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

If you have sold or transferred all your shares in Yat Sing Holdings Limited, you should at once hand this circular to the purchaser or the transferee, or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or the transfer was effected for transmission to the purchaser or the transferee.

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YAT SING HOLDINGS LIMITED

日成控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3708)

PROPOSED SHARE SUB-DIVISION, AND NOTICE OF EXTRAORDINARY GENERAL MEETING

A notice convening the EGM of Yat Sing Holdings Limited to be held at Room 1402, 14/F, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong on Wednesday, 7 February, 2018 at 3:00 p.m., at which the above proposals will be considered, is set out on pages 12 to 13 of this circular. A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and Yat Sing Holdings Limited (<http://www.yat-sing.com.hk>).

Whether or not you are able to attend the EGM, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the EGM if they so wish, and in such event, the instrument appointing a proxy shall be deemed to be revoked.

16 January 2018

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DEFINITIONS

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

“Announcement”	the announcement issued by the Company dated 8 January 2018
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday and Sunday) on which banks in Hong Kong are generally open for normal banking business
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	Yat Sing Holdings Limited, a company incorporated in the Cayman Islands with limited liability, and the issued Shares of which are listed on the main board of the Stock Exchange (stock code: 3708)
“Directors”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held at Room 1402, 14/F, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong on Wednesday, 7 February 2018 at 3:00 p.m., to consider and, if thought fit, approve, among other things, the Share Sub-division
“Group”	collectively, the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“HKSCC”	Hong Kong Securities Clearing Company Limited
“Latest Practicable Date”	11 January, 2018, being the latest practicable date prior to the despatch of this circular for ascertaining certain information contained therein
“Listing Committee”	the listing sub-committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Share(s)”	ordinary share(s) of par value of HK\$0.01 each in the share capital of the Company before the Share Sub-division becoming effective
“Shareholder(s)”	holder(s) of Share(s) or Sub-divided Share(s), as the case may be
“Share Option(s)”	the share option to be granted under the Share Option Scheme entitling the holders thereof to subscribe for Share(s) or Sub-divided Share(s) (as the case may be)
“Share Option Scheme”	the share option scheme of the Company passed on 18 December 2014 by way of written resolutions
“Share Sub-division”	the proposed sub-division of each issued and unissued Share into five (5) Sub-divided Shares
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sub-divided Share(s)”	ordinary share(s) of a par value of HK\$0.002 each in the share capital of the Company upon the Share Sub-division becoming effective
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

EXPECTED TIMETABLE

The expected timetable relating to the Share Sub-division and the associated trading arrangements are as follows:

Event	Time and date
Despatch date of circular in relation to the Share Sub-division with notice of the EGM and the related form of proxy to the Shareholders	on 16 January 2018
Latest time for lodging forms of proxy for the EGM	3:00 p.m. on 5 February 2018
Date and time of the EGM	3:00 p.m. on 7 February 2018
Announcement of voting results of the EGM.....	7 February 2018
 <i>The following events are conditional upon the fulfilment of the conditions for the implementation of the Share Sub-division as set out in the section headed “Conditions of the Share Sub-division” in the Letter from the Board:</i>	
Effective date of the Share Sub-division.....	8 February 2018
First day of free exchange of existing share certificates for new share certificates for the Sub-divided Shares	8 February 2018
Dealings in Sub-divided Shares commence.....	9:00 a.m. on 8 February 2018
Original counter for trading in Shares in board lots of 5,000 Shares temporarily closes	9:00 a.m. on 8 February 2018
Temporary counter for trading in Sub-divided Shares in board lot size of 25,000 Sub-divided Shares (in the form of existing share certificates) opens	9:00 a.m. on 8 February 2018

EXPECTED TIMETABLE

Original counter for trading in Sub-divided Shares
in board lots of 5,000 Sub-divided Shares
(only new share certificates for the Sub-divided Shares
can be traded at this counter) reopens 9:00 a.m. on
26 February 2018

Parallel trading in the Shares and Sub-divided Shares
(in the form of existing share certificates and new
share certificates) commences 9:00 a.m. on
26 February 2018

Temporary counter for trading in Sub-divided Shares
in board lot size of 25,000 Sub-divided Shares
(in the form of existing share certificates) closes..... 4:00 p.m. on
16 March 2018

Parallel trading in the Shares and Sub-divided Shares
(in the form of existing share certificates and new
share certificates) ends..... 4:00 p.m. on
16 March 2018

Last day of free exchange of existing share certificates
for the new share certificates for the Sub-divided Shares 21 March 2018

All times and dates specified in this circular refer to Hong Kong local times. Dates stated in this circular for events mentioned in the timetable are indicative only and may be extended or varied. Any changes to the expected timetable for the proposed Share Sub-division will be announced as appropriate in accordance with the Listing Rules.

