
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker, or other licensed securities dealer, bank manager, solicitors, professional accountant or other professional adviser.

If you have sold or transferred all your shares in CNC Holdings Limited (the “Company”), you should at once hand this circular and accompanying form of proxy to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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CNC HOLDINGS LIMITED
中國新華電視控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8356)

(1) PROPOSED SHARE CONSOLIDATION;
(2) PROPOSED CHANGE IN BOARD LOT SIZE;
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING

A notice convening the extraordinary general meeting (the “EGM”) of the Company to be held at 11/F, Golden Star Building, 20-24 Lockhart Road, Wan Chai, Hong Kong on Monday, 17 June 2024 at 10:30 a.m. (or any adjournment thereof) is set out on pages EGM-1 to EGM-3 of this circular. A form of proxy for use at the EGM is enclosed with this circular.

Whether or not you are able to attend and vote at the EGM, you are requested to complete the accompanying form of proxy, in accordance with the instructions printed thereon and return it to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM (i.e. no later than Saturday, 15 June 2024 at 10:30 a.m. (Hong Kong time)) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish, and in such event, the instrument appointing a proxy shall be deemed to be revoked.

29 May 2024

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“Board”	board of the 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 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
“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 amended 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 10,000 Existing Shares to 2,000 Consolidated Shares
“Company”	CNC Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM (stock code: 8356)
“Consolidated Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company after the Share Consolidation becoming effective
“Director(s)”	director(s) of the Company from time to time
“EGM”	the extraordinary general meeting of the Company to be convened and held at 11/F, Golden Star Building, 20-24 Lockhart Road, Wan Chai, Hong Kong, on 17 June 2024 for the purpose of considering and, if thought fit, approving the Share Consolidation
“Existing Share(s)”	issued and unissued ordinary share(s) of HK\$0.001 each in the existing share capital of the Company before the Share Consolidation becoming effective
“GEM”	GEM of the Stock Exchange

DEFINITIONS

“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“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 (from time to time)
“Guide”	has the meaning ascribed thereto in the section headed “Letter from the Board – Reasons for the proposed Share Consolidation and Change in Board Lot Size” in this circular
“HKSCC”	the Hong Kong Securities Clearing Company Limited
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	23 May 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Registrar”	the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Share Consolidation”	the proposed consolidation of every one hundred (100) Existing Shares of HK\$0.001 each into one (1) Consolidated Share of HK\$0.1 each
“Shareholder(s)”	holder(s) of the Existing Share(s) or the Consolidated Share(s), as the case may be
“Share(s)”	the Existing Share(s) or as the context may require, the Consolidated Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent.

EXPECTED TIMETABLE

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

Event	2024
Latest date and time for lodging transfer documents in order to qualify for attending and voting at the EGM	4:30 p.m. on Tuesday, 11 June
Closure of the register of members for determining the entitlements to attend and vote at the EGM	Wednesday, 12 June to Monday, 17 June (both days inclusive)
Latest time for lodging forms of proxy for the EGM	10:30 a.m. on Saturday, 15 June
Date and time of the EGM	10:30 a.m. on Monday, 17 June
Publication of the announcement of the poll results of the EGM	Monday, 17 June
The following events are conditional on the fulfillment of the conditions for the implementation of the Share Consolidation as set out in this circular.	
Effective date of the Share Consolidation	Wednesday, 19 June
First day of free exchange of existing share certificates for new share certificates for Consolidated Shares	Wednesday, 19 June
Dealing in the Consolidated Shares commences	9:00 a.m. on Wednesday, 19 June
Original counter for trading in the Existing Shares in board lots of 10,000 Existing Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Wednesday, 19 June
Temporary counter for trading in the Consolidated Shares in board lots of 100 Consolidated Shares (in the form of existing share certificates) opens	9:00 a.m. on Wednesday, 19 June

