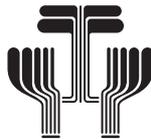

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Tack Hsin Holdings Limited (the “**Company**”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, the licensed securities dealer or registered institution or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

This circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities.

**TACK HSIN HOLDINGS LIMITED****(德興集團有限公司)****(Incorporated in Bermuda with limited liability)***(Stock Code: 611)**

**PROPOSED AMENDMENTS TO THE TERMS AND CONDITIONS OF
UNSECURED ZERO COUPON RATE CONVERTIBLE BONDS
IN THE PRINCIPAL AMOUNT OF HK\$200 MILLION DUE 2014**

A notice convening a special general meeting (the “**SGM**”) of the Company to be held at Jade Terrace Restaurant, 2nd Floor, Peninsula Centre, 67 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Friday, 2 December 2011 at 11:00 a.m., is set out on pages 22 to 23 of this circular.

A form of proxy for the SGM is enclosed herewith. Whether or not you are able to attend the SGM in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong as soon as practicable but in any event not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the accompanying form of proxy will not preclude you from attending and voting at the SGM, or any adjournment thereof, should you so wish.

* *For identification purposes only*

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DEFINITIONS

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

“2010 Circular”	the circular of the Company dated 26 February 2010 in respect of, among others, subscription of the Convertible Bonds;
“Acquisition Convertible Bonds”	zero coupon rate unsecured redeemable convertible bonds due 2014 in the principal amount of HK\$120 million with conversion price of HK\$1.20 per Share issued by the Company on 1 September 2011 to Shining Rejoice Limited (which is not a party acting in concert with CNI 23 HK), details of which are set out in the announcement of the Company dated 13 May 2011 and the circular of the Company dated 12 August 2011;
“Acquisition Convertible Bond Offer”	the conditional mandatory cash offer by Fortune Securities on behalf of CNI 23 HK to the holder of the Acquisition Convertible Bonds for transfer of the outstanding Acquisition Convertible Bonds at the Acquisition Convertible Bond Offer Price;
“Acquisition Convertible Bond Offer Price”	HK\$0.4167 for every HK\$1.00 face value of the Acquisition Convertible Bonds in cash;
“acting in concert”	has the meaning ascribed thereto in the Takeovers Code;
“Amended and Restated Bond Instrument”	the amended and restated instrument to be entered into by the Company amending the Bond Instrument;
“Amendment Agreement”	the amendment agreement entered into between the Company and the Bondholders on 10 October 2011 amending the terms and conditions of the Convertible Bonds in the terms of the Proposed Amendments;
“Announcement”	the joint announcement made by the Company and CNI 23 HK dated 28 October 2011 in relation to, <i>inter alia</i> , the Proposed Amendments;
“associates”	has the meaning ascribed thereto in the Listing Rules or the Takeovers Code (as the case may be);
“Board”	the board of Directors;

DEFINITIONS

“Bondholder(s)”	holder(s) of the Convertible Bonds;
“Bond Instrument”	the bond instrument dated 17 March 2011 constituting the Convertible Bonds;
“CGNPC”	中國廣東核電集團有限公司 (transliterated as China Guangdong Nuclear Power Holding Co., Ltd.), a state-owned enterprise established in the PRC;
“China He Investment HK”	China He Investment (Hong Kong) Company Limited 中核投資(香港)有限公司, a company incorporated in Hong Kong with limited liability;
“China He Investment HK Convertible Bonds”	Convertible Bonds in the principal amount of HK\$50 million held by China He Investment HK;
“CNECC”	中國核工業建設股份有限公司 (transliterated as China Nuclear Engineering Corporation Co., Ltd.), a state-owned enterprise established in the PRC;
“CNEGC”	中國核工業建設集團公司 (transliterated as China Nuclear Engineering Group Co.), a state-owned enterprise established in the PRC;
“CNI 23”	中國核工業二三建設有限公司 (transliterated as China Nuclear Industry 23 Construction Company Limited), a state-owned enterprise established in the PRC;
“CNI 23 HK”	China Nuclear Industry 23 Construction (Hong Kong) Company Limited 中國核工業二三建設(香港)有限公司, a company incorporated in Hong Kong with limited liability;
“CNI 23 HK Convertible Bonds”	Convertible Bonds in the principal amount of HK\$150 million held by CNI 23 HK;
“CNI Enterprise Group Companies”	the group of companies, comprising CNI 23 HK, CNI 23, China He Investment HK, 中核投資有限公司 (Zhong He Investment Co., Ltd.*), CNECC, CNEGC, CGNPC and CNPEC;
“CNPEC”	中廣核工程有限公司 (transliterated as China Guangdong Nuclear Power Engineering Co., Ltd.), a state-owned enterprise established in the PRC;

DEFINITIONS

“Company”	Tack Hsin Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are traded on the Main Board of the Stock Exchange;
“Conditions”	the conditions precedent to the Proposed Amendments as set out in the paragraph headed “Conditions to the Proposed Amendments” in this circular;
“Conversion Price”	the initial conversion price of HK\$0.50 per Conversion Share (subject to adjustment) for exercising the Conversion Rights;
“Conversion Rights”	the conversion rights attaching to the Convertible Bonds to subscribe for Conversion Shares at the Conversion Price;
“Conversion Share(s)”	Share(s) to be issued and allotted upon the exercise of the Conversion Rights;
“Convertible Bonds”	unsecured zero coupon rate convertible bonds in the principal amount of HK\$200 million due 2014 issued by the Company on 17 March 2011;
“Director(s)”	the director(s) of the Company;
“Fortune Securities”	Fortune (HK) Securities Limited, a licensed corporation under the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong) to conduct Type 1 (dealing in securities) regulated activity;
“Group”	the Company and its subsidiaries;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“Latest Practicable Date”	by close of business of 14 November 2011, being the latest practicable date prior to printing of this circular for ascertaining certain information contained herein;

