

CIRCULAR DATED 13 MAY 2015

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.**

This Circular is issued by China Taisan Technology Group Holdings Limited (the “Company”). If you are in any doubt as to the action that you should take, you should consult your legal, financial, tax or other professional adviser.

Unless otherwise stated, capitalised terms on this cover are defined in this Circular under the Section entitled “DEFINITIONS”.

If you have sold all your ordinary shares in the issued and paid-up share capital of the Company, you should forward this Circular together with the Notice of Extraordinary General Meeting and the attached Proxy Form immediately to the purchaser or to the bank, stockbroker or agent through whom you effected the sale for onward transmission to the purchaser.

The Singapore Exchange Securities Trading Limited (“SGX-ST”) assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular.



## **CHINA TAISAN TECHNOLOGY GROUP HOLDINGS LIMITED**

(Incorporated in the Republic of Singapore)  
(Company Registration No. 200711863D)

### **CIRCULAR TO SHAREHOLDERS**

#### **IN RELATION TO**

#### **THE PROPOSED CONSOLIDATION OF EVERY TWENTY (20) SHARES IN THE COMPANY INTO ONE (1) CONSOLIDATED SHARE**

#### **IMPORTANT DATES AND TIMES**

Last date and time for lodgement of Proxy Form : 27 May 2015 at 11.00 a.m.

Date and time of Extraordinary General Meeting : 29 May 2015 at 11.00 a.m. (or as soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10.00 a.m. on the same day and at the same place)

Place of Extraordinary General Meeting : Seletar main club lobby, Kingfisher I&II,  
Seletar Country Club, 101 Seletar Club Rd,  
Singapore 798273

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## DEFINITIONS

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In this Circular, the following definitions shall apply throughout unless the context otherwise requires:

<b>“ACRA”</b>	:	The Accounting and Corporate Regulatory Authority of Singapore
<b>“Act” or “Companies Act”</b>	:	The Companies Act, Chapter 50, of Singapore, as amended or modified from time to time
<b>“Articles” or “Articles of Association”</b>	:	The Articles of Association of the Company
<b>“Board” or “Board of Directors”</b>	:	The board of directors of the Company for the time being
<b>“Books Closure Date”</b>	:	The time and date to be determined by the Directors, at and on which the Register of Members and the transfer books of the Company will be closed for the purpose of determining the entitlements of the Shareholders to the Consolidated Shares pursuant to the Proposed Share Consolidation
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Circular”</b>	:	This circular to Shareholders dated 13 May 2015
<b>“Company”</b>	:	China Taisan Technology Group Holdings Limited
<b>“Consolidated Shares”</b>	:	Shares following the Proposed Share Consolidation
<b>“Controlling Shareholder”</b>	:	A person who:  (a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or  (b) in fact exercises control over the Company
<b>“Director”</b>	:	A director of the Company for the time being
<b>“Effective Trading Date”</b>	:	The date when the Proposed Share Consolidation will become effective and the date on which the Consolidated Shares will commence trading on the SGX-ST in board lots of one hundred (100) Consolidated Shares
<b>“EGM”</b>	:	The extraordinary general meeting of the Company, to be convened and held on 29 May 2015, the notice of which is set out on pages 14 to 15 of this Circular (or any adjournment thereof)
<b>“EPS”</b>	:	Earnings per share
<b>“FY”</b>	:	Financial year ended or ending 31 December, as the case may be
<b>“Group”</b>	:	The Company and its subsidiary, collectively, for the time being
<b>“Latest Practicable Date”</b>	:	30 April 2015, being the latest practicable date prior to the printing of this Circular