EXPECTED TIMETABLE

Event	2024
Original counter for trading in the Consolidated Shares in new board lots of 2,000 Consolidated Shares (in the form of new share certificates for the Consolidation Shares) re-opens	9:00 a.m. on Thursday, 4 July
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 Thursday, 4 July
Designated broker starts to stand in the market to provide matching services for odd lots of the Consolidated Shares	9:00 a.m. on Thursday, 4 July
Designated broker ceases to stand in the market to provide matching services for odd lots of the Consolidated Shares	4:00 p.m. on Wednesday, 24 July
Temporary counter for trading in the Consolidated Shares in board lots of 100 Consolidated Shares (in the form of existing share certificates) closes	4:10 p.m. on Wednesday, 24 July
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 Wednesday, 24 July
Last day for free exchange of existing share certificates for new share certificates for the Consolidated Shares	Friday, 26 July

Note: All times and dates in this circular refer to Hong Kong local times and dates. In the event that any special circumstances arise, such dates and deadlines may be adjusted by the Board if it considers appropriate. Any changes to the expected timetable will be published or notified to the Shareholders by way of announcement(s) on the website of the Stock Exchange and on the website of the Company as and when appropriate.

LETTER FROM THE BOARD



CNC HOLDINGS LIMITED
中國新華電視控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8356)

Executive Directors:

Mr. Kan Kwok Cheung (*Chairman*)
Mr. Hui Ka Tsun (*Chief Executive Officer*)
Mr. Kan Chun Ting Max

Non-executive Director:

Mr. Law Cheuk Hung

Independent non-executive Directors:

Mr. Chin Chi Ho Stanley
Mr. Kwok Man To Paul
Mr. Wong Chung Yip Kenneth
Mr. Lai Ah Ming Leon

Registered office:

Cricket Square
Hutchins Drive,
PO Box 2681
Grand Cayman, KY1-1111
Cayman Islands

*Headquarters and Principal Place
of Business in Hong Kong:*

Flat 314, 3/F.
Fuk Shing Commercial Building
28 On Lok Mun Street
Fanling, New Territories

29 May 2024

To the Shareholders

Dear Sir or Madam,

(1) PROPOSED SHARE CONSOLIDATION;
(2) PROPOSED CHANGE IN BOARD LOT SIZE;
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING

INTRODUCTION

Reference is made to the announcement of the Company dated 13 May 2024 in relation to, among other matters, the proposed Share Consolidation and the proposed Change in Board Lot Size.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with details of the proposed Share Consolidation and the proposed Change in Board Lot Size as well as to give you the notice of the EGM to be convened.

PROPOSED SHARE CONSOLIDATION

The Board proposes to implement the Share Consolidation on the basis that every one hundred (100) issued and unissued Existing Shares of HK\$0.001 each will be consolidated into one (1) Consolidated Share of HK\$0.1 each. The Share Consolidation is conditional upon, among other things, the approval of the Shareholders at the EGM.

Effects of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$500,000,000 divided into 500,000,000 Existing Shares of par value of HK\$0.001 each, of which 5,722,016,614 Existing Shares have been issued and are fully paid or credited as fully paid. Upon the Share Consolidation becoming effective and assuming that no new Existing Shares will be issued or repurchased from the Latest Practicable Date until the effective date of the Share Consolidation, the authorised share capital of the Company will become HK\$500,000,000 divided into 5,000,000,000 Consolidated Shares of par value of HK\$0.1 each, of which 57,220,166 Consolidated Shares will be 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 and the Change in Board Lot Size, the implementation of the Share Consolidation will have no effect on the consolidated net asset value of the Group, nor alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders, save that any fractional Consolidated Shares will not be allocated to Shareholders who may otherwise be entitled and the necessary professional expenses for the implementation of the Share Consolidation.

The Board believes that the Share Consolidation will not have any material adverse effect on the financial position of the Group and that on the date the Share Consolidation is to be effected, there are no reasonable grounds for believing that the Company is, or after the Share Consolidation would be, unable to pay its liabilities as they become due. The Share Consolidation will not involve any diminution of any liability in respect of any unpaid capital of the Company or the repayment to the Shareholders of any unpaid capital of the Company nor will it result in any change in the relative rights of the Shareholders.

LETTER FROM THE BOARD

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 GEM Listing Committee of 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 laws of the Cayman Islands (where applicable) and the obtaining of all necessary approvals from the regulatory authorities or otherwise as may be required in respect of the Share Consolidation, if any.

