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KARCE INTERNATIONAL HOLDINGS COMPANY LIMITED

泰盛實業集團有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 1159)

ANNOUNCEMENT

- (1) PROPOSED CHANGE OF COMPANY NAME**
- (2) PROPOSED REFRESHMENT OF CURRENT SHARE ISSUE MANDATE**
- (3) PROPOSED RE-ELECTION OF DIRECTORS**

The Board proposes to change the name of the Company from “Karce International Holdings Company Limited” to “Sinogreen Energy International Group Limited” and adopt the Chinese name “中國綠能國際集團有限公司” as the secondary name of the Company in place of the existing Chinese name “泰盛實業集團有限公司” (was for identification purposes only).

The Board further proposes to seek the approval of the Independent Shareholders to refresh the Current Share Issue Mandate at the SGM.

Mr. Chau, Mr. Tang, Ms. Zhou and Mr. Wong will hold office until the SGM and will be eligible for re-election at the SGM in accordance with the bye-laws of the Company. The Board proposes the re-election of Mr. Chau and Mr. Tang as executive directors and Ms. Zhou and Mr. Wong as independent non-executive directors of the Company at the SGM.

* *For identification purposes only*

PROPOSED NAME CHANGE

The board of directors (the “**Board**”) of Karce International Holdings Company Limited (the “**Company**”) proposes to change the name of the Company from “Karce International Holdings Company Limited” to “Sinogreen Energy International Group Limited” and adopt the Chinese name “中國綠能國際集團有限公司” as the secondary name of the Company in place of the existing Chinese name “泰盛實業集團有限公司” (was for identification purposes only) (together, the “**Name Change**”).

Conditions for the Name Change

The Name Change is subject to the following conditions:

1. the passing of a special resolution by the shareholders of the Company (the “**Shareholders**”) to approve the Name Change at the forthcoming special general meeting of the Company (the “**SGM**”); and
2. the Registrar of Companies in Bermuda approving the change of the Company’s name and issuing a certificate of incorporation on change of name in respect thereof.

Subject to the satisfaction of the conditions set out above, the Name Change will take effect from the date of entry of the new English name and secondary name of the Company on the register maintained by the Registrar of Companies in Bermuda. The Company will then carry out the necessary filing procedures with the Companies Registry in Hong Kong.

Reasons for the Name Change

The Company will keep trading chemical products and at the same time, strive to diversify its business by developing and providing green solutions to today’s critical challenges of growth, energy efficiency and environmental protection. Furthermore, the Company will continue to explore opportunities for investments in companies or projects with solid business platforms and prospects in energy conservation and environmental protection industry as part of its strategies for long-term development.

The Name Change is part of the corporate strategy to align the name of the holding company with the refocused principal business activity of the Group. The Company considers the new English name and the adoption of the new Chinese name as a major step towards the Company's commitment to the potential business. The proposed new name will better reflect the Company's business and direction and will, therefore, provide the Company a better identification and image beneficial to the Company's growth and is in the interests of the Company and the Shareholders as a whole.

Effect on the Name Change

The Name Change will not, of itself, affect any of the rights of the Shareholders. All existing share certificates of the Company bearing the existing name of the Company will, after the Name Change has become effective, continue to be evidence of legal title to the shares of the Company (the "**Shares**") and valid for trading, settlement, registration and delivery purposes. Any new share certificates of the Company issued after the Name Change has become effective will bear the Company's new name. There will not be any arrangement for the exchange of existing share certificates of the Company for new share certificates bearing the Company's new name.

Subject to the confirmation of The Stock Exchange of Hong Kong Limited, the English and Chinese stock short names for trading in the shares of the Company will also be changed upon the Name Change becoming effective.

