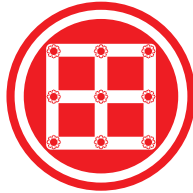


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**CHINA SILVER TECHNOLOGY HOLDINGS LIMITED**  
**中華銀科技控股有限公司**

*(formerly known as TC Orient Lighting Holdings Limited 達進東方照明控股有限公司)*

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

**(Stock Code: 515)**

**PROPOSED SHARE CONSOLIDATION  
AND CHANGE OF BOARD LOT SIZE**

The Board proposed to implement the Share Consolidation on the basis that every five (5) issued and unissued Existing Shares of HK\$0.10 each will be consolidated into one (1) Consolidated Share of HK\$0.50 each. Subject to the Share Consolidation being effective, the Board proposed to change the board lot size for trading of the Shares from 2,000 to 10,000.

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, details of the Share Consolidation and a notice convening the EGM is expected to be dispatched to the Shareholders on or before Monday, 11 April 2022.

**Shareholders should take note that the Share Consolidation and the Change of Board Lot Size are conditional upon the fulfilment of their respective conditions. Therefore, the Share Consolidation and the Change of Board Lot Size may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional advisers.**

## **PROPOSED SHARE CONSOLIDATION**

As disclosed in the Company's announcement dated 18 February 2022, the Board proposed to implement the Share Consolidation on the basis that every five (5) issued and unissued Existing Shares of HK\$0.10 each will be consolidated into one (1) Consolidated Share of HK\$0.50 each.

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

As at the date of this announcement, the authorised share capital of the Company is HK\$1,200,000,000 divided into 12,000,000,000 Existing Shares of HK\$0.10 each, of which 2,789,236,970 Existing Shares have been issued as fully paid or credited as fully paid. Assuming that no further Existing Shares are allotted, issued or repurchased between the date of this announcement and the date of the EGM, the authorised share capital of the Company shall become HK\$1,200,000,000 divided into 2,400,000,000 Consolidated Shares of HK\$0.50 each, of which 557,847,394 Consolidated Shares (which are fully paid or credited as fully paid) will be in issue upon the Share Consolidation becoming effective.

Implementation of the Share Consolidation will not, of itself, alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests of the Shareholders, except for the payment of the related expenses. The Share Consolidation does not involve any diminution of any liability in respect of any unpaid capital of the Company or the repayment to the Shareholders of any paid-up capital of the Company nor will it result in any change in the relative rights of the Shareholders.

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

The Share Consolidation is conditional on:

- (1) the passing of the necessary ordinary resolution by the Shareholders approving the Share Consolidation at the EGM;
- (2) 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
- (3) the compliance with the relevant procedures and requirements under the laws of the Cayman Islands and the Listing Rules to effect the Share Consolidation.

Subject to the fulfillment of the conditions of the Share Consolidation, the effective date of the Share Consolidation is expected to be on Tuesday, 24 May 2022, being the second Business Day after the EGM.

### **Listing and dealings**

Application will be made to the Stock Exchange for the granting of the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued arising from the Share Consolidation.

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.

The Consolidated Shares will be identical in all respects and rank *pari passu* in all respects with each other as to all future dividends and distributions which are declared, made or paid. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS.

None of the Existing Shares are listed or dealt in on any other stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

## **Adjustments in relation to other securities of the Company**

As at the date of this announcement, there are outstanding share options (the “**Share Options**”) entitling the holders thereof to subscribe for 22,794,654 Existing Shares under the share option scheme of the Company which was adopted on 5 June 2006 and expired on 4 June 2016 (the “**Old Share Option Scheme**”). The Share Consolidation will lead to adjustments to the exercise prices of the Share Options and the number of Consolidated Shares to be issued upon the exercise of the outstanding Share Options, such adjustment to be made in accordance with the terms and conditions of the Old Share Option Scheme, Rule 17.03(13) of the Listing Rules and the Supplementary Guidance on Adjustments to the Exercise Price and Number of Share Options under the Listing Rule Requirements dated 5 September 2005 (the “**Supplementary Guidance**”). Further announcement will be made by the Company regarding the adjustments to the Share Options on or before the effective date of the Share Consolidation.