LETTER FROM THE BOARD

YAT SING HOLDINGS LIMITED

日成控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3708)

Executive Directors:

Mr. Dai Jian (*Chairman and Chief Executive Director*)

Mr. Dai Ming

Independent non-executive Directors:

Mr. Chan Foon

Mr. Guo Biao

Ms. Song Dan

Registered Office:

Clifton House 75 Fort Street

PO Box 1350

Grand Cayman KY1-1108

Cayman Islands

Head Office and Principal Place of Business:

Room 1402, 14/F

China Resources Building

26 Harbour Road

Wanchai

Hong Kong

16 January 2018

To the Shareholders

Dear Sir/Madam,

**PROPOSED SHARE SUB-DIVISION,
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the Announcement made by the Company in relation to the proposed Share Sub-division.

LETTER FROM THE BOARD

The purpose of this circular is to provide you (i) further details of the proposed Share Sub-division to enable you to make an informed decision on whether to vote for or against the resolution relating to the Share Sub-division at the EGM; and (ii) the notice of the EGM.

PROPOSED SHARE SUB-DIVISION

Basis of the Share Sub-division

The Board proposes to sub-divide each existing issued and unissued Shares of HK\$0.01 each of the Company into five (5) Sub-divided Shares of HK\$0.002 each. The Share Sub-division will become effective upon fulfillment of the conditions set out under the section headed “Conditions of Share Sub-division” below.

Effect of the Share Sub-division

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$20,000,000 divided into 2,000,000,000 Shares of par value of HK\$0.01 per Share, of which 1,118,800,000 Shares have been issued and fully paid. Upon the Share Sub-division taking effect, and assuming that no further Shares will be issued or repurchased prior to the Share Sub-division becoming effective, the effect of the Share Sub-division is set out as follows:

	As at the Latest Practicable Date and prior to the Share Sub-division	Immediately after completion of the Share Sub-division
Par value of each Share	HK\$0.01	HK\$0.002
Number of authorized Shares	2,000,000,000	10,000,000,000
Authorised Share capital	HK\$20,000,000	HK\$20,000,000
Number of Shares in issue	1,118,800,000	5,594,000,000

As at the Latest Practicable Date, the Company does not have any Share Options outstanding under the Share Option Scheme or any other derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into Shares.

LETTER FROM THE BOARD

Conditions of the Share Sub-division

The Share Sub-division is conditional upon:

- (i) the passing of an ordinary resolution to approve the Share Sub-division by the Shareholders at the EGM; and
- (ii) the Listing Committee granting the listing of, and permission to deal in, the Sub-divided Shares.

Assuming all the conditions are fulfilled, the Share Sub-division will become effective on the Business Day following the passing of the ordinary resolution at the EGM, which is expected to be held on Wednesday, 7 February 2018.

Status of the Sub-divided Shares

The Sub-divided Shares will rank pari passu in all respects with each other and the Share Sub-division will not result in any change in the relative rights of the Shareholders.

LISTING AND DEALING

An application has been made to the Listing Committee for the listing of and the permission to deal in, the Sub-divided Shares and any new Sub-divided Shares which may fall to be issued pursuant to the exercise of the Share Options to be granted under the Share Option Scheme.

Subject to the granting of the listing of, and permission to deal in, the Sub-divided Shares, the Sub-divided Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Sub-divided Shares on the Stock Exchange or, under contingent situation, such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

LETTER FROM THE BOARD

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

ODD LOT ARRANGEMENT

The Shares are currently traded in the board lot size of 5,000 Shares. Upon the Share Sub-division becoming effective, the board lot size of the Sub-divided Shares for trading on the Stock Exchange will remain as 5,000 Sub-divided Shares.

It is expected that the Share Sub-division will not result in any odd lot of the Shares other than those already exist, and therefore no odd lot arrangement for matching the sales and purchases of odd lots will be made.

FREE EXCHANGE OF SHARE CERTIFICATES

Subject to the Share Sub-division becoming effective, Shareholders may submit their existing share certificate(s) to the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, in exchange for new share certificates free of charge during the period from 8 February 2018 to 21 March 2018 (both days inclusive) between 9:00 a.m. and 4:00 p.m. on any Business Day. Such exchange of share certificates thereafter will be accepted only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be specified by the Stock Exchange) for each new share certificate issued or each existing share certificate submitted, whichever number of share certificate involved is higher. It is expected that the new share certificates will be available for collection from the Company's branch share registrar and transfer office in Hong Kong by the Shareholders within 10 business days after delivery of the existing share certificates to the Company's branch share registrar and transfer office in Hong Kong for exchange purpose.

The existing share certificates will only be valid for delivery, trading and settlement purposes for the period up to 4:00 p.m. on 16 March 2018 and thereafter will not be accepted for delivery, trading and settlement purposes. However, the existing share certificates will continue to be good evidence of title to the Sub-divided Shares on the basis of one Share for five Sub-divided Shares. The new share certificates for the Sub-divided Shares will be issued in blue colour in order to distinguish them from the existing light green colour of the share certificates for the Shares.