DEFINITIONS

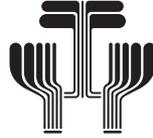
“Libert Acquisition”	the acquisition of the entire issued share capital of Well Link Capital Limited and East King International Enterprises Limited by the Company on 1 September 2011 as detailed in the announcements of the Company dated 23 December 2010, 29 December 2010 and 13 May 2011 and the circular of the Company dated 12 August 2011;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Offers”	the Share Offer, the Warrant Offer and the Acquisition Convertible Bond Offer;
“PRC”	The People’s Republic of China, and for the sole purpose of this circular excludes Hong Kong, Macau Special Administrative Region and Taiwan;
“Proposed Amendments”	the proposed amendments to the terms and conditions of the Convertible Bonds as set out in the paragraph headed “The Request” in this circular;
“Request”	the request dated 9 September 2011 made by the financial adviser to CNI 23 HK, Athens Capital Limited, on behalf of CNI 23 HK to the Company;
“SASAC”	中國國務院國有資產監督管理委員會 (State-owned Assets Supervision and Administration Commission of the State Council) of the PRC;
“SGM”	the special general meeting of the Company to be convened for considering and, if thought fit, approving the Proposed Amendments and the adoption of the Amended and Restated Bond Instrument;
“Shares”	shares of HK\$0.10 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of Shares;

DEFINITIONS

“Share Offer”	the conditional mandatory cash offer by Fortune Securities on behalf of CNI 23 HK to acquire all of the Shares issued and to be issued (other than those Shares already owned by or agreed to be acquired by CNI 23 HK and parties acting in concert with it at the time when the Share Offer is made) at the Share Offer Price in accordance with the Takeovers Code;
“Share Offer Price”	HK\$0.50 for each Share in cash;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Code on Takeovers and Mergers of Hong Kong;
“Terms and Conditions”	the existing terms and conditions of the Bond Instrument;
“Warrants”	unlisted warrants to subscribe for 94,354,839 Shares at the exercise price of HK\$0.62 for each Share issued by the Company on 19 October 2009;
“Warrant Offer”	the conditional mandatory cash offer by Fortune Securities on behalf of CNI 23 HK to the holders of the outstanding Warrants for cancellation of the outstanding Warrants at the Warrant Offer Price;
“Warrant Offer Price”	HK\$0.00001 for each Warrant with an exercise price of HK\$0.62 for each Share;
“Zhong He Libert”	江蘇中核利柏特股份有限公司 (transliterated as Jiangsu China Nuclear Industry Libert INC.);
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong; and
“%”	per cent.

* For identification purposes only

LETTER FROM THE BOARD



TACK HSIN HOLDINGS LIMITED

(德興集團有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 611)

Executive Directors:

Mr. Chan Shu Kit (*Chairman*)

Mr. Chan Ho Man

Ms. Jian Qing

Mr. Chung Chi Shing

Mr. Han Naishan

Mr. Lei Jian

Mr. Song Limin

Independent Non-executive Directors:

Mr. Chan Ka Ling, Edmond

Mr. Chang Nan

Dr. Dai Jinping

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Head Office and Principal Place
of Business in Hong Kong:*

Unit 1203, 12/F

Peninsula Centre

67 Mody Road

Tsim Sha Tsui East

Kowloon

Hong Kong

16 November 2011

*To the Shareholders, and for information only,
holders of the existing outstanding Warrants
and Convertible Bonds*

Dear Sir or Madam,

**PROPOSED AMENDMENTS TO THE TERMS AND CONDITIONS OF
UNSECURED ZERO COUPON RATE CONVERTIBLE BONDS
IN THE PRINCIPAL AMOUNT OF HK\$200 MILLION DUE 2014**

INTRODUCTION

References are made to the Announcement regarding, amongst others, the Proposed Amendments and the transactions contemplated thereunder and the 2010 Circular regarding, amongst others, the subscription of the Convertible Bonds by China He Investment HK.

* *For identification purposes only*

LETTER FROM THE BOARD

The main purpose of this circular is (i) to provide you with, among other things, further details of the Proposed Amendments under the Amendment Agreement and the Amended and Restated Bond Instrument; and (ii) to give notice of the SGM to be convened by the Company for the purpose of approving the Proposed Amendments and the Amended and Restated Bond Instrument.

PROPOSED AMENDMENTS TO THE TERMS AND CONDITIONS OF UNSECURED ZERO COUPON RATE CONVERTIBLE BONDS IN THE PRINCIPAL AMOUNT OF HK\$200 MILLION DUE 2014

Background of the Convertible Bonds

References are made to the Announcement regarding, amongst others, the Proposed Amendments and the transactions contemplated thereunder and the 2010 Circular regarding, amongst others, the subscription of the Convertible Bonds by China He Investment HK.

On 17 March 2011, the Company issued the Convertible Bonds in the principal amount of HK\$200 million to China He Investment HK pursuant to the subscription agreement dated 20 January 2010 as amended and supplemented by the supplemental agreement dated 17 September 2010. Pursuant to the terms of the Bond Instrument, there is a conversion restriction attaching to the Convertible Bonds in which no Conversion Rights can be exercised if it will result in (a) a change of control of the Company within the meaning of the Takeovers Code; or (b) insufficient public float of the Shares. At the time when the Company and China He Investment HK negotiated the terms of the Convertible Bonds, the Company had considered the terms of the convertible bonds issued by other listed companies and noted that it was market practice to include such conversion restriction as part of the terms of the convertible bonds. The Company was aware of the dilution effect on the interests of the existing Shareholders upon full exercise of the Convertible Bonds and as stated in the 2010 Circular, the Conversion Price was determined with reference to the then prevailing market price of the Shares and the audited net asset value of HK\$0.25 per Share as at 31 March 2009 after arm's length negotiation between the Company and China He Investment HK. Based on the foregoing, the Company proposed the conversion restriction attaching to the Convertible Bonds to China He Investment HK which was accepted by China He Investment HK, therefore the terms of the Convertible Bonds contain such conversion restriction.

The Company was notified on 21 June 2011 that China He Investment HK transferred the Convertible Bonds in the principal amount of HK\$150 million to CNI 23 HK on 17 June 2011. According to the register of Bondholders maintained by the Company, the Convertible Bonds are held as to the principal amount of HK\$150 million by CNI 23 HK and as to the principal amount of HK\$50 million by China He Investment HK.

To the best of the knowledge of the Directors, having made all reasonable enquiries, both China He Investment HK and CNI 23 HK are indirect subsidiaries of CNEGC, a state-owned enterprise under the direct supervision and management of SASAC. Further information of CNI 23 HK and China He Investment HK is set out in the paragraph headed "Information on CNI 23 and CNI 23 HK" in this circular.

LETTER FROM THE BOARD

As at the date of this circular, the outstanding principal amount of the Convertible Bonds is HK\$200 million convertible into 400,000,000 Conversion Shares at the Conversion Price.

The Request

On 9 September 2011, after close of the morning trading session, the Company received the Request from CNI 23 HK to amend the terms and conditions of the Convertible Bonds to uplift the conversion restriction restricting the Bondholders to exercise the Conversion Rights attaching to the Convertible Bonds where such exercise may trigger an obligation for a mandatory general offer under the Takeovers Code.

