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世紀陽光

世紀陽光集團控股有限公司

CENTURY SUNSHINE GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 509)

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

Financial Adviser

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BAOQIAO PARTNERS

BAOQIAO PARTNERS CAPITAL LIMITED

PROPOSED SHARE CONSOLIDATION

The Board proposes to implement the Share Consolidation on the basis that every forty (40) issued and unissued Existing Shares of par value HK\$0.02 each in the share capital of the Company be consolidated into one (1) Consolidated Share of par value HK\$0.80 each in the share capital of the Company.

As at the date of this announcement, the authorised share capital of the Company is HK\$200,000,000 divided into 10,000,000,000 Existing Shares of par value HK\$0.02 each, of which 4,581,116,843 Existing Shares have been issued and are fully paid or credited as fully paid. Upon the Share Consolidation becoming effective and on the basis that the Company will not allot, issue or repurchase any Existing Shares prior to completion of the Share Consolidation, the authorised share capital of the Company will be HK\$200,000,000 divided into 250,000,000 Consolidated Shares of par value HK\$0.80 each, of which 114,527,921 Consolidated Shares will be in issue and fully paid or credited as fully paid.

PROPOSED CHANGE IN BOARD LOT SIZE

As at the date of this announcement, the Existing Shares are traded on the Stock Exchange in the board lots of 5,000 Existing Shares. It is proposed that, subject to and conditional upon the Share Consolidation becoming effective, the board lot size for trading on the Stock Exchange be changed from 5,000 Existing Shares to 10,000 Consolidated Shares.

GENERAL

A circular containing, among other matters, further details of the Share Consolidation and the Change in Board Lot Size together with a notice of the AGM will be despatched to the Shareholders on or about Wednesday, 5 June 2024.

As the Share Consolidation is subject to the satisfaction of conditions, the Share Consolidation and the Change in Board Lot Size may or may not become effective. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

PROPOSED SHARE CONSOLIDATION

The Board proposes to implement the Share Consolidation on the basis that every forty (40) issued and unissued Existing Shares of par value HK\$0.02 each in the share capital of the Company be consolidated into one (1) Consolidated Share of par value HK\$0.80 each in the share capital of the Company.

Effects of the Share Consolidation

As at the date of this announcement, the authorised share capital of the Company is HK\$200,000,000 divided into 10,000,000,000 Existing Shares of par value HK\$0.02 each, of which 4,581,116,843 Existing Shares have been issued and are fully paid or credited as fully paid. Upon the Share Consolidation becoming effective and on the basis that the Company will not allot, issue or repurchase any Existing Shares prior to completion of the Share Consolidation, the authorised share capital of the Company will be HK\$200,000,000 divided into 250,000,000 Consolidated Shares of par value HK\$0.80 each, of which 114,527,921 Consolidated Shares will be in issue and fully paid or credited as fully paid.

Save for (i) any fractional Consolidated Shares will not be allocated to Shareholders who may otherwise be entitled; and (ii) the necessary professional expenses for the implementation of the Share Consolidation, the Directors consider that the Share Consolidation will have no effect on the underlying assets, business operations, management or financial position of the Company or the proportional interests of the Shareholders in the Company.

Status of the Consolidated Shares

The Consolidated Shares shall rank *pari passu* in all respects with each other.

Conditions of the Share Consolidation

The Share Consolidation is conditional upon the following:

- (i) the passing of the ordinary resolution(s) by the Shareholders to approve the Share Consolidation at the AGM;
- (ii) the compliance with all relevant procedures and requirements under the laws of the Cayman Islands and Hong Kong (where applicable) and the Listing Rules to effect the Share Consolidation; and
- (iii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares arising from the Share Consolidation.

Subject to the fulfilment of the conditions of the Share Consolidation, the effective date of the Share Consolidation is expected to be Wednesday, 3 July 2024.

PROPOSED CHANGE IN BOARD LOT SIZE

As at the date of this announcement, the Existing Shares are currently traded on the Stock Exchange in the board lots of 5,000 Existing Shares. It is proposed that, subject to and conditional upon the Share Consolidation becoming effective, the board lot size for trading on the Stock Exchange be changed from 5,000 Existing Shares to 10,000 Consolidated Shares.

Based on the closing price of HK\$0.010 per Existing Share (equivalent to the theoretical closing price of HK\$0.40 per Consolidated Share) as at the date of this announcement, (i) the market value of each board lot of 5,000 Existing Shares is HK\$50; (ii) the market value of each board lot of 5,000 Consolidated Shares would be HK\$2,000, assuming the Share Consolidation becomes effective; and (iii) the estimated market value of each board lot of 10,000 Consolidated Shares would be HK\$4,000 on the assumption that the Change in Board Lot Size also becomes effective.