PROPOSED REFRESHMENT OF THE CURRENT SHARE ISSUE MANDATE

At the annual general meeting of the Company held on 6 June 2013 (the "**2013 AGM**"), an ordinary resolution was passed by the Shareholders to authorize the Directors to allot, issue and otherwise deal with a maximum of 140,471,200 Shares pursuant to the current general mandate granted (the "**Current Share Issue Mandate**"). Since the 2013 AGM to the date of this announcement, the Current Share Issue Mandate had been utilized as to 140,468,000 Shares pursuant to the placing agreement dated 6 June 2013 and entered into between the Company and Mega Start Limited, a company incorporated in the British Virgin Islands, whose ultimate beneficial owner is Mr. Chau Chit ("**Mr. Chau**"). The net proceeds of the placing of such Shares amounted to approximately HK\$29.1 million. The Group has applied approximately HK\$0.9 million towards the Group's general working capital. Save as the placing mentioned above, the Company did not conduct other fund raising activity in the past 12 months.

As at the date of this announcement, the Company has not made any refreshment of the Current Share Issue Mandate.

Reasons for the Refreshment of the Current Share Issue Mandate

The Company is an investment holding company. The Company and its subsidiaries (the “**Group**”) is principally engaged in the business of trading chemical products. The Company intends to broaden the types of chemical products that it will trade, in addition to its existing silicon rubber keypads trading business. The product portfolio of the Group includes plastics (e.g. acrylonitrile butadiene styrene, polyethylene and polypropylene) which is widely used in various businesses, such as optical, automotive, electric parts; household applications; medical, safety, precision parts; office automation equipment and machinery; and communication, as well as other chemical products (e.g. paraformaldehyde and glycine) which also have wide applications in various industry sectors, such as medical care; household applications; and manufacturing of resin and organic chemical materials. The Group currently plans to import/trade plastics and other chemical products from overseas countries and will export chemical products to other overseas countries.

The Company has assembled a sales team, the majority of its members has more than 10 years of experience in the chemical trading industry, with a view to broaden the types of chemical products it will trade. With the support of the Company’s management, the sales team has been in touch with potential customers based on the experience and customer network of the Company’s management and sales teams. The Company is currently in discussion with a number of target customers and suppliers of chemical products. The progress of the discussions with a few of them has already reached an advanced stage. Based on the Company’s understanding and feedback from the Company’s sale team, trading in chemical products with these target customers will unlikely be less than HK\$10 million per order and the Board anticipates a significant increase in trading volume of chemical products in the coming months.

As disclosed in the interim report of the Company for the six months ended 30 June 2013, the Group had cash and cash equivalents of approximately HK\$34 million as at 30 June 2013. The Group had total liabilities of approximately HK\$3 million, of which approximately HK\$1.4 million was current liabilities, as at 30 June 2013. As at 31 October 2013, the cash position of the Group was approximately HK\$28.1 million. The Company currently intends to apply the cash at hand towards the operating expenses of the Group, the acquisition of a warehouse for product storage in Hong Kong and the purchase of chemical products from suppliers. The Group entered into a provisional agreement to purchase a warehouse at a consideration of HK\$9 million on 18 November 2013. The acquisition is expected to be completed before 31 December 2013.

It is likely that the Company will fully utilize its cash at hand even if a few of its potential customers place orders with the Company in the coming months. Therefore, notwithstanding the high level of existing cash balances of the Group, the Board considers that there is a genuine need for potential fundraising prior to the refreshment of the Current Share Issue Mandate in the next annual general meeting which may not take place until June 2014.

The Board believes that the refreshment of the Current Share Issue Mandate is in the best interests of the Company and the Shareholders as a whole by providing the Group with the financial flexibility necessary for the expansion of the Group's current trading business and its future business development. The Board considers equity financing to be an important avenue of resources to the Group since it does not create any interest paying obligations on the Group. In appropriate circumstances, the Group will also consider other means of financing such as debt financing to fund its future business development. Based on the current financial status of the Company, the Directors are aware that if the Company raises capital in the future without applying the funds timely for its business operations, the Company may become a cash company which may affect its suitability for listing. Accordingly, the Board endeavours to exercise due consideration in issuing new Shares under the New Share Issue Mandate, if granted at the SGM, and act in the best interest of the Company.