On 14 September 2011, the Company informed CNI 23 HK of its agreement to amend the terms and conditions of the Convertible Bonds subject to the fulfilment of the Conditions. CNI 23 HK indicated its agreement to the Conditions on 16 September 2011.

Existing terms of the Convertible Bonds

Date of issue	:	17 March 2011
Principal amount	:	HK\$200 million (being the outstanding principal amount as at the Latest Practicable Date)
Issue price	:	100% of the principal amount of the Convertible Bonds. The issue price was determined by the Company based on the face value of the Convertible Bonds
Interest rate	:	The Convertible Bonds do not bear any interest
Maturity date	:	Three years from the date of issue
Conversion price	:	HK\$0.50, being the initial conversion price per Conversion Share, subject to standard adjustment clauses including share consolidation, share subdivision, capitalisation issue, capital distribution, issue of new shares and other securities by way of rights and issue of new Shares at a price less than 90% of the then market price of the Shares

LETTER FROM THE BOARD

- Status and transferability : (a) The obligations of the Company arising under the Convertible Bonds will constitute direct unconditional, unsubordinated and unsecured obligations of the Company, and will rank equally among themselves and pari passu with all other present and future unsecured and unsubordinated obligations of the Company; (b) the Convertible Bonds are freely transferable; and (c) any transfer of the Convertible Bonds shall be in respect of the whole or any part of the Convertible Bonds in integral multiples of HK\$1,000,000
- Redemption : All Convertible Bonds which have not been redeemed or converted by their maturity date will be automatically redeemed by the Company on the maturity date at a redemption amount equal to 100% of the principal amount of such Convertible Bonds
- Conversion : The Conversion Rights attaching to the Convertible Bonds can be exercised at any time during a period of three years commencing from the date of issue of the Convertible Bonds provided that no Conversion Rights shall be exercised if it will result in (a) a change of control of the Company within the meaning of the Takeovers Code; or (b) insufficient public float of the Shares
- Voting at shareholders' meeting : Bondholders shall not be entitled to receive notices of attend or vote at any general meeting of the Company by reason only of being the Bondholders
- Listing : No application will be made for the listing of, or permission to deal in, the Convertible Bonds on the Stock Exchange, or any other stock exchange. Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares

The Amendment Agreement

On 10 October 2011, the Company, CNI 23 HK and China He Investment HK entered into an amendment agreement amending the terms and conditions of the Convertible Bonds in the terms of the Proposed Amendments. Pursuant to the terms and conditions of the Amendment Agreement, the Company agrees to uplift the conversion restriction restricting the Bondholders to exercise the Conversion Rights attaching to the Convertible Bonds where such exercise may trigger an obligation for a mandatory general offer under the Takeovers Code. The Terms and Conditions together with the above amendments and the schedules referred to therein shall be known as the Amended and Restated Bond Instrument and the Terms and Conditions shall be replaced in its entirety by the Amended and Restated Bond Instrument upon the satisfaction of the Conditions referred to the paragraph headed "Conditions to the Proposed Amendments" below.

LETTER FROM THE BOARD

Conditions to the Proposed Amendments

The Proposed Amendments are conditional upon fulfilment of the following conditions precedent:

- (a) the approval of the Proposed Amendments by the Bondholders at a meeting of the Bondholders;
- (b) the approval of the Proposed Amendments under the Amendment Agreement and the adoption of the Amended and Restated Bond Instrument by the Shareholders at the SGM;
- (c) the prior approval of the Proposed Amendments by the Stock Exchange, if any;
- (d) the entering into of the Amendment Agreement containing the Amended and Restated Bond Instrument by the Company and the Bondholders; and
- (e) the execution of the Amended and Restated Bond Instrument by the Company upon obtaining the approvals under paragraphs (a), (b) and (c) above.

The Bondholders unanimously approved the Proposed Amendments at a meeting of the Bondholders held on 3 October 2011. On 10 October 2011, the Amendment Agreement was entered into by the Company and the Bondholders. On 17 October 2011, the Stock Exchange confirmed its approval to the Proposed Amendments to the terms of the Convertible Bonds.

As indicated to the Company, CNI 23 HK and China He Investment HK will fully convert the Convertible Bonds if the Proposed Amendments become unconditional.

Upon full conversion of the Convertible Bonds, the number of Conversion Shares to be issued to CNI 23 HK and China He Investment HK will be 300,000,000 Conversion Shares and 100,000,000 Conversion Shares respectively, representing approximately 52.88% and approximately 17.63% respectively of the existing issued share capital of the Company (assuming no other changes in the issued share capital of the Company) and approximately 31.01% and approximately 10.34% respectively of the issued share capital of the Company as enlarged by the issue and allotment of the Conversion Shares (assuming no other changes in the issued share capital of the Company). Thus, there will be a change in the controlling shareholder of the Company as a result of the full conversion of the Convertible Bonds.

Upon full conversion of the Convertible Bonds, the market value of the 300,000,000 Conversion Shares held by CNI 23 HK and the 100,000,000 Conversion Shares held by China He Investment HK based on the closing price of HK\$2.00 as at the Latest Practicable Date were HK\$600,000,000 and HK\$200,000,000 respectively. The Conversion Price of HK\$0.50 per Conversion Share represented a discount of approximately 75.00% to the closing price of HK\$2.00 per Share as at the Latest Practicable Date.

LETTER FROM THE BOARD

Reasons for the Proposed Amendments

CNI 23 HK is not the original subscriber of the CNI 23 HK Convertible Bonds. It acquired the CNI 23 HK Convertible Bonds in the principal amount of HK\$150 million in June 2011. CNI 23 HK is a wholly-owned subsidiary of CNI 23, which was established in 1958 and is one of the largest nuclear industry installing corporations in the PRC and CNI 23 has been engaged in nuclear power projects and non-nuclear projects such as petrochemical and electrical installation projects in the PRC utilising, among others, prefabricated pipes and related equipment. CNI 23 also owns 10% of the equity interest of Zhong He Libert. Zhong He Libert has submitted the application to 國家核安全局 (The State Nuclear Safety Bureau) in the PRC for the license of qualified manufacturer of nuclear power facilities and such application is under processing. It is CNI 23 HK, but not the original subscriber of the Convertible Bonds, China He Investment HK, which initiated the Proposed Amendments.