The Change in Board Lot Size will not result in any change in the relative rights of the Shareholders.

REASONS FOR THE SHARE CONSOLIDATION AND THE CHANGE IN 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, the issuer may be required to proceed with a consolidation of its securities. According to the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited, (i) market price of the securities of an issuer at a level less than HK\$0.1 will be considered as trading at extremities; and (ii) taking into account the minimum transaction costs for a securities trade, the expected board lot value should be greater than HK\$2,000.

The Existing Shares have been constantly traded below HK\$0.10 for the past six months. In order to reduce transaction and registration costs incurred by the Shareholders and investors of the Company, the Board proposes to implement the Share Consolidation. In addition, in view of the current trading price of the Company, in particular the lowest closing price of the Existing Shares during the last 3 months period up to the date of this announcement was HK\$0.010, it is expected that the Share Consolidation and the Change in Board Lot Size will increase the value of each board lot of the Consolidated Shares to more than HK\$2,000.

As at the date of this announcement, the Company has no concrete plans to carry out any other corporate actions which may have an effect of undermining or negating the intended purpose of the Share Consolidation and the Change in Board Lot Size or conduct any equity fund raising in the next 12 months. However, the Directors cannot rule out the possibility that the Company will conduct equity fund raising exercises when suitable fund raising and/or investment opportunities arise in order to support future development of the Group. The Company will make further announcement in this regard in accordance with the Listing Rules as and when appropriate.

The Board considers that the Share Consolidation and the Change in Board Lot Size are beneficial to and in the interests of the Company and the Shareholders as a whole.

LISTING AND DEALING

Application will be made to Listing Committee for the listing of, and permission to deal in, the Consolidated Shares arising from the Share Consolidation.

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. Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, 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.

None of the share capital or debt securities of the Company is 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.

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 lots 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 lots 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 share certificates for the Consolidated Shares

Subject to the Share Consolidation becoming effective, which is currently expected to be on Wednesday, 3 July 2024, Shareholders may between 9:00 a.m. and 4:30 p.m. on any Business Day during the period from Wednesday, 3 July 2024 to Thursday, 8 August 2024 (both days inclusive), submit share certificates for the Existing Shares (in Beige colour) to the Registrar at Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong to exchange for new share certificates for the Consolidated Shares (in Khaki colour) 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 other amount as may from time to time be specified by the Stock Exchange) will be payable by the Shareholders to the share registrar 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 share certificates involved is higher.

After 4:10 p.m. on Tuesday, 6 August 2024, trading will only be in Consolidated Shares which share certificates will be issued in Khaki colour. Existing share certificates in Beige colour for the Existing Shares will cease to be valid for trading and settlement purpose, but will remain valid and effective as documents of title.

Adjustments in relation to outstanding Options

As at the date of this announcement, there are outstanding 279,900,000 Options at the exercise price of HK\$0.3 each were granted under the Share Option Scheme to subscribe for a total of 279,900,000 Existing Shares.

The adjustments in relation to the outstanding Options to be made upon the Share Consolidation becoming effective would be as follows:

Grantees	No. of Existing Shares to be issued under the outstanding Options as at the date of this announcement	Exercise price per Existing Share (HK\$)	No. of Consolidated Shares to be issued upon exercise of the Options upon the Share Consolidation becoming effective	Exercise price per Consolidated Share (HK\$)
Directors				
Chi Wen Fu	20,000,000	0.3	500,000	12.0
Chi Jing Chao	8,000,000	0.3	200,000	12.0
Cheung Sound Poon	5,000,000	0.3	125,000	12.0
Sheng Hong	5,000,000	0.3	125,000	12.0
<i>Sub-total</i>	<u>38,000,000</u>		<u>950,000</u>	
Employees	131,900,000	0.3	3,297,500	12.0
Consultants	<u>110,000,000</u>	0.3	<u>2,750,000</u>	12.0
<i>Sub-total</i>	<u>241,900,000</u>		<u>6,047,500</u>	
Total	<u><u>279,900,000</u></u>		<u><u>6,997,500</u></u>	

The Company will engage an independent financial adviser or the auditors of the Company to certify the adjustments to the outstanding Options and the Company will make further announcement(s) as and when appropriate in this regard.

As the Share Consolidation is subject to the satisfaction of conditions, the Share Consolidation and the Change in Board Lot Size may or may not become effective. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

EXPECTED TIMETABLE

The expected timetable for the Share Consolidation and the Change in Board Lot Size is set out below.