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## DEFINITIONS

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<b>“Listing Manual”</b>	:	The listing manual of SGX-ST, as amended or modified from time to time
<b>“Market Day”</b>	:	A day on which the SGX-ST is open for trading in securities
<b>“New Share Certificates”</b>	:	Share certificates for the Consolidated Shares
<b>“NAV”</b>	:	Net asset value
<b>“Notice of EGM”</b>	:	The notice of the EGM which is set out on pages 14 to 15 of this Circular
<b>“Old Share Certificates”</b>	:	Share certificates for the Shares
<b>“Proposed Share Consolidation”</b>	:	The proposed consolidation of every twenty (20) Shares held by Shareholders as at the Books Closure Date into one (1) Consolidated Share, fractional entitlements to be disregarded
<b>“Register of Members”</b>	:	Register of members of the Company
<b>“RMB”</b>	:	The lawful currency of the People’s Republic of China
<b>“Securities Account”</b>	:	A securities account maintained by a Depositor with the CDP but not including a securities sub-account maintained with a Depository Agent
<b>“SGX-ST”</b>	:	The Singapore Exchange Securities Trading Limited
<b>“Share Registrar”</b>	:	The share registrar of the Company
<b>“Shareholders”</b>	:	Registered holders of Shares in the Register of Members, or where the registered holder is the CDP, the term <b>“Shareholders”</b> shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register maintained by the CDP whose Securities Accounts are credited with those Shares
<b>“Shares”</b>	:	Ordinary shares in the capital of the Company, and each a <b>“Share”</b>
<b>“Substantial Shareholder”</b>	:	A person (including a corporation) who has an interest in not less than 5% of the total issued voting Shares
<b>“TDR”</b>	:	Taiwan Depository Receipts
<b>“VWAP”</b>	:	Volume-weighted average price
<b>“S\$” and “cents”</b>	:	The lawful currency of the Republic of Singapore
<b>“%” or “percent”</b>	:	Percentage or per centum

**Depositors.** The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

**Subsidiary and related corporations.** The terms **“subsidiary”** and **“related corporations”** shall have the meanings ascribed to them respectively in Sections 5 and 6 of the Companies Act.

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## DEFINITIONS

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**References.** Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

**Time and date.** Any reference to a time of day and date in this Circular is made by reference to Singapore time and date, unless otherwise stated.

**Statutes.** Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Listing Manual, or any statutory or regulatory modification thereof and not otherwise defined in this Circular shall, where applicable, have the meaning ascribed to it under the Act, the Listing Manual, or any such statutory or regulatory modification thereof, as the case may be, unless the context otherwise requires.

**Headings.** The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

**Rounding.** Any discrepancies in figures included in this Circular between the amounts listed and their actual values are due to rounding. Accordingly, figures may have been adjusted to ensure that totals or sub-totals shown, as the case may be, reflect an arithmetic aggregation of the figures that precede them.

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## LETTER TO SHAREHOLDERS

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### CHINA TAISAN TECHNOLOGY GROUP HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration No. 200711863D)

#### Board of Directors:

Mr Choi Cheung Kong (Non-Executive Chairman)  
Mr Lin Wen Chang (Executive Director and Chief Executive Officer)  
Mr Chen Jia Ji (Executive Director)  
Mr Tsang Siu For Thomas (Lead Independent Director)  
Mr Ngan See Juan (Independent Director)

#### Registered Office:

80 Robinson Road  
#17-02  
Singapore 068898

13 May 2015

To : The Shareholders of China Taisan Technology Group Holdings Limited

Dear Sir/Madam

#### THE PROPOSED CONSOLIDATION OF EVERY TWENTY (20) SHARES IN THE COMPANY INTO ONE (1) CONSOLIDATED SHARE

##### 1. INTRODUCTION

- 1.1 The Directors are convening an Extraordinary General Meeting of the Company (“**EGM**”) to be held on 29 May 2015 to seek the Shareholders’ approval for the proposed consolidation of every twenty (20) Shares in the Company into one (1) Consolidated Share (the “**Proposed Share Consolidation**”).
- 1.2 The purpose of this Circular is to provide Shareholders with information relating to the above proposal to be tabled at the EGM.
- 1.3 The Singapore Exchange Securities Trading Limited (“**SGX-ST**”) takes no responsibility for the accuracy of any statements or opinions made in this Circular.

##### 2. THE PROPOSED SHARE CONSOLIDATION

###### 2.1 Introduction

The Company is seeking Shareholders’ approval at the EGM to undertake the Proposed Share Consolidation pursuant to which the Company will consolidate every twenty (20) Shares into one (1) Consolidated Share. Accordingly, under the Proposed Share Consolidation, every twenty (20) Shares registered in the name of each Shareholder as at the Books Closure Date will be consolidated into one (1) Consolidated Share. The Company will announce details of the Books Closure Date to the Shareholders in due course.