As detailed in the announcements of the Company dated 23 December 2010, 29 December 2010 and 13 May 2011 and the circular of the Company dated 12 August 2011, the Company proposed to acquire the entire issued share capital of Well Link Capital Limited and East King International Enterprises Limited and such acquisition constituted a major transaction of the Company under the Listing Rules. East King International Enterprises Limited holds 25% of the equity interest of Zhong He Libert, a joint stock limited liability company established in the PRC and principally engages in the manufacture and sale of pipes and related equipment for uses by chemical plants in the PRC and overseas. The acquisition is a move by the Company to implement its corporate strategy to identify suitable opportunity to diversify its business to a section which is less susceptible to global financial market while at the same time has a steady revenue stream, and also the first step of the Company to participate in the industry of manufacture and sale of pipes and related equipment for uses by chemical plants. Completion of the Libert Acquisition took place on 1 September 2011. CNI 23 also owns 10% of the equity interest of Zhong He Libert. To best of knowledge and belief of the Directors after having made enquiries with CNI 23 HK and CNI 23, the other shareholders of Zhong He Libert do not have any relationship with the CNI Enterprises Group Companies except that CNI 23 owns 10% of the equity interest of Zhong He Libert and one of the directors of Zhong He Libert appointed was nominated by CNI 23.

The Company confirms that there is no other relationship between the Company and the Bondholders except for the issue of the Convertible Bonds to the Bondholders; CNI 23 and the indirect wholly-owned subsidiary of the Company, East King International Enterprises Limited, are both shareholders of Zhong He Libert; and the information relating to certain Directors as set out in the paragraph headed “Competing Interests” in this circular.

Having considered the background of CNI 23 HK and CNI 23 which is a well-established company participating in the petrochemical and electrical installation projects in the PRC and overseas countries, therefore having extensive connection in its business, recent completion of the Libert Acquisition and the potential expansion of Zhong He Libert’s business to nuclear power facilities, the Directors consider that CNI 23 HK’s holding of a controlling interest in the Company will (i) foster a closer relationship between CNI 23 and the Group, hence through

LETTER FROM THE BOARD

the extensive business connection of CNI 23; and (ii) improve the reputation and standing of Zhong He Libert in the industry as CNI 23 will increase its indirect shareholding in Zhong He Libert as a result of the exercise of the Conversion Rights attaching to the CNI 23 HK Convertible Bonds in full, which may provide the Group, through Zhong He Libert, with more opportunities to participate in the business of prefabricated pipes and related equipment and facilities for various industries including nuclear power in the PRC and overseas. Zhong He Libert has been referred by CNI 23 with new clients in the PRC and overseas including a reputable PRC company engages in the petrochemical industry and a major long-term contract was also successfully signed by CNI 23, Zhong He Libert and such PRC company for participating in an overseas petrochemical project which the parties have co-operated well. As such, the Directors believe that (i) the good reputation and extensive business network of CNI 23 in the PRC as well as its ability to identify and refer new clients or projects to Zhong He Libert; (ii) the closer business relationship between CNI 23 and the Group through Zhong He Libert; and (iii) the improvement in the reputation and standing of Zhong He Libert in the industry as a result of increase in indirect shareholding by CNI 23 may provide more opportunities for the Company, through Zhong He Libert, to participate in the business of prefabricated pipes and related equipment and facilities through business referrals by CNI 23 and/or other non-referred clients.

Furthermore, the nuclear power stations construction sites and training centres of CNI 23 in various provinces in the PRC have a strong demand for catering and hotel services which requires expertise in both operation and management. Please also refer to the paragraph headed “Intention of CNI 23 HK regarding the Proposed Amendments and intention of China He Investment HK on conversion of the China He Investment HK Convertible Bonds” of this circular for further information. The Company is also considering the possibility of expanding its Chinese cuisine and hotpot restaurants into other major cities/provinces in the PRC specialising in hotpot and local specialty. The Company will capture any suitable business opportunity for such expansion in the PRC if it arises in the future and will further conduct feasibility study in the relevant market if it can identify a suitable project. As the Company has been engaged in the provision of quality catering and hotel services with extensive industry experiences and expertise, and the business environment in Hong Kong is very competitive, the Company is always looking for new opportunities to expand its existing catering and hotel businesses, the Directors consider a closer relationship with CNI 23 and CNI 23 HK may also provide the Group with a good opportunity to leverage on its relationship with CNI 23 in seeking entry into the catering and hotel industry in the PRC through the extensive business connections of CNI 23.

As stated in the Request, CNI 23 HK has been seeking investment opportunities in Hong Kong. In view of the price performance of the Shares since the Company entered into the subscription agreement for the Convertible Bonds and completion of the Libert Acquisition, CNI 23 HK considers the Convertible Bonds a sound investment and sees the growth potential of the Company. These encourage CNI 23 HK to play a more active role in the Company.

When considering the Proposed Amendments, the Directors were aware of the discount of the Conversion Price to the current market price per Share and noted that if the conversion restriction is uplifted, the cost to acquire the Shares by the Bondholders may be relatively

LETTER FROM THE BOARD

lower than some public Shareholders and the dilution effect on the public Shareholders. The Directors also noted that the full exercise of the Conversion Rights will result in the gain in controlling interest by the Bondholders. If the Bondholders shall appoint new management to the Board, such new management may run the Company in a way which may be different from the existing management which in turn may or may not affect the returns to the Shareholders.

Notwithstanding the above, the Directors have considered the audited net asset value of approximately HK\$0.25 per Share as at 31 March 2009 with reference to the Conversion Price of HK\$0.50 (representing a significant premium of 100% over such audited net asset value) which was also one of the factors considered when determining the Conversion Price as stated in the 2010 Circular. Also, the Directors have considered (i) the worsening financial condition of the Group in net liability position of approximately HK\$0.49 billion as at 31 March 2010 and approximately HK\$0.69 billion as at 31 March 2011 which were primarily due to the liabilities of the derivative financial instruments and convertible bonds of the Group for the relevant financial periods; and (ii) the unsatisfactory operating results (profit before taxation and fair value losses on derivative financial instruments, net) of approximately HK\$21.9 million for the year ended 31 March 2010 and approximately HK\$3.4 million for the year ended 31 March 2011. The Directors are of the view that although the Conversion Price of HK\$0.50 represents a significant discount to the current market price per Share, it represents a premium over the net liability of the Company as at 31 March 2011 and the Directors expect that upon the full exercise of the Conversion Rights, the indebtedness of the Company would be significantly reduced and thus, the gearing ratio of the Company would also be improved. Also, the Directors have considered the loss per Share attributable to the Shareholders (basic and diluted) for the year ended 31 March 2011 of approximately HK\$2.35 which was substantially lower than the Conversion Price.