Save as disclosed above, as at the date of this announcement, the Company has no other outstanding options, warrants or other securities in issue which are convertible into or giving rights to subscribe for, convert or exchange into, Shares.

## **Free exchange of share certificates**

Subject to the Share Consolidation becoming effective, Shareholders may, on or after Tuesday, 24 May 2022 until Thursday, 30 June 2022 (both days inclusive), submit share certificates for the Existing Shares 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, to exchange, at the expense of the Company, for new share certificates for the Consolidated Shares, on the basis of five (5) Existing Shares for one (1) Consolidated Share. Thereafter, certificates for Existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may from time to time be specified by the Stock Exchange) by the Shareholders for each share certificate for the Existing Shares submitted for cancellation or each new share certificate issued for the Consolidated Shares, whichever the number of certificates cancelled/issued is higher. After 4:00 p.m. on Thursday, 30 June 2022, existing share certificates for the Existing Shares will only remain effective as documents of legal title and may be exchanged for certificates for the Consolidated Shares at any time but will not be accepted for delivery, trading and settlement purposes.

The new share certificates for the Consolidated Shares will be issued in blue colour in order to distinguish them from the share certificates for the Existing Shares which are in red colour.

### **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 benefits 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 existing share certificates held by such holder.

### **CHANGE OF BOARD LOT SIZE**

At present, the Existing Shares are traded in board lot size of 2,000 Existing Shares. Based on the closing price of HK\$0.049 per Existing Share on the date of this announcement, the board lot value of 2,000 Existing Shares is only HK\$98.00. The Board proposed to change the board lot size to 10,000 Consolidated Shares upon the Share Consolidation becoming effective, such that the board lot value is over HK\$2,000. Based on the closing price of HK\$0.049 per Existing Share (equivalent to the theoretical closing price of HK\$0.245 per Consolidated Share) as at the date of this announcement, (i) the value of each board lot of 2,000 Consolidated Shares, assuming the Share Consolidation had already been effective, would be HK\$490.00; and (ii) the estimated market value per board lot of 10,000 Consolidated Shares would be HK\$2,450.00 assuming the Change of Board Lot Size had also been effective.

The Change of Board Lot Size will not result in any change in the relative rights of the Shareholders. The Directors consider that the Change of Board Lot Size is appropriate and can reduce the proportionate transaction costs and charges for securities trading in this board lot value and can improve the trading liquidity of the Consolidated Shares, thereby attracting more investors and widening the shareholder base.

## **Odd lots arrangement and matching services**

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 arrangement relating the matching service for odd lots will be announced by the Company as and when appropriate.

Shareholders with odd lot holdings of the Consolidated Shares should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is on a best efforts basis. Successful matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. In addition, odd lots might be sold below the trading price of full board lots of the Shares. Shareholders who are in any doubt about the odd lot arrangement are recommended to consult their own professional advisers.

## **REASONS FOR THE SHARE CONSOLIDATION AND THE CHANGE OF BOARD LOT SIZE**

Pursuant to Rule 13.64 of the Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the issuer may be required either to change the trading method or to proceed with a consolidation or splitting of its securities. According to the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Stock Exchange on 28 November 2008 and updated on 1 October 2020, (i) market price of the securities of an issuer at a level less than HK\$0.10 will be considered as trading at extremity as referred to under Rule 13.64 of the Listing Rules; and (ii) taking into account the minimum transaction costs for a securities trade, the expected value per board lot should be greater than HK\$2,000. In view of the recent market price of the Existing Shares, the Directors resolved to propose the Share Consolidation and the Change of Board Lot Size with the view to complying with the trading requirements under the Listing Rules.