**Shareholders should note that the number of Consolidated Shares which they will be entitled to pursuant to the Proposed Share Consolidation, based on their holdings of the Shares as at the Books Closure Date, will be rounded down to the nearest whole Consolidated Share and any fractions of Consolidated Shares arising from the Proposed Share Consolidation will be disregarded. All fractional entitlements arising from the implementation of the Proposed Share Consolidation will be dealt with in such manner as**

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## LETTER TO SHAREHOLDERS

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**the Directors may, in their absolute discretion, deem fit in the interests of the Company, including (i) disregarding, or (ii) aggregating and selling the same and retaining the net proceeds for the benefit of the Company.**

Each Consolidated Share shall rank *pari passu* in all respects with each other, and will be traded in board lots of one hundred (100) Consolidated Shares. Following the Proposed Share Consolidation, the Securities Accounts of Shareholders (being Depositors) may be credited with odd lots of Consolidated Shares (that is, lots other than board lots of one hundred (100) Consolidated Shares). The Company has applied to the SGX-ST for the setting up of a temporary counter in the ready market for board lot trading of one (1) Share for a duration of two (2) months.

As at the Latest Practicable Date, the Company has an issued share capital of RMB 562,103,000 divided into 1,126,598,518 Shares. Following the completion of the Proposed Share Consolidation, the Company will have an issued share capital of RMB 562,103,000 divided into approximately 56,329,925 Consolidated Shares.

**The Proposed Share Consolidation will not involve the diminution of any liability in respect of unpaid capital or the payment to any Shareholder of any paid-up capital of the Company, and has no effect on the Shareholders' funds of the Group.**

Shareholders are not required to make any payment to the Company in respect of the Proposed Share Consolidation. The Proposed Share Consolidation will not cause any changes to the percentage shareholding of each Shareholder in the Company, other than non-material changes due to rounding.

Subject to Shareholders' approval being obtained for the Proposed Share Consolidation at the EGM, Shareholders' holdings of the Consolidated Shares arising from the Proposed Share Consolidation will be ascertained on the Books Closure Date.

### 2.2 Rationale for the Proposed Share Consolidation

The Directors believe that the Proposed Share Consolidation will generally be beneficial to the Company and its Shareholders.

For the past six (6) months prior to the Latest Practicable Date, the absolute price of the Shares had traded in a range between S\$0.041 and S\$0.021. The highest and lowest market prices for each such month and the transacted volume of the Shares traded on the SGX-ST for each such month, up to the Latest Practicable Date, are as follows:

Month	Highest Price (S\$)	Lowest Price (S\$)	Volume of Shares traded ('000)	Percentage Fluctuation between the Lowest and Highest Price
November 2014	0.041	0.037	10,434	10.8%
December 2014	0.038	0.033	5,546	15.2%
January 2014	0.038	0.031	4,320	22.6%
February 2015	0.035	0.030	1,877	16.7%
March 2015	0.031	0.025	5,144	24.0%
April 2015	0.033	0.021	19,586	57.1%

Source: [www.sgx.com](http://www.sgx.com)

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## LETTER TO SHAREHOLDERS

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The Proposed Share Consolidation will rationalise the share capital of the Company by reducing the number of Shares outstanding, and the trading price per Consolidated Share should theoretically be proportionally higher than the trading price per Share prior to the Proposed Share Consolidation. This will reduce the fluctuation in magnitude of the Company's share price and market capitalisation and reduce the percentage transaction cost for trading in each board lot of Shares.

The Proposed Share Consolidation may also increase the profile of the Company amongst the institutional investors and the coverage of the Company amongst research houses and fund managers. This may, in turn, increase market interest and activity in the Shares, and generally render the Shares more attractive to investors.

Further, SGX-ST has introduced a minimum trading price of S\$0.20 as a continuing listing requirement for Mainboard-listed issuers. This has been implemented in March 2015 with a one-time transition period of 12 months, after which affected issuers will be provided a cure period of 36 months to take remedial actions. Affected issuers which fail to take remedial actions during the cure period may be delisted from the Mainboard of the SGX-ST. The Proposed Share Consolidation would help facilitate the Company's ability to satisfy the continuing listing requirement imposed by SGX-ST for Mainboard-listed issuers to have a minimum trading price per share of S\$0.20.

The VWAP and the theoretical adjustment to the VWAP of the Company's Shares for the six-month period up to and including the Latest Practicable Date are as follows:

VWAP <sup>(1)</sup> for the six-month period up to and including the Latest Practicable Date	0.0302
Assuming that the Proposed Share Consolidation was carried out prior to the six-month period up to and including the Latest Practicable Date:	
Adjusted VWAP for the six-month period up to and including the Latest Practicable Date	0.604

**Note:**

(1) Based on data obtained from Bloomberg L. P.

