

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.



偉俊集團控股有限公司*

Wai Chun Group Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock code: 1013)

**PROPOSED CAPITAL REDUCTION
OF ISSUED SHARES AND SUB-DIVISION OF UNISSUED SHARES**

The Company proposes to implement the following Capital Reorganisation involving the Capital Reduction and the Share Sub-division as follows:

- (i) the issued share capital of the Company will be reduced by cancelling the paid-up capital to the extent of HK\$0.79 on each of the then issued Existing Ordinary Shares such that the par value of each issued Existing Ordinary Share will be reduced from HK\$0.8 to HK\$0.01; and
- (ii) immediately following the Capital Reduction, each of the authorised but unissued Shares of par value of HK\$0.8 each (including the authorized but unissued Shares arising from the Capital Reduction) be sub-divided into eighty (80) New Shares of par value of HK\$0.01 each.

Upon the Capital Reorganisation becoming effective, the New Ordinary Shares will be identical in all respects and rank *pari passu* with each other in relation to all future dividends and distributions which are declared, made or paid in accordance with the Memorandum and the Bye-laws. Similarly, the New Preference Shares will also be identical in all respects and will rank *pari passu* with each other.

* *for identification purpose only*

GENERAL

The SGM will be convened and held for the Shareholders to consider and, if thought fit, approve the special resolution in respect of the Capital Reduction and the Share Sub-division. The Circular containing, among other matters, information regarding the Capital Reduction and the Share Sub-division together with a notice of the SGM will be despatched to the Shareholders on or before 13 December 2024.

As the Capital Reorganisation is subject to the satisfaction of conditions, it may or may not become effective. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

PROPOSED CAPITAL REDUCTION AND SHARE SUB-DIVISION

The Company proposes to implement the following Capital Reorganisation involving the Capital Reduction and the Share Sub-division as follows:

- (i) the issued share capital of the Company will be reduced by cancelling the paid-up capital to the extent of HK\$0.79 on each of the then issued Existing Ordinary Shares such that the par value of each issued Existing Ordinary Share will be reduced from HK\$0.8 to HK\$0.01; and
- (ii) immediately following the Capital Reduction, each of the authorised but unissued Shares of par value of HK\$0.8 each (including the authorized but unissued Shares arising from the Capital Reduction) be sub-divided into eighty (80) New Shares of par value of HK\$0.01 each.

Upon the Capital Reorganisation becoming effective, the New Ordinary Shares will be identical in all respects and rank pari passu with each other in relation to all future dividends and distributions which are declared, made or paid in accordance with the Memorandum and the Bye-laws. Similarly, the New Preference Shares will also be identical in all respects and will rank pari passu with each other.

The proposed alternation to the terms of the existing convertible bonds of the Company (details as set out in the announcement of the Company dated 6 November 2024) is conditional upon the Capital Reorganisation having become effective.

Conditions of the Capital Reorganisation

The Capital Reorganisation is conditional upon the following conditions:

- (i) the passing of a special resolution by the Shareholders at the SGM to approve the Capital Reorganisation and transactions contemplated thereunder;
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the New Ordinary Shares upon the Capital Reorganisation becoming effective; and
- (iii) the compliance with the relevant procedures and requirements under the Companies Act and applicable laws of Bermuda to effect the Capital Reorganisation, which includes the Directors being satisfied that on the date the Capital Reorganisation is to take effect, there are no reasonable grounds for believing that the Company is, or after the Capital Reorganisation would be, unable to pay its liabilities as they become due.

Subject to the fulfilment of the conditions of the Capital Reorganisation, the effective date of the Capital Reorganisation is expected to be on 10 January 2025.

As at the date of this announcement, none of the conditions above had been fulfilled.

Application for listing of the New Shares

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the New Ordinary Shares upon the Capital Reorganisation becoming effective.

Subject to the granting of listing of, and permission to deal in, the New Ordinary Shares on the Stock Exchange upon the Capital Reorganisation becoming effective, as well as compliance with the stock admission requirements of the HKSCC, the New Ordinary 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 New Ordinary 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 New Ordinary Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Ordinary Shares are listed or dealt in on any other stock exchanges other than the Stock Exchange, and at the time when the Capital Reorganisation becoming effective, the New Ordinary 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. No Existing Preference Shares have been issued.

