed refreshment of the Existing General Mandate is fair and reasonable so far as the Company and the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. We therefore advise the Independent Shareholders and recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the ordinary resolutions approving the Refreshed General Mandate and the extension thereof at the EGM. Independent Shareholders are however advised to take note of the possible dilution effect on their shareholding interests in the Company when and if the Refreshed General Mandate is utilised.

Yours faithfully,
For and on behalf of
Goldin Financial Limited
Billy Tang
Director

Note: Mr. Billy Tang is a licensed person registered with the Securities and Futures Commissions and a responsible officer of Goldin Financial Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO (Chapter 571 of the Laws of Hong Kong). He has over 10 years of experience in the corporate finance industry.

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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (“**Meeting**”) of Tai Shing International (Holdings) Limited (the “**Company**”) will be held at 8:00 a.m. on 29 January, 2016 at Auberge Discovery Bay Hong Kong, 88 Siena Avenue, Discovery Bay, Lantau Island, Hong Kong, for the purpose of considering and, if thought fit, passing the following resolutions as an ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

(1) “**THAT:**

- (a) subject to the following provisions of this resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares in the share capital of the Company (“**shares**”), and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares) which would or might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period (as defined below) to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares) which would or might require the exercise of such powers after the end of the Relevant Period (as defined below);
- (c) the aggregate nominal amount of share capital of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of the conversion rights attaching to any convertible securities issued by the Company; (iii) the exercise of warrants to subscribe for shares; (iv) the exercise of options granted under any share option scheme or similar arrangement for the time being adopted by the Company; or (v) an issue of shares in lieu of the whole or part of a dividend on shares in accordance with the articles of association of the Company (the “**Articles**”); shall not exceed 20% of the aggregate

* For identification purpose only

NOTICE OF EGM

nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

(d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable law to be held; or
- (iii) the revocation or variation of such mandate by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to the holders of shares or any class of shares whose names appear on the registers of members of the Company on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

- 2. **“THAT** Mr. Lau, Kelly be re-elected as an executive Director of the Company.”
- 3. **“THAT** Dr. Wan Ho Yuen, Terence be re-elected as an independent non-executive Director of the Company.”

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

Hong Kong, 12 January 2016

Registered Office:
Cricket Square
Hutchins Drive, P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Head office and principal place
of business in Hong Kong:*
M2B2, 7/F.
Kaiser Estate,
Phase 3
No. 11 Hok Yuen Street Hunghom,
Kowloon
Hong Kong

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Notes:

- (1) Any member of the Company entitled to attend and vote at the Meeting shall be entitled to appoint another person (who must be an individual) as his proxy to attend and vote instead of him and a proxy so appointed shall have the same right as the member to speak at the Meeting. A proxy need not be a member of the Company. A member may appoint any number of proxies to attend in his stead at the Meeting.
- (2) A form of proxy for use at the Meeting is enclosed. To be valid, the form of proxy must be duly completed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of such power of attorney or authority, at the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or adjourned meeting.
- (3) Completion and delivery of the form of proxy will not preclude a member of the Company from attending and voting in person at the Meeting or any adjournment thereof should such member so wishes, and in such event, the instrument appointing a proxy shall be deemed revoked.
- (4) Where there are joint holders of any share of the Company, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he were solely entitled to vote, but if more than one of such joint holders are present at the meeting, the most senior holder shall alone be entitled to vote, whether in person or by proxy. For this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand first on the register of members of the Company in respect of the joint holding.
- (5) In compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, the resolutions to be proposed at the Meeting convened by this notice will be voted on by way of poll.

As at the date of this notice, 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
Mr. Lau, Kelly

Independent non-executive Directors:

Dr. Wan Ho Yuen, Terence
Mr. Koh Kwing Chang
Mr. Lui Wai Ming
Mr. Lai Chi Leung

This notice, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited 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 notice 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 notice misleading.

NOTICE OF EGM

This notice will remain on the “Latest Company Announcements” page of the website of Growth Enterprise Market at www.hkgem.com for at least 7 days from the date of its publication and on the Company’s website at <http://www.equitynet.com.hk/8103/>.