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**華邦科技控股有限公司**

**HUABANG TECHNOLOGY HOLDINGS LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 3638)**

**(1) APPOINTMENT OF EXECUTIVE DIRECTOR AND VICE CHAIRMAN;  
AND  
(2) PROPOSED SHARE CONSOLIDATION**

**APPOINTMENT OF EXECUTIVE DIRECTOR AND VICE CHAIRMAN**

The Board announces that, with effect from 11 February 2022, Mr. Liu Qiaosong has been appointed as an executive Director and vice chairman of the Company.

**PROPOSED SHARE CONSOLIDATION**

The Board proposes that every ten (10) Existing Shares in the share capital of the Company be consolidated into one (1) Consolidated Share. As at the date of this announcement, there are 4,384,782,000 Existing Shares in issue which are fully paid or credited as fully paid. Assuming no further Shares will be issued from the date of this announcement up to the date of the EGM, upon the Share Consolidation becoming effective, there will be 438,478,200 Consolidated Shares in issue which are fully paid or credited as fully paid.

**NO CHANGE IN BOARD LOT SIZE**

As at the date of this announcement, the Existing Shares are traded on the Stock Exchange in board lots of 12,000 Existing Shares. Upon the Share Consolidation becoming effective, the Consolidated Shares will continue to be traded in the board lot size of 12,000 Consolidated Shares.

Based on the closing price of HK\$0.045 per Existing Share as quoted on the Stock Exchange as at the date of this announcement, (i) the value per board lot of 12,000 Existing Shares is HK\$540; and (ii) the value per board lot of 12,000 Consolidated Shares, assuming that the Share Consolidation had already been effective, would be HK\$5,400.

## **GENERAL**

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Share Consolidation. A circular containing, among other things, further details of the proposed Share Consolidation and the notice convening the EGM is expected to be despatched to the Shareholders on or before 25 February 2022.

## **APPOINTMENT OF EXECUTIVE DIRECTOR AND VICE CHAIRMAN**

The Board announces that Mr. Liu Qiaosong has been appointed as an executive Director and vice chairman of the Company with effect from 11 February 2022.

Mr. Liu, aged 33, has been the deputy general manager of the Company and the general manager of Huabang Securities Limited, a subsidiary of the Company since December 2019, and the director of Huabang Asset Management Limited since August 2020. Mr. Liu has nearly 10 years of experience in fields of securities, asset management, investment and financing, etc. Prior to joining the Company, Mr. Liu worked in institutions such as Taiping Financial Holdings Company Limited and BOCOM International Holdings Company Limited (stock code: 3329), a company listed on the Main Board of the Stock Exchange. Mr. Liu has obtained a master's degree from De Montfort University in the United Kingdom.

Save as disclosed above, Mr. Liu did not hold any directorship in the last three years in any public companies, the securities of which are listed on any securities market in Hong Kong or overseas. As at the date of this announcement, Mr. Liu does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as defined under the Listing Rules) of the Company. Further, as at the date of this announcement, Mr. Liu does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Pursuant to a service agreement signed by the Company and Mr. Liu, Mr. Liu is not appointed for a specific term and can be terminated by giving three months' prior written notice or in certain circumstances in accordance with the terms of the service agreement. Mr. Liu will hold office until the next following annual general meeting of the Company after his appointment and will then be eligible for re-election in accordance with the Company's memorandum and articles of association, and the Listing Rules. Pursuant to the service agreement, Mr. Liu will be entitled to a fixed remuneration of HK\$130,000 per month and bonus payable at the discretion of the Board, determined with reference to the prevailing market conditions and Mr. Liu's effort and expertise. Mr. Liu's remuneration and other benefits are subject to review by the Board from time to time.

Save as disclosed above, the Board is not aware of any matters relating to the appointment of Mr. Liu that needs to be brought to the attention of the Shareholders, and Mr. Liu has confirmed that there is no other information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

The Board would like to extend its warm welcome to Mr. Liu in his new position on the Board.

## **PROPOSED SHARE CONSOLIDATION**

The Board proposes that every ten (10) Existing Shares in the issued and unissued share capital of the Company be consolidated into one (1) Consolidated Share.

### **Effects of the Share Consolidation**

As at the date of this announcement, there are 4,384,782,000 Existing Shares in issue which are fully paid or credited as fully paid. Assuming no further Shares will be issued from the date of this announcement up to the date of the EGM, upon the Share Consolidation becoming effective, there will be 438,478,200 Consolidated Shares in issue which are fully paid or credited as fully paid.

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank pari passu in all respects with each other.

Other than the expenses to be incurred in relation to the Share Consolidation, the implementation of the Share Consolidation will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders.

### **Conditions of the Share Consolidation**

The implementation of the Share Consolidation is conditional upon:

- (i) the passing of an ordinary resolution by the Shareholders at the EGM to approve the Share Consolidation;
- (ii) the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective; and
- (iii) the compliance with the relevant procedures and requirements under the applicable laws of the Cayman Islands (where applicable) and the Listing Rules to effect the Share Consolidation.