Effect of the Capital Reorganisation

As at the date of this announcement, the authorised share capital of the Company is comprised of:

- (i) HK\$890,000,000 divided into 1,112,500,000 Existing Ordinary Shares of par value of HK\$0.8 each, of which 267,389,531 Existing Ordinary Shares have been issued and are fully paid or credited as fully paid and 845,110,469 Existing Ordinary Shares remain unissued; and
- (ii) HK\$110,000,000 divided into 137,500,000 Existing Preference Shares of par value of HK\$0.8 each, of which no Existing Preference Shares have been issued.

Assuming that no further Existing Shares are allotted, issued or repurchased from the date of this announcement up to and including the effective date of the Capital Reorganisation, immediately upon the Capital Reorganisation becoming effective, the authorised share capital of the Company shall become:

- (i) HK\$890,000,000 divided into 89,000,000,000 New Ordinary Shares of par value of HK\$0.01 each, of which 267,389,531 New Ordinary Shares will have been issued and will be fully paid or credited as fully paid and 88,732,610,469 New Ordinary Shares will remain unissued; and
- (ii) HK\$110,000,000 divided into 11,000,000,000 New Preference Shares of par value of HK\$0.01 each, of which no New Preference Shares have been issued.

Assuming that there is no change in the number of issued Shares from the date of this announcement up to and including the date on which the Capital Reduction and the Share Sub-division becoming effective, the share capital structure of the Company will be as follows:

	As at the date of this announcement	Immediately Upon the Capital Reorganisation becoming effective
Par value	HK\$0.8 per Existing Share	HK\$0.01 per New Share
Number of authorised Shares	1,250,000,000 Existing Shares	100,000,000,000 New Shares
Amount of authorised share capital of the Company	HK\$1,000,000,000	HK\$1,000,000,000
Number of issued Shares	267,389,531 Existing Ordinary Shares	267,389,531 New Ordinary Shares
Amount of the issued share capital of the Company	HK\$213,911,625	HK\$2,673,895

Other than the expenses to be incurred in relation to the Capital Reorganisation, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders. The Directors are of the view that the Capital Reorganisation will not have any material adverse effect on the financial position of the Group and are in the interest of the Company and the Shareholders as a whole.

Exchange of share certificates

The Capital Reorganisation will not affect any of the rights of the existing Shareholders. All existing share certificates of the Company will continue to be evidence of title to the Shares and continue to be valid for trading, settlement, registration and delivery purposes. Accordingly, there will not be any arrangement for free exchange of the existing share certificates of the Company for new share certificates for the New Shares after the Capital Reorganisation takes effect. Immediately following the Capital Reorganisation becoming effective, new share certificates will be issued bearing the par value of HK\$0.01 per New Share.

REASONS FOR THE CAPITAL REORGANISATION

The proposed Capital Reorganisation will enable the par value of the Shares to be reduced from HK\$0.8 to HK\$0.01. Upon the Capital Reorganisation becoming effective, the credit arising from the Capital Reduction may be applied towards offsetting the accumulated losses of the Company as at the effective date of the Capital Reorganisation, thereby reducing the accumulated losses of the Company. The balance of the credit (if any) may be transferred to the contributed surplus account of the Company to be applied by the Company in any manner as permitted by or consistent with all applicable laws, the Bye-laws and the Memorandum.

Also, under the Companies Act, the Company is restricted from issuing Shares at a price lower than their par value. The Capital Reduction will reduce the par value of the New Shares to a lower amount of HK\$0.01 each, which will provide the Company with greater flexibility in the pricing for future issuance of New Shares as needed.

In view of the above reasons, the Board considers that the Capital Reorganisation is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

EXPECTED TIMETABLE

Set out below is the expected timetable for the implementation of the Capital Reorganisation.

Event(s)	Time and Date
Expected date of dispatch of Circular in relation to the Capital Reorganisation together with the notice of the SGM and form of proxy	Friday, 13 December 2024
Latest date and time for lodging transfer(s) of the Existing Ordinary Shares in order to qualify for attending and voting at the SGM	4:30 p.m. on Thursday, 2 January 2025
Closure of register of members of the Company for determining the entitlement to attend and vote at the SGM (both dates inclusive)	Friday, 3 January 2025 to Wednesday, 8 January 2025
Latest date and time for lodging forms of proxy for the SGM	11:00 a.m. on Monday, 6 January 2025

Event(s)	Time and Date
Record date for attendance and voting at the SGM	Wednesday, 8 January 2025
Expected time and date of the SGM	11:00 a.m. on Wednesday, 8 January 2025
Publication of announcement of poll results of the SGM	Wednesday, 8 January 2025

The following events are conditional on the fulfilment of the conditions for the implementation of the Capital Reorganisation and therefore the dates are tentative only.