The Board currently has no concrete plan for raising capital by issuing new Shares as at the date of this announcement, and there is currently no concrete proposal presented by potential investors for investment in the Shares. Nevertheless, the Board opines that should attractive terms for investment in the Shares become available from potential investors, the Company will be able to respond to the market promptly because fund raising exercise pursuant to a general mandate is a simple and less lead time process than other types of fund raising exercises and to avoid the uncertainties in such circumstances that specific mandate may not be obtained in a timely manner. The Board considers that funding requirements or appropriate investment opportunities may or may not arise at any time prior to the next annual general meeting. If such opportunities arise prior to the next annual general meeting, decisions may have to be made within a limited period of time.

If any potential investors offer attractive terms for investment in the Shares subject to the then market conditions, the directors will consider and may conduct an equity fund raising exercise by issuing new Shares under the New Share Issue Mandate, the proceeds of which may be used as general working capital and/or supporting the Group's future business development. Announcement will be made by the Company in the event any concrete fund raising plan arises as and when appropriate.

Approval by the Independent Shareholders

The Board proposes to seek the approval of the Independent Shareholders to refresh the Current Share Issue Mandate by way of ordinary resolution at the SGM to authorize the directors to allot, issue or otherwise deal with new Shares up to a maximum of 20% of the issued share capital of the Company as at the date of the SGM by a general mandate. The refreshment of the Current Share Issue Mandate is proposed to the Shareholders prior to the next annual general meeting, and therefore, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the refreshment of the Current Share Issue Mandate will be subject to approval at the SGM by Shareholders other than Mr. Chau and Mr. Tang Hao (“**Mr. Tang**”), being directors of the Company, and their respective associates (the “**Independent Shareholders**”). Mr. Chau and Mr. Tang and their respective associates will abstain from voting in favour of the resolution regarding the refreshment of the Current Share Issue Mandate. As at the date of this announcement, Mr. Chau was interested in 248,468,000 Shares, representing approximately 29.48% of the issued share capital of the Company and Mr. Tang was interested in 90,944,000 Shares, representing approximately 10.79% of the issued share capital of the Company. The Company has established an independent board committee comprising of all independent non-executive directors (the “**Independent Board Committee**”) and appointed Bridge Partners Capital Limited as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on the refreshment of the Current Share Issue Mandate in compliance with the Listing Rules.

PROPOSED RE-ELECTION OF DIRECTORS

Mr. Chau and Mr. Tang were appointed by the Board as executive directors of the Company with effect from 22 July 2013, and Ms. Zhou Jianhong (“**Ms. Zhou**”) and Mr. Wong Wai Kwan (“**Mr. Wong**”) were appointed by the Board as independent non-executive directors of the Company with effect from 31 August 2013 and 13 September 2013, respectively.

In accordance with the bye-laws of the Company, each of Mr. Chau, Mr. Tang, Ms. Zhou and Mr. Wong will hold office until the SGM and will be eligible for re-election at the SGM. The Board proposes the re-election of Mr. Chau and Mr. Tang as executive directors and Ms. Zhou and Mr. Wong as independent non-executive directors of the Company at the SGM.

The proposed re-election of directors are subject to the approval by the Shareholders by way of ordinary resolutions at the SGM. The relevant proposals will be put forward to the SGM for Shareholders’ consideration and approval.

GENERAL

A circular containing, among other things, (i) details of the Name Change, (ii) proposed refreshment of the Current Share Issue Mandate and (iii) proposed re-election of directors, together with a notice of SGM will be despatched to the Shareholders as soon as practicable.

To facilitate the processing of proxy voting, the Register of Shareholders will be closed from 12 December 2013 to 13 December 2013, both days inclusive, during which period the registration of transfers of Shares will be suspended. To be entitled to attend and vote at the SGM, all transfers should be lodged with the branch share registrar of the Company, Tricor Secretaries Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on 11 December 2013.

The Company will make further announcement(s) as and when appropriate on the results of the SGM, the effective date of Name Change and the change of stock short names of the Company.

By Order of the Board

Karce International Holdings Company Limited

Chau Chit

Chairman

Hong Kong, 19 November 2013

As at the date of this announcement, the Board consists of three executive directors, Mr. Chau Chit, Mr. Chan Sung Wai and Mr. Tang Hao; and three independent non-executive directors, Mr. Lum Pak Sum, Mr. Wong Wai Kwan and Ms. Zhou Jianhong.