Furthermore, after receiving the Request from CNI 23 HK to amend the terms and conditions of the Convertible Bonds to uplift the conversion restriction restricting the Bondholders to exercise the Conversion Rights attaching to the Convertible Bonds, CNI 23 HK indicated to the Company that it has no intention to change the existing business of the Group and the existing composition of the Board except that it may appoint additional Director(s). Therefore, the Directors consider that the existing catering and hotel business will continue to be managed by the existing Directors with such experience and expertise whilst those existing Directors with relevant experience and expertise in the business of the manufacture and sale of prefabricated pipes and related equipment through the Company's indirect interest in Zhong He Libert will continue to manage such business. In addition, the Directors believe that the relevant expertise, management skills as well as the industry experience possessed by the senior management of CNI 23 HK may also be introduced to the Group by the appointment of additional Director(s). As such, the Directors believe that such arrangement will not have too much impact on the management of the Company's business.

LETTER FROM THE BOARD

The Directors believe that the Group will be able to benefit from the closer relationship with CNI 23 through the shareholding of CNI 23 HK in the Company. Having considered the following, the Directors consider the Proposed Amendments to be fair and reasonable and in the interest of the Company and the Shareholders given the substantial discount of the Conversion Price compared with the current market price per Share:

1. The restriction of no conversion of the Convertible Bonds which will result in a change of control of the Company within the meaning of the Takeovers Code (the “**Restriction**”) under the terms and conditions of the Convertible Bonds is only one of various factors that the Directors took into account to fix the Conversion Price, which represents a substantial discount to the then prevailing market price at the time when the Conversion Price was fixed. As the subscriber of the Convertible Bonds in any event may acquire the control of the Company (within the meaning of the Takeovers Code) through acquisition of Shares in the market while complying with the Restriction, the Directors do not consider that the Restriction an extremely dominating factor in the determination of the terms of the Convertible Bonds. Assuming the subscriber of the Company acquires Shares in the market as at the Latest Practicable Date, the closing price was HK\$2.00 per Share and the Conversion Price of HK\$0.50 represented a discount of approximately 75.00% from such closing price.
2. In considering whether to agree to uplift the Restriction, the Directors were not bound to consider the comparison of the Conversion Price with the prevailing market price of the Shares. As stated in the 2010 Circular, the Conversion Price of HK\$0.50 was also determined with reference to the audited net asset value of approximately HK\$0.25 per Share as at 31 March 2009, representing a significant premium of 100% over such audited net asset value. Although the Conversion Price represents a substantial discount to the current market price per Share and the Directors have also considered the financial position of the Group as mentioned above, it is justifiable for the Directors to consider the potential benefits that the Proposed Amendments and the consequence may bring to the Group in its participation in the business of prefabricated pipes, which has become materialised after completion of the Libert Acquisition, and the expansion of the Group’s existing catering and hotel business into the PRC, which the Directors did not consider to be available to the Group at the time when the terms of the Convertible Bonds were fixed.
3. The Directors were aware of the substantial discount of the Conversion Price to the current market price per Share and the change of controlling Shareholder if the Restriction is uplifted but taking into account the abovementioned factors, the Directors consider that it is fair and reasonable and in the interest of the Company and the Shareholders to uplift the Restriction having considered:
 - (i) the potential benefits of having a closer relationship between CNI 23 and the Group to (i) the Group’s participation in the business of prefabricated pipes and related equipment for nuclear safety; and (ii) the expansion of the Group’s existing catering and hotel business into the PRC, as set out above;
 - (ii) the closer relationship between CNI 23 and the Group may lead to greater influence of the Company and CNI 23 acting jointly in Zhong He Libert, in particular, Zhong He Libert intends to expand its existing business into nuclear power facilities in which CNI 23 has expertise;

LETTER FROM THE BOARD

- (iii) the financial position of the Company based on the latest audited financial statement of the Group and the current market price per Share compared with the Conversion Price; and
- (iv) CNI 23 HK agreed that the Proposed Amendments shall be subject to the Shareholders' approval at the SGM. Under such circumstances, the Shareholders with views different from that of the Directors regarding the Proposed Amendments may vote against the proposal.

Intention of CNI 23 HK regarding the Proposed Amendments and intention of China He Investment HK on conversion of the China He Investment HK Convertible Bonds

CNI 23 HK has stated in the Request upon the Proposed Amendments becoming effective, it intends to exercise the Conversion Rights attaching to the CNI 23 HK Convertible Bonds in full. The Directors consider that the Proposed Amendments will enable CNI 23 HK to hold a higher percentage interest in the shareholding of the Company which will foster a closer relationship with CNI 23 HK and provide the Group with more opportunities to participate in the business of prefabricated pipes and related equipment. This is because the shareholder of CNI 23 HK, CNI 23 which was established in 1958, is one of the largest nuclear industry installing corporations in the PRC. CNI 23 has been engaged in nuclear power projects and non-nuclear projects such as petrochemical and electrical installation projects in the PRC, utilising, among others, prefabricated pipes and related equipment.

In addition, CNI 23 has established strong business relationship and extensive networks in many provinces in the PRC. Furthermore, nuclear power station construction sites and training centres of CNI 23 in various provinces in the PRC have a strong demand for catering and hotel services since the staff of CNI 23 is based in the various nuclear power station construction sites and a substantial number of them have to stay on-site or in the vicinity, there will be a need for catering service and accommodation to be provided to such staff. CNI 23 may set up restaurants and hotels in the cities where the nuclear power station construction sites and training centres are located to serve its staff, clients and working partners (including overseas clients and partners) who will visit or train at the sites and also to the public. As at the Latest Practicable Date, there are approximately 30,000 employees in the CNI Enterprise Group Companies and both CNI 23 and CNI 23 HK expect a majority of them will benefit from the Group's provision of such catering and accommodation services. Furthermore, the hotels may also provide the venue for hosting conferences to clients and partners of CNI Enterprise Group Companies. Certain areas of the completed nuclear bases may be open to the public for educational tour visit in the future and the catering and hotel services will also serve the public. Although the Group is engaged in restaurant and hotel business which may not be the same market segment as required by CNI 23's nuclear power construction site areas and training centres, however, the Group's expertise in the business will contribute to CNI Enterprise Group Companies in providing such services catered for its staff, clients, partners and the public and the Group will assess the requirements of the relevant cities/provinces, such as local flavour and preference of the people, to meet the demand of the relevant markets. CNI 23 may set up an international training and information centres to provide training for employees, clients and overseas participants in the industry and the Company will be able to provide catering and hotel services for such international training centres given the Company's experience in the business. Based on the foregoing, CNI 23, CNI 23 HK and the Company believe that the correlation to be resulted from the nuclear power station construction sites and training centres and the demand for catering and hotel services is substantial.