Expected effective date of the Capital Reorganisation	Friday, 10 January 2025
Dealing in the New Ordinary Shares commences	9:00 a.m. on Friday, 10 January 2025

All times and dates specified in the timetable above refer to Hong Kong times and dates.

The timetable is indicative only and may be extended or varied. Any change to the expected timetable above will be announced by the Company as and when appropriate.

GENERAL

The SGM will be convened and held for the Shareholders to consider and, if thought fit, approve the necessary resolution(s) in respect of the Capital Reorganisation and transactions contemplated thereunder. The Circular containing, among other matters, information regarding the Capital Reorganisation together with a notice of the SGM will be despatched to the Shareholders on or before 13 December 2024.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders have a material interest in the Capital Reorganisation and no Shareholders are required to abstain from voting at the SGM.

As the Capital Reorganisation is subject to the satisfaction of conditions, it may or may not become effective. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors
“Business Day(s)”	a day (other than a Saturday, Sunday and public holidays or a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is hoisted in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon) on which banks are open for business in Hong Kong
“Bye-laws”	the bye-laws for the time being adopted by the Company and as amended from time to time
“Capital Reduction”	the proposed reduction of the issued share capital of the Company whereby the nominal value of each of the issued Existing Ordinary Shares will be reduced from HK\$0.8 each to HK\$0.01 by cancelling the paid up capital to the extent of HK\$0.79 on each issued Existing Ordinary Share
“Capital Reorganisation”	collectively, the Capital Reduction and the Share Sub-division
“CCASS”	Central Clearing and Settlement System, a securities settlement system used within the Hong Kong Exchanges and Clearing Limited market system
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time
“Circular”	the circular to be despatched to the Shareholders containing, among other things, details of the Capital Reorganisation and the notice of the SGM
“Companies Act”	the Companies Act 1981 of Bermuda, as amended from time to time

“Company”	Wai Chun Group Holdings Limited, a company incorporated in Bermuda with limited liability, the Existing Ordinary Shares of which are listed on the main board of the Stock Exchange (stock code: 1013)
“Director(s)”	the director(s) of the Company from time to time
“Existing Ordinary Share(s)”	ordinary share(s) of par value of HK\$0.8 each in the share capital of the Company prior to the Capital Reorganisation becoming effective
“Existing Preference Share(s)”	preference share(s) of par value of HK\$0.8 each in the share capital of the Company prior to the Capital Reorganisation becoming effective
“Existing Share(s)”	Existing Ordinary Shares and Existing Preference Shares
“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Committee”	has the meaning ascribed to such term in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum”	the memorandum of association of the Company, as amended from time to time
“New Ordinary Share(s)”	the ordinary share(s) of par value HK\$0.01 each in the issued and unissued share capital of the Company upon the Capital Reorganisation becoming effective

“New Preference Share(s)”	the preference share(s) of par value HK\$0.01 each in the unissued share capital of the Company upon the Capital Reorganisation becoming effective
“New Share(s)”	New Ordinary Shares and New Preference Shares
“Registrar”	the branch share registrar and transfer office of the Company in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong
“SGM”	the special general meeting of the Company to be held to consider and, if thought fit, approve, among other things, the Capital Reorganisation and transactions contemplated thereunder
“Share(s)”	the Existing share(s) of par value HK\$0.8 each in the share capital of the Company or the New Share(s) of par value HK\$0.01 each in the share capital of the Company (as the case may be)
“Shareholder(s)”	holder(s) of the Share(s)
“Share Sub-division”	the proposed sub-division of each authorised but unissued Existing Shares (including the authorized but unissued Shares arising from the Capital Reduction) into eighty (80) authorised and unissued New Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board of
Wai Chun Group Holdings Limited
Lam Ka Chun
*Chairman, Chief Executive Officer and
Executive Director*

Hong Kong, 5 December 2024

As at the date of this announcement, the Board comprises one executive Director, namely Mr. Lam Ka Chun (Chairman and Chief Executive Officer), and three independent non-executive Directors, namely Dr. Wang Wei, Mr. Wan Bo and Ms. Kung Ying Tung.