In view of the recent trading prices of the Existing Shares at the level of below HK\$0.10 and board lot value of below HK\$2,000, the Share Consolidation would bring about a corresponding upward adjustment in the market price of the Consolidated Shares, which together with the Change of Board Lot Size would enable the Company to comply with the trading requirements under the Listing Rules. The Share Consolidation would reduce the overall transaction and handling costs of dealings in the Consolidated Shares as a proportion of the market value of each board lot, since most of the banks/securities houses will charge a minimum transaction costs for each securities transaction.

The Board considers that the Share Consolidation would maintain the transaction amount for each board lot at a reasonable level in order to attract more investors and extend the base of the Shareholders, and thus provide flexibility for equity fund raising of the Company in the future. Accordingly, the Company considers the Share Consolidation and Change of Board Lot Size are justifiable, notwithstanding the costs incurred by the Company and the impact arising from the creation of odd lots to the Shareholders. The Board considers that the Share Consolidation is beneficial to and in the interests of the Company and the Shareholders as a whole.

During the course of exploring acquisition opportunities, the Company has been in negotiation with business counterparties who indicated preliminary interest in accepting the Company's securities as acquisition consideration. In addition, the Company has approached financial institutions and investors to explore equity fund raising opportunities with the view to replenishing the cash and financial position of the Company. In order to facilitate the Company's ongoing negotiations and keep these opportunities open, the Company considers that it is desirable and necessary to comply with the trading requirements under the Listing Rules through the proposed Share Consolidation.

As disclosed in the Company's announcement dated 17 February 2022 (the "**Share Subscriptions Announcement**"), the Company has entered into subscription agreements to allot and issue 286,000,000 Existing Shares to not less than six independent third party subscribers to raise gross proceeds of approximately HK\$28.6 million (the "**Share Subscriptions**"), which have yet to complete. Save and except the Share Subscriptions, the Company has no current plans for other equity fund raising. However, given the funding needs of the Group as explained in the Share Subscriptions Announcement, the Company cannot rule out the possibility of conducting further equity fund raising in the next twelve months if suitable opportunities arise. Further announcement(s) will be made by the Company if any other equity fund raising opportunities materialize as a result of which any disclosure obligation arises on the part of the Company.

The Company has no current plans for any other corporate actions (such as share consolidation, sub-division or change in board lot size) which may have an effect of undermining or negating the intended purpose of the Share Consolidation in the next twelve months.

**EXPECTED TIMETABLE**

The expected timetable for implementation of the Share Consolidation is set out below:

Expected date of dispatch of the circular with notice and proxy form of the EGM . . . . .	Monday, 11 April 2022
Latest time for lodging transfers of Shares for attending and voting at the EGM. . . . .	4:00 p.m. on Monday, 16 May 2022
Closure of register of members (both days inclusive) . . . . .	Tuesday, 17 May 2022 to Friday, 20 May 2022
Latest date and time for lodging forms of proxy for the EGM . . . .	11:00 a.m. on Wednesday, 18 May 2022
Date and time of the EGM . . . . .	11:00 a.m. on Friday, 20 May 2022
Announcement of voting results of the EGM . . . . .	Friday, 20 May 2022

**The following events are conditional on the fulfilment of the conditions for the implementation of the Share Consolidation:**

Expected effective date of the Share Consolidation. . . . . Tuesday, 24 May 2022

First day for free exchange of existing share certificates for  
new share certificates for the Consolidated Shares . . . . . Tuesday, 24 May 2022

Commencement of dealings in Consolidated Shares . . . . . 9:00 a.m. on Tuesday,  
24 May 2022

Original counter for trading in the Existing Shares in  
board lots of 2,000 Existing Shares (in the form of  
existing share certificates) temporarily closes . . . . . 9:00 a.m. on Tuesday,  
24 May 2022