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As at the Latest Practicable Date, China He Investment HK indicated to the Company its intention to fully exercise its Conversion Rights attaching to the China He Investment HK Convertible Bonds, convertible into 100,000,000 Conversion Shares at HK\$0.50 per Conversion Share (subject to adjustment) after the Proposed Amendments having become effective and at the same time when CNI 23 HK exercises its Conversion Rights attaching to the CNI 23 HK Convertible Bonds in full.

SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is a table showing the shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) immediately upon exercise of the Conversion Rights attaching to the Convertible Bonds in full based on the issued share capital as enlarged by the issue and allotment of the Conversion Shares (assuming no other changes to the issued share capital of the Company):

<i>Shareholder</i>	As at the Latest Practicable Date		Immediately upon exercise of the Conversion Rights attaching to the Convertible Bonds in full based on the issued share capital of the Company as enlarged by the issue and allotment of the Conversion Shares (assuming no other changes in the issued share capital of the Company)	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
Hoylake Holdings Limited (<i>Note 1</i>)	114,240,000	20.14	114,240,000	11.81
CNI 23 HK (<i>Note 2</i>)	–	–	300,000,000	31.01
China He Investment HK (<i>Note 2</i>)	–	–	100,000,000	10.34
CNI 23 HK and China He Investment HK – Sub-Total:	–	–	400,000,000	41.35
Public	453,081,620	79.86	453,081,620	46.84
Total:	<u>567,321,620</u>	<u>100.00</u>	<u>967,321,620</u>	<u>100.00</u>

Notes:

- Hoylake Holdings Limited is a company wholly-owned by Mr. Chan Shu Kit, an executive Director.
- China He Investment HK is a party acting in concert with CNI 23 HK. It is the holder of the Convertible Bonds in the principal amount of HK\$50 million, convertible into 100,000,000 Conversion Shares at HK\$0.50 per Conversion Share (subject to adjustment).

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POSSIBLE CONDITIONAL MANDATORY CASH OFFERS

As at the Latest Practicable Date, none of CNI 23 HK and parties acting in concert (as defined in the Takeovers Code) with it owned any voting rights, rights over shares or rights over which it has control or direction over the Company, apart from the Conversion Shares to be issued upon exercise of the Conversion Rights attaching to the Convertible Bonds subject to fulfilment of the Conditions. As mentioned above, there will be a change in the controlling shareholder of the Company as a result of the full conversion of the Convertible Bonds. Pursuant to Rule 26.1 of the Takeovers Code, CNI 23 HK will then be required to make the Share Offer for all the issued Shares (other than those Shares already owned by or agreed to be acquired by CNI 23 HK and parties acting in concert with it at the time when the Share Offer is made). CNI 23 HK will be required to make the Warrant Offer for the cancellation of all outstanding Warrants and the Acquisition Convertible Bond Offer for all the outstanding Acquisition Convertible Bonds pursuant to Rule 13.1 of the Takeovers Code.

WARNINGS: THE OFFERS ARE A POSSIBILITY ONLY

The Offers will only be made if the Conversion Shares are issued pursuant to the exercise of the Conversion Rights attaching to the CNI 23 HK Convertible Bonds in full. Exercise of the Conversion Rights attaching to the CNI 23 HK Convertible Bonds in full is conditional upon fulfilment of the Conditions set out in the paragraph headed “Conditions to the Proposed Amendments” in this circular. Accordingly, the Offers may or may not be made. Shareholders and investors are advised to exercise caution when dealing in the Shares.

Consideration for the Offers

If the Offers are made, they will be made on the following bases:

The Share Offer:

For each Share HK\$0.50 in cash

The Warrant Offer:

**For each Warrant with an exercise price of HK\$0.62
for each Share HK\$0.00001 in cash**

The Acquisition Convertible Bond Offer:

**For every HK\$1 face value of the Acquisition
Convertible Bonds HK\$0.4167 in cash**

Comparisons of value

Under the Share Offer, the Share Offer Price represents:

1. a discount of approximately 75.00% to the closing price of HK\$2.00 per Share as quoted on the Stock Exchange as at the Latest Practicable Date;

LETTER FROM THE BOARD

2. a discount of approximately 75.61% to the average closing price of approximately HK\$2.05 per Share quoted on the Stock Exchange for the five trading days up to and including the Latest Practicable Date; and
3. a discount of approximately 76.74% to the average closing price of approximately HK\$2.15 per Share quoted on the Stock Exchange for the 10 trading days up to and including the Latest Practicable Date.

The Warrant Offer Price is HK\$0.00001 per Warrant as the exercise price of HK\$0.62 for each Share under the Warrants exceeds the Share Offer Price.

The Acquisition Convertible Bond Offer Price is HK\$0.4167 for every HK\$1.00 face value of the Acquisition Convertible Bonds (with the conversion price of HK\$1.20 for each Share) which is equal to the Share Offer Price.

For details on the Offers, please refer to the Announcement.

INFORMATION ON CNI 23 AND CNI 23 HK

Background of CNI 23 and CNI 23 HK

CNI 23 is a state-owned enterprise established in the PRC in 1958 and is one of the largest nuclear industry installation corporations in the PRC. CNI 23 is awarded by the PRC government as the main contractor for construction of nuclear power plants with first class qualification. During more than fifty years of development, CNI 23 has been engaged in nuclear power projects, nuclear research projects and non-nuclear projects, such as petrochemical and electrical installation projects, in the PRC. It has been awarded national prizes including the Luban Prize. The directors of CNI 23 are Messrs. Dong Yuchuan, Wang Jiping, Han Naishan, Ms. Fan Qili, Messrs. Li Jing, Dong Yushu and Wang Feng.

CNI 23 HK is a company incorporated in Hong Kong on 11 March 2011. On 17 June 2011, CNI 23 HK acquired the CNI 23 HK Convertible Bonds from China He Investment HK. The directors of CNI 23 HK are Messrs. Guo Shuwei and Wei Xitao.