**Shareholders should note, however, that there is no assurance that the Proposed Share Consolidation will achieve the desired results as stated in this Section 2.2, nor is there assurance that such results (if achieved) may be sustained in the longer term.**

### 2.3 Financial Effects of the Proposed Share Consolidation

#### 2.3.1 Bases and Assumptions

The financial effects of the Proposed Share Consolidation as presented herein:

- (a) are for the purposes of illustration only and do not necessarily reflect the actual future financial position and performance of the Group following completion of the Proposed Share Consolidation;
- (b) are based on the audited consolidated financial statements of the Group for FY2014; and
- (c) assume that the Proposed Share Consolidation had been completed on 31 December 2014.



## LETTER TO SHAREHOLDERS

### 2.3.2 Share Capital

	<b>As at 31 December 2014</b>	
Issued and Paid-up Share Capital <sup>(1)</sup>	No. of Shares	Issued and paid up capital (RMB)
Before the Proposed Share Consolidation	1,126,598,518	562,103,000
After the Proposed Share Consolidation	56,329,925	562,103,000

**Note:**

(1) 7,500,000 treasury shares will be equal to 375,000 shares after share consolidation.

### 2.3.3 NAV per Share

	<b>As at 31 December 2014</b>			
	Company		Group	
	Before Proposed Share Consolidation	After Proposed Share Consolidation	Before Proposed Share Consolidation	After Proposed Share Consolidation
NAV (RMB'000)	557,559	557,559	757,698	757,698
Number of Shares <sup>(1)</sup>	1,119,098,518	55,947,925	1,119,098,518	55,947,925
NAV per Share (cents)	49.82	996.44	67.71	1,354.12

**Note:**

(1) Based on 1,126,598,518 issued Shares in the Company less 7,500,000 treasury shares as at the Latest Practicable Date.

### 2.3.4 Earnings Per Share

	<b>As at 31 December 2014</b>	
	Group	
	Before Proposed Share Consolidation	After Proposed Share Consolidation
Profit after taxation and minority interests (RMB'000)	(434,072)	(434,072)
Number of paid-up Shares <sup>(1)</sup>	1,126,598,518	56,329,925
Weighted average number of Shares during the financial year <sup>(2)</sup>	1,119,098,518	55,947,925
EPS (cents)	(38.79)	(775.8)

**Notes:**

(1) Based on 1,126,598,518 issued Shares in the Company.

(2) Based on 1,126,598,518 issued Shares in the Company less 7,500,000 treasury shares as at the Latest Practicable Date.

### 2.3.5 Gearing

The Proposed Share Consolidation will have no material impact on the gearing of the Group.

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## LETTER TO SHAREHOLDERS

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### 2.4 Conditions of the Proposed Share Consolidation

The implementation of the Proposed Share Consolidation is subject to Shareholders' approval by way of an ordinary resolution at the EGM.

The SGX-ST had on 29 April 2015 granted its in-principle-approval for the dealing in, listing of and quotation for the Consolidated Shares on the SGX-ST subject to (a) the Shareholders' approval for the Proposed Share Consolidation being obtained at the EGM and (b) compliance with the listing requirements of the SGX-ST. The in-principle approval of the SGX-ST is not to be taken as an indication of the merits of the Consolidated Shares, the Proposed Share Consolidation, the Company and/or its subsidiaries. The in-principle approval of the SGX-ST is in respect of only the Consolidated Shares.

Subject to the approval of the Proposed Share Consolidation by Shareholders at the EGM, an announcement will be made by the Company in due course to notify Shareholders of the Effective Trading Date.

### 2.5 Updating of Register of Members and Depository Register

After Shareholders' approval has been obtained for the Proposed Share Consolidation at the EGM, Shareholders' holdings of the Consolidated Shares arising from the Proposed Share Consolidation will be determined on the Books Closure Date, whereupon the Register of Members and the Depository Register will be updated to reflect the number of Consolidated Shares held by Shareholders based on their shareholdings in the Company as at the Books Closure Date. Trading will be in board lots of one hundred (100) Consolidated Shares on the Effective Trading Date.

#### (a) Deposit of Share Certificates with CDP

Shareholders who hold Old Share Certificates in their own names and who wish to deposit the same with CDP and have their Consolidated Shares (after the Proposed Share Consolidation) credited to their Securities Accounts maintained with CDP, must deposit their Old Share Certificates, together with the duly executed instruments of transfer in favour of CDP, no later than twelve (12) Market Days prior to the Books Closure Date. After the Books Closure Date, CDP will only accept deposit of New Share Certificates.