As at the Latest Practicable Date, none of the conditions precedent as set out above is fulfilled.

Subject to the fulfilment of the conditions of the Share Consolidation, the effective date of the Share Consolidation is expected to be on Wednesday, 19 June 2024, being the second Business Day after the date of EGM.

Listing Application

An application will be made by the Company to the GEM Listing Committee of 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 upon the Share Consolidation becoming effective, 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.

LETTER FROM THE BOARD

None of the Existing Shares are listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time when 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.

PROPOSED CHANGE IN BOARD LOT SIZE

As at the Latest Practicable Date, 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 2,000 Consolidated Shares subject to and upon the Share Consolidation becoming effective.

Based on the closing price of HK\$0.013 per Existing Share (equivalent to HK\$1.3 per Consolidated Share) as quoted on the Stock Exchange as at the Latest Practicable Date, the market value of each board lot of 2,000 Consolidated Shares, assuming the Share Consolidation and the Change in Board Lot Size had become effective, would be HK\$2,600.

Shareholders should take note that Shareholders' approval is not required for the Change in Board Lot Size.

OTHER ARRANGEMENTS

Fractional entitlement to Consolidated Shares

Fractional Consolidated Shares arising from the Share Consolidation, if any, will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold and retained 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 arising from the Share Consolidation, the Company has appointed Aristo Securities Limited as an agent to provide odd lot matching services, on a best effort basis, to the 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 during the period from Thursday, 4 July 2024 to Wednesday, 24 July 2024 (both dates inclusive). Shareholders who wish to take advantage of this facility should contact Ms. Hunda Yuen Hang Ka of Aristo Securities Limited at 11/F, Golden Star Building, 20-24 Lockhart Road, Wan Chai, Hong Kong or at telephone number (852) 3622 1770 during office hours (i.e. 9:00 a.m. to 6:00 p.m.) of such period).

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.

LETTER FROM THE BOARD

Free exchange of share certificates for Consolidated Shares

Subject to the Share Consolidation becoming effective, which is currently expected to be Wednesday, 19 June 2024, being the second Business Day immediately after the date of the EGM, Shareholders may on or after Wednesday, 19 June 2024 and until Friday, 26 July 2024 (both days inclusive), submit their existing share certificates in blue colour for the Existing Shares to the Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for exchange for new share certificates on the basis of every one hundred (100) Existing Shares for one (1) Consolidated Share without any fractional Consolidated Share, in yellow colour for the Consolidated Shares at the expense of the Company. It is expected that the new share certificates for the Consolidated Shares will be available for collection within ten (10) Business Days after the submission of the existing share certificates to the Registrar for exchange. Thereafter, a fee of HK\$2.50 (or such other amount as may from time to time be allowed by the Stock Exchange) will be payable by the Shareholders to the Registrar for each share certificate for the Consolidated Shares issued or each share certificate for the Existing Shares submitted for cancellation, whichever is higher.

After 4:10 p.m. on Wednesday, 24 July 2024, trading will only be in Consolidated Shares which share certificates will be issued in yellow colour. Existing share certificates in blue colour for the Existing Shares will cease to be valid for trading, settlement and registration purpose, but will remain valid and effective as documents of title.

ADJUSTMENTS IN RELATION TO OTHER SECURITIES OF THE COMPANY

As at the Latest Practicable Date, there are (i) convertible bonds in the outstanding principal amount of HK\$257,030,210 which may be converted into 1,311,378,622 Existing Shares at a conversion price of HK\$0.196 per Existing Share upon full exercise of the conversion rights; (ii) convertible bonds in the outstanding principal amount of HK\$64,127,855 which may be converted into 327,182,933 Existing Shares at a conversion price of HK\$0.196 per Existing Share upon full exercise of the conversion rights; and (iii) convertible bonds in the outstanding principal amount of HK\$16,240,000 which may be converted into 82,857,142 Existing Shares at a conversion price of HK\$0.196 per Existing Share upon full exercise of the conversion rights ((i) to (iii) collectively, the “**Convertible Bonds**”). Pursuant to the terms and conditions of the Convertible Bonds, the adjustments to the conversion price of the Convertible Bonds will become effective after trading hours of the Stock Exchange on the Business Day immediately prior to the effective date of the Share Consolidation. Such adjustments shall be certified by the auditors of the Company or by an approved merchant bank, and the Company shall give notice to the holder(s) of the Convertible Bonds in respect of such adjustments upon the effective date of such adjustments. The Company will make further announcement(s) on such adjustments as and when appropriate.