LETTER FROM THE BOARD

TRADING ARRANGEMENT

Subject to the Share Sub-division being effective, dealings in the Sub-divided Shares are expected to commence on Thursday, 8 February, 2018. Parallel trading in the Shares and Sub-divided Shares (in the form of existing share certificates and new share certificates) will be operated from Monday, 26 February 2018 to Friday, 16 March 2018 (both days inclusive). Full details of the expected timetable and trading arrangement of the Sub-divided Shares are set out on pages 3 to 4 of this circular.

REASONS FOR THE PROPOSED SHARE SUB-DIVISION

Upon the proposed Share Sub-division becoming effective, the par value of each share of the Company will decrease and the total number of shares of the Company in issue will increase. As a result, the Share Sub-division is expected to result in reducing the trading price of each share in the Company correspondingly which would appeal to more investors. The Board believes that the Share Sub-division will improve the liquidity in trading of the shares in the Company and thereby widen its Shareholder base. Based on the closing price of HK\$3.10 per Share (equivalent to approximately HK\$0.62 per Sub-divided Share as at the Latest Practicable Date, the value of each board lot of 5,000 Sub-divided Shares, assuming the Share Sub-division had already become effective, would be HK\$3,100. The Share Sub-division will reduce the minimum purchase price of each board lot of shares. In view of the above, the Board considers that the Share Sub-division is fair and reasonable and in the interests of the Company and its Shareholders as at whole.

Save for the expenses incurred by the Company in implementing the Share Sub-division, the Share Sub-division will have no material effect on the consolidated net asset value of the Group, nor will it alter the underlying assets, business, operations, management or financial position of the Company or the interests of the Shareholders. The Directors believe that the Share Sub-division will not have any material adverse effect on the financial position of the Group.

As at the Latest Practicable Date, the Company (i) has no any agreement, arrangement, understanding, intention, negotiation (concluded or otherwise) on any potential fund raising activities; and (ii) has no intention to carry out other corporate action in the next twelve months which may have an effect of undermining or negating the intended purpose of the Share Sub-division.

LETTER FROM THE BOARD

EGM AND PROXY ARRANGEMENT

The EGM will be held at 3:00 p.m. on Wednesday, 7 February 2018 at Room 1402, 14/F, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong for the purpose of considering and, if thought fit, approving the Share Sub-division. The notice convening the EGM is set out on pages 12 to 13 of this circular.

As no Shareholders have a material interest in the Share Sub-division, which is different from that of the other Shareholders, no Shareholders will be required to abstain from voting on the resolution to be proposed at the EGM.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands pursuant to the Listing Rules. An announcement on the poll vote results will be published by the Company after the EGM in the manner prescribed under the Listing Rules.

A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.yat-sing.com.hk>). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the EGM if you so wish and in such event, the instrument appointing the proxy shall be deemed to have revoked.

RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the implementation of the Share Sub-division is in the best interests of the Company and the Shareholders as a whole.

Accordingly, the Directors (including the independent non-executive Directors) recommend the Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Share Sub-division.

LETTER FROM THE BOARD

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
Yat Sing Holdings Limited
Dai Jian
Chairman

NOTICE OF THE EGM

YAT SING HOLDINGS LIMITED

日成控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3708)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of Yat Sing Holdings Limited (the “**Company**”) will be held at Room 1402, 14/F, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong on Wednesday, 7 February 2018 at 3:00 p.m. for considering and, if thought fit, passing, with or without amendments, the following resolution as ordinary resolution of the Company:

ORDINARY RESOLUTION

“**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the listing of, and permission to deal in, the Sub-divided Shares (as hereafter defined):

- (a) each of the issued and unissued ordinary shares of par value of HK\$0.01 each (the “**Shares**”) in the share capital of the Company be and is hereby sub-divided into five (5) ordinary shares of par value of HK\$0.002 each (the “**Sub-divided Shares**”), with effect from the business day immediately following the date on which this resolution is passed, being a day on which the Stock Exchange is open for business of dealing in securities (the “**Share Sub-division**”);
- (b) any director of the Company (“**Director**”) be and is hereby authorised for and on behalf of the Company to execute all such documents, instruments and agreements and to do all such acts or things deemed by the Director in his/her absolute discretion to be incidental to, ancillary to or in connection with the matters contemplated in and/or for implementation of the Share Sub-division including but not limited to, to cancel any existing share certificates and to issue new share certificates in respect of the Sub-divided Shares to holders of the existing shares of the Company pursuant to the Share Sub-division.”

By order of the Board
Yat Sing Holdings Limited
Dai Jian
Chairman

Hong Kong, 16 January 2018

NOTICE OF THE EGM

Notes:

1. The resolution at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint more than one proxy to attend and on a poll, vote instead of him. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. In the case of a poll, every shareholder present in person or by proxy shall be entitled to one vote for each share held by him.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company’s branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. In case of joint holders of shares, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders are present at any meeting personally or by proxy, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of votes of the other joint holder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company.

As at the date of this notice, the Board comprises two executive Directors, namely Mr. Dai Jian and Mr. Dai Ming and three independent non-executive Directors, namely Mr. Chan Foon, Mr. Guo Biao and Ms. Song Dan.