Shareholders who wish to deposit their Old Share Certificates with CDP after the Books Closure Date must first deliver such Old Share Certificates to the Share Registrar, M & C Services Private Limited, at 112 Robinson Road, #05-01, Singapore 068902, for cancellation and issue of the New Share Certificates in replacement thereof as described below. The New Share Certificates will be sent by ordinary mail to the registered addresses of the Shareholders at their own risk within ten (10) Market Days from the date of receipt of their Old Share Certificates. Upon receipt of the New Share Certificates, Shareholders may then proceed to deposit these New Share Certificates with CDP.

#### (b) Issue of New Share Certificates

Shareholders who have deposited their Old Share Certificates with CDP at least twelve (12) Market Days prior to the Books Closure Date need not take any action. The Company will arrange with CDP to facilitate the issue of New Share Certificates pursuant to the Proposed Share Consolidation.

**Shareholders who have not deposited their Old Share Certificates at least twelve (12) Market Days prior to the Books Closure Date or who do not wish to deposit their Old Share Certificates with CDP are advised to deliver all their Old Share Certificates to the Share Registrar, M & C Services Private Limited, at 112 Robinson Road, #05-01, Singapore 068902, as soon as possible after they have been notified of the Books Closure Date and preferably, not later than five (5) Market Days after the Books Closure Date for cancellation and exchange for New Share Certificates. No receipt will be issued by the Share Registrar for the receipt of the Old Share Certificates tendered. The New Share Certificates will be sent by ordinary mail to the registered**

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## LETTER TO SHAREHOLDERS

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**addresses of the Shareholders at their own risk within ten (10) Market Days from the Books Closure Date or the date of receipt of the Old Share Certificates, whichever is later.**

Shareholders are to deliver their respective Old Share Certificates to the Share Registrar or CDP in accordance with the provisions set out in this Section 2.5 only after the announcement of the Books Closure Date by the Company.

Shareholders should note that New Share Certificates will not be issued to Shareholders unless their Old Share Certificates have been delivered to the Share Registrar for cancellation.

Please notify the Share Registrar, M & C Services Private Limited, at 112 Robinson Road, #05-01, Singapore 068902, if you have lost any of your Old Share Certificates or if there is any change in your address from that reflected in the Register of Members.

**(c) Share Certificates Not Valid for Settlement of Trades on SGX-ST**

Shareholders are reminded that their Old Share Certificates will not be valid for settlement of trading in the Shares on the SGX-ST, as the Company is under a book-entry (scripless) settlement system. After the date on which the Proposed Share Consolidation becomes effective, the Old Share Certificates will continue to be accepted by the Share Registrar for cancellation and issue of New Share Certificates in replacement thereof for an indefinite period by the Share Registrar. The New Share Certificates will not be valid for delivery for trades done on the SGX-ST although they will continue to be *prima facie* evidence of legal title.

### **2.6 Trading Arrangements for the Shares and for Odd Lots**

**(a) Trading Arrangements for the Shares**

Subject to Shareholders' approval for the Proposed Share Consolidation at the EGM, with effect from 9.00 a.m. on the Effective Trading Date, trading in the Shares will be in board lots of one hundred (100) Consolidated Shares. Accordingly, every twenty (20) Shares as at 5.00 p.m. on the Market Day immediately preceding the Effective Trading Date will represent one (1) Consolidated Share with effect from 9.00 a.m. on the Effective Trading Date. Trading in the Shares will cease after 5.00 p.m. on the Market Day immediately preceding the Effective Trading Date.

**(b) Trading Arrangements for Odd Lots of Consolidated Shares**

**Shareholders should note that the number of Consolidated Shares which they will be entitled to pursuant to the Proposed Share Consolidation, based on their holdings of the Shares as at the Books Closure Date, will be rounded down to the nearest whole Consolidated Share] and any fractions of Consolidated Shares arising from the Proposed Share Consolidation will be disregarded. All fractional entitlements arising upon the completion of the Proposed Share Consolidation will be dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company, including (i) disregarding, or (ii) aggregating and selling the same and retaining the net proceeds for the benefit of the Company. Affected Shareholders will not be paid for any fractional shares that are cancelled and not issued.**

The Shares are currently traded in board lots of one hundred (100) Shares in the ready market. Following the Proposed Share Consolidation, the Securities Accounts of Shareholders (being Depositors) may be credited with odd lots of Consolidated Shares (that is, lots other than board lots of one hundred (100) Consolidated Shares). The market for trading of such odd lots of Consolidated Shares may be illiquid. Shareholders (being Depositors) who receive odd lots of Consolidated Shares pursuant to the Proposed Share Consolidation and who wish to trade such odd lots of Consolidated Shares on the SGX-ST should note that odd lots of Consolidated Shares can be traded on the unit share market which would allow trading in odd lots with a minimum size of one (1) Consolidated Share.

