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**Shanyu Group Holdings Company Limited**  
**善裕集團控股有限公司**

*(Formerly known as Zhao Xian Business Ecology International Holdings Limited 照現生態國際控股有限公司)*  
*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8245)**

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

**PROPOSED SHARE CONSOLIDATION**

The Directors proposed to implement the Share Consolidation on the basis that every five (5) issued and unissued Shares of HK\$0.0125 each will be consolidated into one (1) Consolidated Share of HK\$0.0625 each. The Share Consolidation is conditional upon, among other things, the approval of the Shareholders at the EGM.

As at the date of this announcement, the authorised share capital of the Company is HK\$39,000,000 divided into 3,120,000,000 Shares of par value of HK\$0.0125 each, and there are 861,756,364 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 172,351,272 Consolidated Shares in issue which are fully paid or credited as fully paid. The authorised share capital of the Company will remain at HK\$39,000,000 but will be divided into 624,000,000 Consolidated Shares of HK\$0.0625 each.

**PROPOSED CHANGE IN BOARD LOT SIZE**

As at the date of this announcement, the Existing Shares are traded on the Stock Exchange in board lot size of 10,000 Existing Shares. The Board proposes to change the board lot size for trading on the Stock Exchange from 10,000 Existing Shares to 20,000 Consolidated Shares upon the Share Consolidation becoming effective.

## **GENERAL**

The EGM will be convened and held for the Shareholders to consider and if thought fit, approve the Share Consolidation. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholder will be required to abstain from voting on the resolution in relation to the Share Consolidation at the EGM.

A circular containing further information on the Share Consolidation and the notice to convene the EGM will be dispatched to Shareholders as soon as practicable.

## **PROPOSED SHARE CONSOLIDATION**

The Directors proposed to implement the Share Consolidation on the basis that every five (5) issued and unissued Shares of HK\$0.0125 each will be consolidated into one (1) Consolidated Share of HK\$0.0625 each.

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

As at the date of this announcement, the authorised share capital of the Company is HK\$39,000,000 divided into 3,120,000,000 Shares of par value of HK\$0.0125 each, and there are 861,756,364 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 172,351,272 Consolidated Shares in issue which are fully paid or credited as fully paid. The authorised share capital of the Company will remain at HK\$39,000,000 but will be divided into 624,000,000 Consolidated Shares of HK\$0.0625 each.

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. The Board believes that the Share Consolidation will not have any material adverse effect on the financial position of the Company.

### **Conditions for Share Consolidation**

The Share Consolidation is conditional upon the following:

1. the passing of an ordinary resolution by the Shareholders to approve the Share Consolidation at the EGM;
2. the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Consolidated Shares in issue following the Share Consolidation taking effect;
3. the compliance with all relevant procedures and requirements under the applicable laws of the Cayman Islands and the GEM Listing Rules to affect the Share Consolidation.

## **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.

### **PROPOSED CHANGE IN BOARD LOT SIZE**

The Existing Shares are currently traded on the Stock Exchange in board lot size of 10,000 Existing Shares. The Board proposes to change the board lot size for trading from 10,000 Existing Shares to 20,000 Consolidated Shares per board lot upon the Share Consolidation becoming effective.

Based on the closing price of HK\$0.035 per Existing Share (equivalent to the theoretical closing price of HK\$0.175 per Consolidated Share) as at the date of this announcement, (i) the value per board lot of 10,000 Existing Shares is HK\$350; (ii) the value of each board lot of 10,000 Consolidated Shares would be HK\$1,750 assuming the Share Consolidation becoming effective; and (iii) the estimated value per board lot of 20,000 Consolidated Shares would be HK\$3,500 on the assumption that the Change in Board Lot Size had also become effective.

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

According to GEM Rule 17.76 of the GEM Listing Rules, where the market price of the securities of the issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the Stock Exchange reserves the right to require the issuer either to change the trading method or to proceed with a consolidation or splitting of its securities. Further, the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by Hong Kong Exchanges and Clearing Limited on 28 November 2008 and last updated on 1 October 2020 states that (i) market price of the Shares at a level less than HK\$0.10 will be considered as trading at extremity as referred to under Rule 17.76 of the GEM Listing Rules; and (ii) taking into account the minimum transaction costs for a securities trade, the expected board lot value per board lot should be greater than HK\$2,000.

In view of the prevailing trading prices of the Existing Shares, the Board proposes to implement the Share Consolidation. It is expected that the proposed Share Consolidation would bring about a corresponding upward adjustment in the trading price of the Consolidated Shares on the Stock Exchange. As a result, the proposed Share Consolidation would enable the Company to comply with the trading requirements under the Listing Rules. The Company also considers that the proposed Change in Board Lot Size will maintain the trading amount for each board lot at a reasonable level and attract more investors and broaden the shareholder base of the Company. Based on the closing price of HK\$0.035 per Existing Share (equivalent to HK\$0.175 per Consolidated Share) as quoted on the Stock Exchange as at the date of this announcement, the expected market value of each board lot of 20,000 Consolidated Shares, assuming the Share Consolidation and the Change in Board Lot Size had become effective, would be HK\$3,500, which is greater than HK\$2,000 and therefore complies with the requirement as set out in the said “Guide on Trading Arrangements for Selected Types of Corporate Actions”.