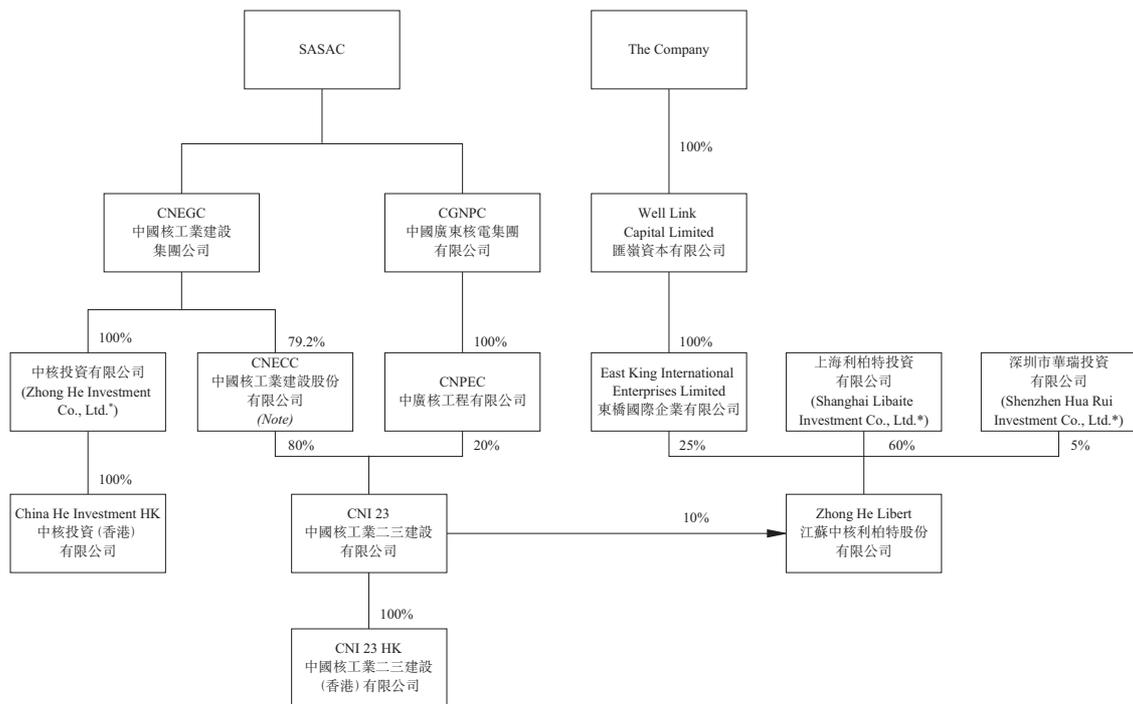
CNI 23 HK is a wholly-owned subsidiary of CNI 23. CNI 23 is owned as to 80% by CNECC and 20% by CNPEC. CNECC is owned as to 79.2% by CNEGC. CNPEC is 100% owned by CGNPC. Both CNEGC and CGNPC are under the direct supervision and management of SASAC.

CNEGC is also the sole shareholder of 中核投資有限公司 (Zhong He Investment Co., Ltd.*), the sole shareholder of China He Investment HK. China He Investment HK holds the China He Investment HK Convertible Bonds and is a party acting in concert with CNI 23 HK.

CNI 23 owns 10% of the equity interest of Zhong He Libert and the remaining shareholders of Zhong He Libert are East King International Enterprises Limited, 上海利柏特投資有限公司 (Shanghai Libaite Investment Co., Ltd.*) and 深圳市華瑞投資有限公司 (Shenzhen Hua Rui Investment Co., Ltd.*), owning as to 25%, 60% and 5% of the equity interests of Zhong He Libert respectively.

LETTER FROM THE BOARD

Set out below is the structure chart of the CNI Enterprise Group Companies and the shareholding structure of Zhong He Libert:



* For identification purposes only

Note: The remaining shareholders of CNECC are 中國國新控股有限責任公司, 航天投資控股有限公司 and 中國信達資產管理股份有限公司 owning as to 1%, 4.95% and 14.85%, respectively. 中國國新控股有限責任公司 is under the direct supervision and management of SASAC. 航天投資控股有限公司 is owned as to 36.25% by 中國航天科技集團公司 which is under the direct supervision and management of SASAC. 中國信達資產管理股份有限公司 is owned by 中華人民共和國財政部.

Intention of CNI 23 HK regarding the Group

As stated in the Announcement, CNI 23 HK intends to continue the existing business of the Group which includes the catering and hotel operations and the manufacture and sale of prefabricated pipes and related equipment for the uses in chemical plants via the interest held in Zhong He Libert. In addition to leveraging on the established position of its shareholder, CNI 23, in participating in the petrochemical and electrical installation projects in the PRC and overseas countries, CNI 23 HK also intends to expand the catering and hotel businesses of the Group in the PRC. To the best of knowledge and belief of the Directors after having made enquiries with CNI 23 HK, CNI 23 HK presently does not have any intention nor any plan on the acquisition, disposal or change of the Group's business and it does not intend to change the existing composition of the Board except that it may appoint additional Director(s) after it becomes the Company's controlling Shareholder upon full exercise of its Conversion Rights and completion of the Offers. Furthermore, CNI 23 HK has indicated that it currently does not have any intention nor any concrete plan to acquire further interest in Zhong He Libert or any other companies involving in the manufacture and sale of prefabricated pipes and related equipment and CNI 23 HK may consider further acquisition in such business if there will be

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suitable opportunity. Save as disclosed in the paragraph headed “Intention of CNI 23 HK regarding the Proposed Amendments and intention of China He Investment HK on conversion of the China He Investment HK Convertible Bonds” in this circular, CNI 23 HK presently does not have any intention to acquire any interest in other catering and hotel business nor any concrete expansion plan on the catering and hotel business of the Group but will further explore any suitable opportunity in the future.

COMPETING INTERESTS

As at the Latest Practicable Date, Mr. Han Naishan, an executive Director, is the deputy director general of CNI 23; Mr. Lei Jian, an executive Director, is a director of China He Investment HK, the holder of the China He Investment HK Convertible Bonds; and Mr. Song Limin, an executive Director, is the secretary of the board of directors of CNI 23, and none of them had any interest in the Company. Messrs. Han Naishan and Lei Jian did not attend the Board meeting held on 12 September 2011 approving the Proposed Amendments and Mr. Song Limin attended but abstained from voting at such Board meeting. The Board held another meeting on 24 September 2011 approving, amongst others, the details of the terms of the Amendment Agreement. Messrs. Han Naishan, Lei Jian and Song Limin did not attend such Board meeting held on 24 September 2011. Save as the aforementioned, none of the Directors, controlling Shareholders or their respective associates had any business which competes or may compete with the business of the Group, or had or may have any other conflicts of interest with the Group pursuant to the Listing Rules.