The Share Consolidation is expected to become effective on Friday, 18 March 2022 subject to the fulfilment of the above conditions.

### **Listing Application**

An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, as well as compliance with the stock admission requirements of the HKSCC, the Consolidated 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 Consolidated Shares on the Stock Exchange or 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 settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares are listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time the Share Consolidation becomes effective, the Consolidated Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

### **Other securities of the Company**

As at the date of this announcement, there are no outstanding share options granted by the Company under its share option scheme adopted on 21 August 2013, and there are no outstanding share awards granted by the Company under its share award scheme adopted on 14 March 2019.

As at the date of this announcement, the Company has no outstanding options, warrants or other securities in issue which are convertible into or giving rights to subscribe for, convert or exchange into, any Existing Shares or Consolidated Shares, as the case may be.

### **NO CHANGE IN BOARD LOT SIZE**

As at the date of this announcement, the Existing Shares are traded on the Stock Exchange in board lots of 12,000 Existing Shares. Upon the Share Consolidation becoming effective, the Consolidated Shares will continue to be traded in the board lot size of 12,000 Consolidated Shares.

Based on the closing price of HK\$0.045 per Existing Share as quoted on the Stock Exchange as at the date of this announcement, (i) the value per board lot of 12,000 Existing Shares is HK\$540; and (ii) the value per board lot of 12,000 Consolidated Shares, assuming that the Share Consolidation had already been effective, would be HK\$5,400.

### **REASONS FOR THE SHARE CONSOLIDATION**

The proposed Share Consolidation will reduce the total number of Shares currently in issue from 4,384,782,000 Existing Shares as at the date of this announcement to 438,478,200 Consolidated Shares immediately after the Share Consolidation becoming effective and assuming that no Shares will be issued or repurchased from the date of this announcement till the effective date of the Share Consolidation.

Based on the closing price of HK\$0.045 per Existing Share as quoted on the Stock Exchange as at the date of this announcement, the theoretical market price per Consolidated Share after the Share Consolidation becoming effective would be HK0.45 per Consolidated Share. As such, it is expected that the Share Consolidation will bring about a corresponding upward adjustment in the trading price of the Shares.

The closing prices of the Existing Shares were below HK\$0.2 since 27 May 2021 in the range from HK\$0.041 to HK\$0.178, which the Board considers to be a sufficient, fair and representative period for considering whether to implement the Share Consolidation given the relatively lengthy period of time. Moreover, as the market value of each board lot upon the Share Consolidation becoming effective will be higher than the market value of each existing board lot, the transaction cost as a proportion of the market value of each board lot will be lower. Accordingly, the Board is of the view that the Share Consolidation is beneficial to the Company, the Shareholders and investors as a whole.

Pursuant to the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated on 1 October 2020, the expected board lot value should be greater than HK\$2,000 per board lot taking into account the minimum transaction costs for a securities trade. As at the date of this announcement, based on the closing price of HK\$0.045 per Existing Share as quoted on the Stock Exchange, the value of each board lot of 12,000 Existing Shares is HK\$540, which falls below the expected board lot value of HK\$2,000.

Based on the closing price of HK\$0.045 per Existing Share as quoted on the Stock Exchange as at the date of this announcement, the value of each board lot of 12,000 Consolidated Shares would be increased to HK\$5,400 after the Share Consolidation becoming effective, which is greater than the expected board lot value of HK\$2,000 taking into account the minimum transactions costs. In view of the above, the Company considered that the ratio of consolidation of every ten (10) Existing Shares into one (1) Consolidated Share is reasonable and appropriate and is in the best interests of the Company and its Shareholders as a whole.

Save for the necessary professional expenses for the implementation of the Share Consolidation, the implementation of the Share Consolidation will not alter the underlying assets, business operation, management or financial position of the Company and the interests and rights of the Shareholders.

The Board considers that the Share Consolidation is essential to achieve the above-mentioned purpose. Taking into account of the potential benefits and the insubstantial amount of costs to be incurred, the Board is of the view that the Share Consolidation is in the best interest of the Company and the Shareholders as a whole.

## **OTHER ARRANGEMENTS**

### **Fractional entitlement to Consolidated Shares**

Fractional Consolidated Shares will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Existing Shares regardless of the number of share certificates held by such holder.

### **Arrangement on odd lot trading**

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares, the Company will appoint a securities firm as an agent to provide matching services, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares. Details of the odd lot arrangement will be set out in the circular to be despatched to the Shareholders.

Holders of odd lots of the Consolidated Shares should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional advisers.

### **Exchange of certificates for Consolidated Shares**

Subject to the Share Consolidation becoming effective, which is currently expected to be Friday, 18 March 2022, Shareholders may on or after 9:00 a.m. on Friday, 18 March 2022 and until 4:00 p.m. on Thursday, 28 April 2022 (both days inclusive), submit their existing share certificates in orange colour for the Existing Shares to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for exchange for share certificates in green colour for the Consolidated Shares at the expense of the Company.