Other than the expenses to be incurred in relation to the Share Consolidation and the Change in Board Lot Size, the implementation of the Share Consolidation and the Change in Board Lot Size will have no effect on the consolidated net asset value of the Group, nor alter the underlying assets, business operations, management or the financial position of the Company or the proportionate interests of the Shareholders. Although the Share Consolidation and the Change in Board Lot Size may lead to the creation of odd lots of Shares, the Company will appoint a securities firm as agent to provide matching services for odd lots of Shares for a period of not less than three weeks, which will alleviate the difficulties caused by the creation of odd lots of Shares. In view of the above, the Board considers that the Share Consolidation and the Change in Board Lot Size are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As at the date of this announcement, the Company has no intention to carry out other corporate actions in the next twelve months which may have an effect of undermining or negating the intended purpose of the Share Consolidation and the Change in Board Lot Size, and except for the Subscription as disclosed in the announcements of the Company dated 12 April 2024 and 15 April 2024, the Company does not have any concrete plan to conduct any fundraising activities in the next twelve months. However, the Board cannot rule out the possibility that the Company will conduct debt and/or equity fundraising exercises when suitable opportunities arise in order to support future development of the Group. The Company will make further announcement(s) in this regard in accordance with the Listing Rules as and when appropriate.

#### **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 to provide matching service, 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 dispatched to the Shareholders in relation to the Share Consolidation.

#### **EXCHANGE OF SHARE CERTIFICATES**

The new share certificates will be in the colour of red in order to distinguish them from the existing share certificates which are blue in colour. Subject to the Share Consolidation becoming effective, Shareholders may during the prescribed period submit share certificates for existing Shares to the Company's branch share registrar in Hong Kong, Boardroom Share Registrars (HK) Limited, Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, to exchange, at the expense of the Company, for certificates of the Consolidated Shares (on the basis of five (5) existing Shares for one (1) Consolidated Share) within the prescribed time. Thereafter, certificates of Shares will remain effective as documents of title but 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) per certificate issued or cancelled, whichever is higher, payable by Shareholders.

## EXPECTED TIMETABLE

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

Despatch of circular with notice of EGM	On or before Monday, 3 June 2024
Latest time for lodging transfers of Shares in order to qualify for EGM	4:30 p.m. on Thursday, 13 June 2024
Register of members closes (both days inclusive)	From Friday, 14 June 2024 to Thursday, 20 June 2024
Latest time for lodging proxy form	2:30 p.m. on Tuesday, 18 June 2024
Record date for EGM	Thursday, 20 June 2024
Date of EGM	2:30 p.m. on Thursday, 20 June 2024
Announcement on results of EGM	Thursday, 20 June 2024
Effective date for the Share Consolidation	Monday, 24 June 2024
First day for free exchange of existing share certificates for new share certificates	Monday, 24 June 2024
Dealing in Consolidated Shares commences	9:00 a.m. on Monday, 24 June 2024
Original counter for trading in Shares in board lots of 10,000 Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Monday, 24 June 2024
Temporary counter for trading in Consolidated Shares in board lots of 2,000 Consolidated Shares (in the form of existing share certificates) opens	9:00 a.m. on Monday, 24 June 2024
Original counter for trading in Consolidated Shares in board lots of 20,000 Consolidated Shares (in the form of new share certificates) re-opens	9:00 a.m. on Tuesday, 9 July 2024
Parallel trading in Consolidated Shares (in the form of new share certificates and existing share certificates) commences	9:00 a.m. on Tuesday, 9 July 2024

Designated broker starts to stand in the market to provide matching services for odd lots of Consolidated Shares	9:00 a.m. on Tuesday, 9 July 2024
Designated broker ceases to stand in the market to provide matching services for odd lots of Consolidated Shares	4:00 p.m. on Monday, 29 July 2024
Temporary counter for trading in Consolidated Shares in board lots of 2,000 Consolidated Shares (in the form of existing share certificates) closes	4:10 p.m. on Monday, 29 July 2024
Parallel trading in Consolidated Shares in the form of new share certificates and existing share certificates closes	4:10 p.m. on Monday, 29 July 2024
Last day for free exchange of existing share certificates for new share certificates	Wednesday, 31 July 2024

## **GENERAL**

The Share Consolidation is subject to the Shareholders' approval(s) at the EGM. A circular containing further information on the Share Consolidation and the notice of the EGM will be dispatched to the Shareholders as soon as possible.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following words and phrases have the following meanings:

“Board”	the Board of directors of the Company
“Change in Board Lot Size”	the proposed change in board lot size of the Shares for trading on the Stock Exchange from 10,000 Existing Shares to 20,000 Consolidated Shares
“Company”	Shanyu Group Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM
“Companies Act”	the Companies Act, Cap. 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands
“Consolidated Shares”	new ordinary share(s) of HK\$0.0625 each in the share capital of the Company after the Share Consolidation becoming effective
“Directors”	the directors of the Company
“EGM”	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve the

	Share Consolidation
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
"Share(s)"	ordinary share(s) of HK\$0.0125 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Shares or Consolidated Shares
“Share Consolidation”	the proposed consolidation of every five (5) issued and unissued Shares into one (1) Consolidated Share in the issued and unissued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board of  
**Shanyu Group Holdings Company Limited**  
**Wong Ming Kwan Victoria**  
*Executive Director*

Hong Kong, 2 May 2024

*As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Yeung Shing Wai, Ms. Wong Ming Kwan Victoria and Ms. Zhu Yuanyan; and three independent non-executive Directors, namely Mr. Choi Pun Lap, Ms. Ip Sin Nam and Mr. Yu Lap Pan.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Listed Company Information” page of the website of the Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) for at least seven days from the day of its publication. This announcement will also be published on the Company’s website at [www.shanyugroup.com](http://www.shanyugroup.com).*

*\* For identification purpose only*