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## LETTER TO SHAREHOLDERS

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To facilitate the trading of odd lots, the Company has applied to the SGX-ST for the setting up of a temporary counter in the ready market for board lot trading of one (1) Share for a duration of two (2) months.

### 3. EFFECT ON THE COMPANY'S TAIWAN DEPOSITORY RECEIPTS

As at the date of this circular, the Company has in issue an amount of 125,709,905 TDRs with a conversion ratio of 2 Shares for 1 TDR. Pursuant to the Proposed Share Consolidation, the conversion ratio of the TDRs will be adjusted to 0.1 Shares for 1 TDR.

### 4. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and the Substantial Shareholders in the share capital of the Company as at the Latest Practicable Date are set out below:

Director	Direct Interest	Number of Shares		
		%	Deemed Interest	%
Choi Cheung Kong	-	-	385,452,766	34.44
Lin Wen Chang	-	-	105,388,605	9.42
<b>Substantial Shareholder</b>				
-	-	-	-	-

**Note:**

Percentages are based on the issued capital of the Company of 1,126,598,518 Shares less treasury shares of 7,500,000 as at the Latest Practicable Date.

None of the Directors or Substantial Shareholders has any interest, direct or indirect in the Proposed Share Consolidation (other than through their shareholdings (if any) in the Company).

### 5. APPROVALS AND DIRECTORS' RECOMMENDATIONS

After having considered, amongst other things, the terms and/or rationale of the Proposed Share Consolidation, the Directors are of the view that the Proposed Share Consolidation is in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend that the Shareholders vote in favour of the Proposed Share Consolidation.

### 6. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 14 to 15 of this Circular, will be held at Seletar main club lobby, Kingfisher I&II, Seletar Country Club, 101 Seletar Club Rd, Singapore 798273 on 29 May 2015 at 11.00 a.m. (or as soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10.00 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without modifications, the Ordinary Resolution set out in the notice of the EGM.

### 7. ACTIONS TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote on their behalf, should complete, sign and return the Proxy Form attached to this Circular in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the registered address of the Company at 80 Robinson Road, #17-02, Singapore 068898, not later than 48 hours before the time for holding the EGM. Completion and return of the Proxy Form by a Shareholder will not prevent him from attending and voting at the EGM if he so wishes.

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## LETTER TO SHAREHOLDERS

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A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register 48 hours before the EGM.

### 8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Share Consolidation, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

### 9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 80 Robinson Road, #17-02, Singapore 068898 during normal business hours from the date of this Circular up to and including the time and date of the EGM:

- (a) the Memorandum and Articles of Association of the Company; and
- (b) the Annual Report for FY2014.

Yours faithfully

For and on behalf of the Board of Directors of

**CHINA TAISAN TECHNOLOGY GROUP HOLDINGS LIMITED**

Lin Wen Chang  
Chief Executive Officer

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### CHINA TAISAN TECHNOLOGY GROUP HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration no. 200711863D)

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (“**EGM**”) of the Company will be held at Seletar main club lobby, Kingfisher I&II, Seletar Country Club, 101 Seletar Club Rd, Singapore 798273 on 29 May 2015 at 11.00 a.m. (or as soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10.00 a.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing the following resolutions:

All capitalised terms in the resolutions below and defined in the Circular dated 13 May 2015 to the shareholders of the Company (the “**Circular**”) shall, unless otherwise defined herein, have the respective meanings ascribed thereto in the Circular.