LETTER FROM THE BOARD

Save as disclosed above, as at the Latest Practicable Date, 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, any Existing Shares or Consolidated Shares, as the case may be.

REASONS FOR THE PROPOSED SHARE CONSOLIDATION AND CHANGE IN BOARD LOT SIZE

Pursuant to Rule 17.76 of the GEM 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. 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 updated on 1 October 2020 (the “**Guide**”) states that (i) market price of the shares at a level less than HK\$0.10 each 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.

Since 1 March 2024, being the date on which trading in the Shares on the Stock Exchange has been resumed, the Shares have been trading at prices of below HK\$0.10. Based on the closing price of HK\$0.013 per Existing Share as quoted on the Stock Exchange as at the Latest Practicable Date, the market price of the Shares is considered to be close to extremities in accordance with the Guide.

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 GEM Listing Rules. Based on the closing price of HK\$0.013 per Existing Share (equivalent to HK\$1.3 per Consolidated Share) as quoted on the Stock Exchange as at the Latest Practicable Date, the expected market value of each board lot of 2,000 Consolidated Shares, assuming the Share Consolidation and the Change in Board Lot Size had become effective, would be HK\$2,600, which is greater than HK\$2,000 and therefore complies with the requirement as set out in the Guide.

LETTER FROM THE BOARD

The Company has also taken into account the effect of possible equity fundraising activities or corporate actions in the coming 12 months when determining the basis of the Share Consolidation. Subject to prevailing market conditions in coming 12 months, the Company may conduct equity fundraising activities to replenish its general working capital and/or to finance any potential business opportunities after the Share Consolidation and the Change in Board Lot Size having become effective. As at the Latest Practicable Date, there is no agreement, arrangement or negotiation (concluded or otherwise) for any fundraising activity for the Company in the coming 12 months.

The Board acknowledges that the Share Consolidation may give rise to odd lots issues for the existing Shareholders. To minimise such impact, the Company has arranged a securities broker to provide odd lots arrangement and matching services. Further, the Company has considered other alternative ratio for the Share Consolidation at a lesser scale (for example 10 into 1). However, the Shares have been constantly traded at a closing price below HK\$0.10 in the past two years with the highest closing price of HK\$0.02 per Share recorded on 4 July 2022. Assuming that (i) the Company carries out a share consolidation of a lesser scale on the basis of every ten (10) issued and unissued Existing Shares consolidated into one (1) Consolidated Share; and (ii) the board lot size of 10,000 Existing Share remains unchanged, the board lot value of the Shares after consolidation would be HK\$1,300 based on the closing price of HK\$0.013 per Existing Share as quoted on the Stock Exchange as at the Latest Practicable Date, which would still fall short of the expected value per board lot being greater than HK\$2,000.

Taking into account that (i) the upward adjustment of share prices brought about by the Share Consolidation may attract certain institutional investors whose house rules might otherwise prohibit or restrict trading in securities that are priced below a prescribed floor; (ii) higher trading prices of the Shares may facilitate potential equity fundraising activities or corporate actions; (iii) the smaller board lot size will incentivise public Shareholders to trade the Shares more frequently which should result in greater trading liquidity; and (iv) the total number of lot available for trading will remain as integer as a result of the proposed Share Consolidation, the Company considers that the proposed Share Consolidation and 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.

Save for the relevant expenses, including but not limited to professional fees and printing charges to be incurred by the Company, 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. In view of the above, the Board considers that the Share Consolidation and Change in Board Lot Size are fair and reasonable and in the interests of the Company and the Shareholders as a whole despite the potential costs and negative impact arising from the creation of odd lots to the Shareholders.