Shareholders should note that after the prescribed time for free exchange of share certificates, a fee of HK\$2.50 (or such higher amount as may from time to time be allowed by the Stock Exchange) will be payable by the Shareholders to the branch share registrar for exchange of share certificates.

Subject to the Share Consolidation becoming effective, after 4:10 p.m. on 26 April 2022, trading will only be in Consolidated Shares which share certificates will be issued in green colour. Existing share certificates in orange colour for the Existing Shares will cease to be valid for delivery, trading and settlement purposes, but will remain valid and effective as documents of title and may be exchanged for share certificates for Consolidated Shares at any time.

## EXPECTED TIMETABLE

The expected timetable for the Share Consolidation is set out below. The expected timetable is subject to the results of the EGM and is therefore for indicative purpose only. Any change to the expected timetable will be announced in a separate announcement by the Company as and when appropriate. All times and dates in this announcement refer to Hong Kong local times and dates.

	<b>2022</b>
Despatch date of circular with notice of the EGM	on or before Friday, 25 February
Latest time for lodging transfers of shares in order to qualify for attendance and voting at the EGM	4:30 p.m. on Thursday, 10 March
Register of members closes (both days inclusive)	Friday, 11 March to Wednesday, 16 March
Latest time for lodging forms of proxy for the EGM	11:00 a.m. on Monday, 14 March
Record date for attendance and voting at the EGM	Wednesday, 16 March
Date and time of the EGM	11:00 a.m. on Wednesday, 16 March
Publication of the announcement of the results of the EGM	Wednesday, 16 March

**The following events are conditional on the fulfillment of the conditions for the implementation of the Share Consolidation as set out in this announcement.**

Effective date of the Share Consolidation	Friday, 18 March
First day of free exchange of existing share certificates for new share certificates for Consolidated Shares	9:00 a.m. on Friday, 18 March
Dealing in the Consolidated Shares commences	9:00 a.m. on Friday, 18 March
Original counter for trading in the Existing Shares in board lots of 12,000 Existing Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Friday, 18 March

**2022**

Temporary counter for trading in the Consolidated Shares in board lots of 1,200 Consolidated Shares (in the form of existing share certificates) opens	9:00 a.m. on Friday, 18 March
Original counter for trading in the Consolidated Shares in board lots of 12,000 Consolidated Shares (in the form of new share certificates for the Consolidation Shares) re-opens	9:00 a.m. on Friday, 1 April
Parallel trading in the Consolidated Shares (in the form of new share certificates for the Consolidated Shares and existing share certificates) commences	9:00 a.m. on Friday, 1 April
Designated broker starts to stand in the market to provide matching services for odd lots of the Consolidated Shares	9:00 a.m. on Friday, 1 April
Designated broker ceases to stand in the market to provide matching services for odd lots of the Consolidated Shares	4:00 p.m. on Tuesday, 26 April
Temporary counter for trading in the Consolidated Shares in board lots of 1,200 Consolidated Shares (in the form of existing share certificates) closes	4:10 p.m. on Tuesday, 26 April
Parallel trading in the Consolidated Shares (in the form of new share certificates for the Consolidation Shares and existing share certificates) ends	4:10 p.m. on Tuesday, 26 April
Last day of free exchange of existing share certificates for new share certificates for Consolidated Shares	4:00 p.m. on Thursday, 28 April



## **GENERAL**

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Share Consolidation. A circular containing, among other things, further details of the proposed Share Consolidation and the notice convening the EGM is expected to be despatched to the Shareholders on or before 25 February 2022.

## **DEFINITIONS**

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Board”	the board of Directors
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	Huabang Technology 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
“Consolidated Share(s)”	ordinary share(s) of HK\$0.008333 each in the share capital of the Company after the Share Consolidation becoming effective
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held to consider the ordinary resolution to be proposed to approve the Share Consolidation
“Existing Share(s)”	ordinary share(s) of HK\$0.0008333 each in the existing share capital of the Company before the Share Consolidation becoming effective
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Liu”	Mr. Liu Qiaosong

“PRC”	the People’s Republic of China
“Share(s)”	the Existing Share(s) or as the context may require, the Consolidated Share(s)
“Share Consolidation”	the proposed consolidation of every ten (10) issued and unissued Existing Shares in the share capital of the Company into one (1) Consolidated Share in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the Board  
**Huabang Technology Holdings Limited**  
**George Lu**  
*Chairman and Chief Executive Officer*

Hong Kong, 11 February 2022

*As at the date of this announcement, the executive Directors of the Company are Mr. George Lu and Mr. Liu Qiaosong; and the independent non-executive Directors of the Company are Mr. Loo Hong Shing, Vincent, Mr. Li Huaqiang and Mr. Zhu Shouzhong.*