#### **ORDINARY RESOLUTION – PROPOSED SHARE CONSOLIDATION**

Resolved that:

- (a) the proposed consolidation of every twenty (20) Shares, as at the Books Closure Date, into one (1) Consolidated Share be and is hereby approved;
- (b) any fractions of Consolidated Shares arising from the Proposed Share Consolidation shall be disregarded. All fractional entitlements arising from the implementation of the Proposed Share Consolidation shall be dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company;
- (c) the Directors be and are hereby authorised to fix the Books Closure Date and the Effective Trading Date in their absolute discretion as they deem fit; and
- (d) the Directors and each of them be and are hereby authorised to do all acts and things (including, without limitation, executing all such documents as may be required) as they or each of them deem desirable, necessary or expedient to give effect to Proposed Share Consolidation as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Company.

#### **BY ORDER OF THE BOARD**

Tan Swee Gek  
Company Secretary

13 May 2015

#### **Notes:**

- 1) A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint a proxy or proxies (not more than two) to attend and vote on his/her behalf. A proxy need not be a member of the Company.
- 2) The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.
- 3) The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 80 Robinson Road, #17-02, Singapore 068898 at least 48 hours before the time fixed for the Extraordinary General Meeting.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### **Personal Data Protection:**

By attending the Extraordinary General Meeting and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Extraordinary General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Extraordinary General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Extraordinary General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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# CHINA TAISAN TECHNOLOGY GROUP HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

## PROXY FORM EXTRAORDINARY GENERAL MEETING

### IMPORTANT

1. For investors who have used their CPF moneys to buy shares in the capital of China Taisan Group Technology Holdings Limited, this Circular is forwarded to them at the request of their CPF Approved Nominees ("Agent Banks") and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF Investors who wish to attend the Extraordinary General Meeting as OBSERVERS have to submit their requests through their respective Agent Banks so that their Agent Banks may register, in the required format, with the company, China Taisan Group Technology Holdings Limited. (Agent Banks: please see note No. 8 on required format)

I/We \_\_\_\_\_ (Name), NRIC/Passport Number\* \_\_\_\_\_

of \_\_\_\_\_ (Address)

being a member/members of **CHINA TAISAN TECHNOLOGY GROUP HOLDINGS LIMITED** (the "**Company**"), hereby appoint:

Name	NRIC / Passport Number	Proportion of Shareholdings (%)	
		No. of shares	%
Address			

and/or (delete as appropriate)

Name	NRIC / Passport Number	Proportion of Shareholdings (%)	
		No. of shares	%
Address			

whom failing, the Chairman of the Extraordinary General Meeting, as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and, if necessary, to demand a poll, at the Extraordinary General Meeting of the Company to be held at Seletar main club lobby, Kingfisher I&II, Seletar Country Club, 101 Seletar Club Rd, Singapore 798273 on 29 May 2015 at 11.00 a.m. (or as soon thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10.00 a.m. on the same day and at the same place) and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the Extraordinary General Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Extraordinary General Meeting.

ORDINARY RESOLUTION	For*	Against*
To approve the Proposed Share Consolidation		

\* If you wish to exercise all your votes "For" or "Against", please indicate your vote "For" or "Against" with "X" within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2015.

Total Number of Shares Held	
CDP Register	
Register of Members	

Signature(s) of Member(s)/Common Seal

**IMPORTANT: PLEASE READ NOTES ON THE REVERSE.**



**Notes:**

1. A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint one or two proxies to attend and vote in his stead.
2. Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy.
3. A proxy need not be a member of the Company.
4. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register maintained by The Central Depository (Pte) Limited (“**CDP**”), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in the said Depository Register and registered in his name in the Register of Members of the Company, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member.
5. The instrument appointing a proxy or proxies must be deposited at the Company’s registered office at 80 Robinson Road, #17-02, Singapore 068898, not less than 48 hours before the time set for the Extraordinary General Meeting.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
7. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy; failing which the instrument may be treated as invalid.
8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.
9. The submission of an instrument or form appointing a proxy by a member of the Company does not preclude him from attending and voting in person at the Extraordinary General Meeting if he is able to do so.
10. The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of shares entered in the Depository Register, the Company may reject a Proxy Form if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Extraordinary General Meeting, as certified by CDP to the Company.
11. Agent Banks acting on the request of CPF Investors who wish to attend the Extraordinary General Meeting as Observers are required to submit in writing, a list with details of the investors’ name, NRIC/Passport numbers, addresses and numbers of Shares held. The list, signed by an authorised signatory of the agent bank, should reach the registered office of the Company not later than 48 hours before the time appointed for holding the Extraordinary General Meeting.

**Personal Data Protection:**

By attending the Extraordinary General Meeting and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting.

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