SGM

A notice convening the SGM to be held at Jade Terrace Restaurant, 2nd Floor, Peninsula Centre, 67 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Friday, 2 December 2011 at 11:00 a.m., for the purpose of considering and, if thought fit, approving the Proposed Amendments and the adoption of the Amended and Restated Bond Instrument is set out on pages 22 to 23 of this circular.

Whether or not you are able to attend the SGM in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong as soon as practicable but in any event not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the accompanying form of proxy will not preclude you from attending and voting at the SGM, or any adjournment thereof, should you so wish. Pursuant to Rule 13.39(4) of the Listing Rules, voting by poll is required for any resolution put to vote at the SGM and an announcement will be made by the Company after the SGM regarding the results of the SGM.

As far as the Directors are aware of, save for Messrs. Han Naishan, Lei Jian and Song Limin as mentioned in the paragraph headed “Competing Interests” in this circular, no Director or Shareholder has a material interest in the Proposed Amendments and the transactions contemplated thereunder and none of the Bondholders is entitled to vote at any general meeting of the Company. Accordingly, no Shareholder is required to abstain from voting at the SGM.

LETTER FROM THE BOARD

Shareholders should be aware of and take note that the Proposed Amendments are conditional upon satisfaction of the Conditions set out in the paragraph headed “Conditions of the Proposed Amendments” in this circular, and therefore may or may not proceed.

RECOMMENDATION

The Directors consider that the Proposed Amendments and the Amended and Restated Bond Instrument are in the best interests of the Company and the Shareholders as a whole having considered:

- (i) the potential benefits of having a closer relationship between CNI 23 and the Group to (i) the Group’s participation in the business of prefabricated pipes and related equipment for nuclear power; and (ii) the expansion of the Group’s existing catering and hotel business into the PRC;
- (ii) the closer relationship between CNI 23 and the Group may lead to greater influence of the Company and CNI 23 acting jointly in Zhong He Libert, in particular, Zhong He Libert intends to expand its existing business into nuclear power facilities in which CNI 23 has expertise; and
- (iii) CNI 23 HK agreed that the Proposed Amendments shall be subject to the Shareholders’ approval at the SGM. Under such circumstances, the Shareholders with views different from that of the Directors regarding the Proposed Amendments may vote against the proposal.

Accordingly, the Board (save for Messrs. Han Naishan, Lei Jian and Song Limin as mentioned in the paragraph headed “Competing Interests” in this circular) recommends the Shareholders to vote in favour of the resolution as set out in the notice of the SGM.

RESPONSIBILITY STATEMENT

This circular for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this 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
TACK HSIN HOLDINGS LIMITED
Chan Shu Kit
Chairman

NOTICE OF SGM



TACK HSIN HOLDINGS LIMITED

(德興集團有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 611)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the “**SGM**”) of Tack Hsin Holdings Limited (the “**Company**”) will be held at Jade Terrace Restaurant, 2nd Floor, Peninsula Centre, 67 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Friday, 2 December 2011 at 11:00 a.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolution of the Company:

ORDINARY RESOLUTION

“**THAT**

- (a) subject to the terms and conditions of the proposed amendments to the convertible bonds (the “**Proposed Amendments**”) under the amendment agreement dated 10 October 2011 (the “**Amendment Agreement**”) entered into between the Company and the holders (the “**Bondholders**”) of the unsecured zero coupon rate convertible bonds in the principal amount of HK\$200 million due 2014 issued by the Company on 17 March 2011 (the “**Convertible Bonds**”) as set out in the circular of the Company dated 16 November 2011 (the “**Circular**”), a copy of which is tabled at the meeting and marked “A” and initialed by the chairman of the meeting for identification purposes, the agreement by the Company to uplift the conversion restriction restricting the Bondholders to exercise the conversion rights attaching to the Convertible Bonds where such exercise may trigger an obligation for a mandatory general offer under the Code of Takeovers and Mergers in Hong Kong and the Proposed Amendments be and are hereby approved;
- (b) subject to the passing of the resolution under paragraph (a) of this ordinary resolution in relation to the Proposed Amendments, the Terms and Conditions (as defined in the Circular) be replaced in its entirety by the Amended and Restated Bond Instrument (as defined in the Circular), a copy of which is tabled at the meeting and marked “B” and initialed by the chairman of the meeting for identification purposes and the adoption of the Amended and Restated Bond Instrument be and is hereby approved; and

* *For identification purposes only*

NOTICE OF SGM

- (c) any one director of the Company, or any two directors of the Company or any one director and the secretary of the Company if the affixation of the common seal of the Company is necessary, be and is/are hereby authorised to execute the Amended and Restated Bond Instrument (as defined in the Circular) and do all such acts and things and to sign and execute all such other or further documents, deeds (if any) and to do all such steps which in his/her opinion, may be necessary, appropriate, desirable or expedient to give full effect to or in connection with all matters contemplated under the Amendment Agreement and the adoption of the Amended and Restated Bond Instrument and to agree to any variation, amendment, supplement or waiver of matters relating thereto as are, in his/her opinion, in the interest of the Company, to the extent that such variation, amendment, supplement or waiver do not constitute material changes to the material terms of the transactions contemplated under the Amendment Agreement and/or the Amended and Restated Bond Instrument.”

By order of the Board
TACK HSIN HOLDINGS LIMITED
Chan Shu Kit
Chairman

Hong Kong, 16 November 2011

Head Office and Principal Place of Business in Hong Kong:

Unit 1203, 12/F
Peninsula Centre
67 Mody Road
Tsim Sha Tsui East
Kowloon
Hong Kong

Notes:

1. Any shareholder entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies (if the member is a holder of two or more shares) to attend and vote in his/her stead in accordance with the Bye-laws of the Company. A proxy need not be a shareholder of the Company.
2. Where there are joint registered holders of any shares, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such shares as if he/she were solely entitled thereto; but if more than one of such joint holders are present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.
3. In order to be valid, the form of proxy must be duly lodged at the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong together with a power of attorney or other authority, if any, under which it is duly signed or a notarially certified copy of that power of attorney or authority, not less than 48 hours before the time for holding the meeting or any adjourned meeting. Delivery of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the meeting or at any adjourned meeting.
4. Completion and return of a form of proxy will not preclude a shareholder from attending in person and voting at the above meeting or any adjournment thereof, should he/she so wish, and in such event, the form of proxy shall be deemed to be revoked.
5. All resolutions shall be voted by way of poll of the shareholders of the Company at the SGM.