Temporary counter for trading in the Consolidated Shares in  
board lots of 400 Consolidated Shares (in the form of  
existing share certificates) opens. . . . . 9:00 a.m. on Tuesday,  
24 May 2022

Original counter for trading in the Consolidated Shares in  
board lots of 10,000 Consolidated Shares (in the form of  
new share certificates) re-opens. . . . . 9:00 a.m. on Wednesday,  
8 June 2022

Parallel trading in the Consolidated Shares (in the form of  
new share certificates and existing share  
certificates) commences . . . . . 9:00 a.m. on Wednesday,  
8 June 2022

Designated broker starts to stand in the market to  
provide matching services for odd lots of  
Consolidated Shares . . . . . 9:00 a.m. on Wednesday,  
8 June 2022

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,  
28 June 2022

Temporary counter for trading in the Consolidated Shares in  
board lots of 400 Consolidated Shares (in the form of  
existing share certificates) closes ..... 4:10 p.m. on Tuesday,  
28 June 2022

Parallel trading in the Consolidated Shares (in the form of  
new share certificates and existing share certificates) ends ..... 4:10 p.m. on Tuesday,  
28 June 2022

Last day for free exchange of existing share  
certificates for new share certificates ..... 4:00 p.m. on Thursday,  
30 June 2022

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 EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Share Consolidation. In compliance with the Listing Rules, all resolutions will be voted on by way of poll at the EGM. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder would have a material interest in the Share Consolidation which is different from other Shareholders, and no Shareholder should be required to abstain from voting on the resolution approving the Share Consolidation at the EGM. A circular containing, among other things, details of the Share Consolidation and a notice convening the EGM is expected to be dispatched to the Shareholders on or before Monday, 11 April 2022.

**Shareholders should take note that the Share Consolidation and the Change of Board Lot Size are conditional upon the fulfilment of their respective conditions. Therefore, the Share Consolidation and the Change of Board Lot Size may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional advisers.**

## DEFINITIONS

The following terms have the following meanings in this announcement unless the context otherwise requires:

“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday and any day on which a tropical cyclone warning no. 8 or above is hoisted or on which a “black” rainstorm warning is hoisted or “extreme conditions” caused by super typhoons as announced by the Government of Hong Kong in force in Hong Kong between 9:00 a.m. and 5:00 p.m.) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC

“Change of Board Lot Size”	the proposed change of board lot size for trading on the Stock Exchange from 2,000 Existing Shares to 10,000 Consolidated Shares upon the Share Consolidation becoming effective
“Company”	China Silver Technology Holdings Limited (formerly known as TC Orient Lighting Holdings Limited), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 515)
“Consolidated Share(s)”	ordinary share(s) of HK\$0.50 each in the share capital of the Company after the Share Consolidation becoming effective
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, approve, the Share Consolidation
“Existing Share(s)”	ordinary share(s) of HK\$0.10 each in the existing share capital of the Company prior to the Share Consolidation becoming effective
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Share(s)”	the Existing Share(s) or the Consolidated Share(s), as the context may require
“Share Consolidation”	the proposed consolidation of every five (5) issued and unissued Existing Shares into one (1) Consolidated Share

“Shareholder(s)”	holder(s) of the Existing Share(s) and/or the Consolidated Share(s), as the case may be
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

By order of the Board  
**China Silver Technology Holdings Limited**  
**Lai Yubin**  
*Chairman*

Hong Kong, 24 February 2022

*As at the date hereof, the Board comprises Mr. Kong Chan Fai (Vice-Chairman), Mr. Xu Ming (Chief Executive Officer), Mr. Zeng Yongguang, Mr. Guo Jun Hao and Mr. Mai Huazhi as executive Directors; Mr. Lai Yubin (Chairman) and Mr. Wei Xiaomin as non-executive Directors; and Mr. Wong Kwok On, Mr. Bonathan Wai Ka Cheung, Dr. Loke Yu (alias Loke Hoi Lam) and Ms. Qiu Yumei as independent non-executive Directors.*