Dates or deadlines specified in this announcement are indicative only and may be varied by the Company. Any consequential changes to the expected timetable will be announced or notified to the Shareholders as and when appropriate. All times and dates in this announcement refer to Hong Kong local times and dates.

Event	2024 (Hong Kong time)
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Expected date of despatch of the circular with notice of the AGM and form of proxy	On or about Wednesday, 5 June
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Latest time for lodging transfer of Existing Shares in order to be entitled to attend and vote at AGM	4:30 p.m., Friday, 21 June
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Closure or register of members of the Company for the entitlement to attend and vote at the AGM	Monday, 24 June to Friday, 28 June (both days inclusive)
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Latest time for lodging form of proxy for the AGM	4: 00 p.m., Wednesday, 26 June
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Record date for determining entitlement to attend and vote at the AGM.	Friday, 28 June
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AGM	4:00 p.m., Friday, 28 June
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Announcement of the results of the AGM	Friday, 28 June
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Effective date of the Share Consolidation	Wednesday, 3 July
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First day of free exchange of existing share certificates into new share certificates for Consolidated Shares	Wednesday, 3 July
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Dealing in Consolidated Shares commences.	9:00 a.m. on Wednesday, 3 July
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Original counter for trading in Existing Shares
in board lot of 5,000 Existing Shares
(in the form of existing share certificates)
temporarily closes 9:00 a.m. on Wednesday, 3 July

Temporary counter for trading in the Consolidated Shares
in temporary board lot of 125 Consolidated Shares
(in the form of existing share certificates) opens. 9:00 a.m. on Wednesday, 3 July

Original counter for trading in the Consolidated Shares
in board lot of 10,000 Consolidated Shares
(in the form of new share certificates)
re-opens 9:00 a.m. on Wednesday, 17 July

Parallel trading in the Consolidated Shares
(in the form of existing share certificates and
new share certificates) commences 9:00 a.m. on Wednesday, 17 July

Designated broker starts to stand in the market
to provide matching services for sale and purchase
of odd lots of the Consolidated Shares 9:00 a.m. on Wednesday, 17 July

Designated broker ceases to stand in the market
to provide matching services for odd lots of
the Consolidated Share 4:00 p.m. on Tuesday, 6 August

Temporary counter for trading in the Consolidated Shares
in temporary board lot of 125 Consolidated Shares
(in the form of existing share certificates) closes 4:10 p.m. on Tuesday, 6 August

Parallel trading in the Consolidated Shares
(in the form of new share certificates
and existing share certificates) ends 4: 10 p.m. on Tuesday, 6 August

Last day for free exchange of existing share certificates
into new share certificates for the Consolidated Shares Thursday, 8 August

GENERAL

The AGM will be convened and held for the Shareholders to consider and, if thought fit, approve the necessary resolution(s) in respect of the Share Consolidation. A circular containing, among other matters, further details of the Share Consolidation and the Change in Board Lot Size together with a notice of the AGM will be despatched to the Shareholders on or about Wednesday, 5 June 2024.

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

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at 21st Floor, Grand Millennium Plaza, 181 Queen's Road Central, Hong Kong on Friday, 28 June 2024 at 4:00 p.m.;
“Board”	the board of Directors;
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC;
“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;
“Change in Board Lot Size”	the proposed change in board lot size of the Shares for trading on the Stock Exchange from 5,000 Existing Shares to 10,000 Consolidated Shares;
“Company”	Century Sunshine Group Holdings Limited (世紀陽光集團控股有限公司), 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;

“Consolidated Share(s)”	ordinary share(s) of HK\$0.80 each in the share capital of the Company immediately after the Share Consolidation becoming effective;
“Director(s)”	director(s) of the Company;
“Existing Share(s)”	ordinary share(s) of HK\$0.02 each in the share capital of the Company before the Share Consolidation becoming effective;
“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 same meaning ascribed to it under the Listing Rules;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Option(s)”	share option(s) granted under the Share Option Scheme;
“Share(s)”	the Existing Share(s) and/or the Consolidated Share(s), as the case may be;
“Shareholder(s)”	the holder(s) of the Share(s);
“Share Consolidation”	the consolidation of every forty (40) issued and unissued Existing Shares into one (1) Consolidated Share;

“Share Option Scheme”	the share option scheme adopted by the Company on 26 June 2019;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“%”	per cent.

By Order of the Board
Century Sunshine Group Holdings Limited
Chi Jing Chao
Executive Director

Hong Kong, 3 June 2024

As at the date of this announcement, the Directors are:

Executive Directors : Mr. Chi Wen Fu and Mr. Chi Jing Chao

Independent Non-executive Directors : Mr. Cheung Sound Poon, Mr. Sheng Hong and Mr. Shen Yi Min