LETTER FROM THE BOARD

OTHER CORPORATE ACTIONS AND FUNDRAISING ACTIVITIES IN THE NEXT TWELVE MONTHS

As at the Latest Practicable Date, 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 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 GEM Listing Rules as and when appropriate.

EGM

A notice convening the EGM is set out on pages EGM-1 to EGM-3 of this circular. The EGM will be convened at 11/F, Golden Star Building, 20-24 Lockhart Road, Wan Chai, Hong Kong on Monday, 17 June 2024 at 10:30 a.m. for the purpose of, considering and, if thought fit, approving the proposed Share Consolidation.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM in person, please complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM (i.e. no later than Saturday, 15 June 2024 at 10:30 a.m.). Completion and return of a form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish, and in such event, the form of proxy shall be deemed to be revoked.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Shareholders is required to abstain from voting on the resolution to be proposed at the EGM.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Wednesday, 12 June 2024 to Monday, 17 June 2024 (both days inclusive) during which period no transfer of Shares will be registered. In order to be qualified to attend and vote at the EGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Tuesday, 11 June 2024.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular, 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 circular 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 circular misleading.

COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors, the controlling shareholders of the Company or any of their respective close associates (as defined under the GEM Listing Rules) has any interest in a business which competes or may compete with the business of the Group nor does any of them has or may have any other conflicts of interests with the Group.

RECOMMENDATION

The Directors consider that the proposed Share Consolidation and the Change in Board Lot Size are in the interests of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of the resolution approving the Share Consolidation to be proposed at the EGM.

Yours faithfully
For and on behalf of the Board
CNC Holdings Limited
Kan Kwok Cheung
Chairman and Executive Director

NOTICE OF EGM



CNC HOLDINGS LIMITED

中國新華電視控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8356)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of CNC Holdings Limited (the “Company”) will be held at 11/F, Golden Star Building, 20-24 Lockhart Road, Wan Chai, Hong Kong, on Monday, 17 June 2024 at 10:30 a.m. (or any adjournment thereof) for the following purposes:

ORDINARY RESOLUTION

“**THAT** subject to and conditional upon, among other things, the GEM Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting approval for the listing of, and permission to deal in, the Consolidated Shares (as defined below) in issue and to be issued upon the Share Consolidation (as defined below) becoming effective, with effect from the second business day immediately following the day of passing of this resolution, being a day on which the shares of the Company are traded on the Stock Exchange:

- (a) every one hundred (100) issued and unissued ordinary shares of HK\$0.001 each in the share capital of the Company be consolidated into one (1) ordinary share of HK\$0.1 each (each a “**Consolidated Share**”), and such Consolidated Share(s) shall rank *pari passu* in all respects with each other and have the rights and privileges and be subject to the restrictions contained in the articles of association of the Company (the “**Share Consolidation**”);
- (b) all fractional Consolidated Shares resulting from the Share Consolidation will be disregarded and will not be issued to holders of the same but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company in such manner and on such terms as the directors (the “**Directors**”) of the Company may think fit; and

NOTICE OF EGM

- (c) the Directors be and are hereby authorised to do all such acts, deeds and things and to effect all necessary actions as they may consider necessary or desirable in order to effect, implement and complete any and all of the foregoing.”

By order of the Board
CNC Holdings Limited
Kan Kwok Cheung
Chairman and Executive Director

Hong Kong, 29 May 2024

Registered office:

Cricket Square
Hutchins Drive, PO Box 2681
Grand Cayman, KY1-1111
Cayman Islands

*Head Office and Principal Place of
Business in Hong Kong:*

Flat 314, 3/F.
Fuk Shing Commercial Building
28 On Lok Mun Street
Fanling, New Territories

Notes:

1. A shareholder (the “**Shareholder(s)**”) of the Company entitled to attend and vote at the EGM convened is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not be a Shareholder.
2. In case of a joint holding, the form of proxy may be signed by any joint holder, but if more than one joint holder is present at the EGM, whether in person or by proxy, that one of the joint holders whose name stands first on the register of members in respect of the relevant joint holding shall alone be entitled to vote in respect thereof.
3. To be valid, the form of proxy together with any power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority must be deposited with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for the holding of the EGM (i.e. no later than 10:30 a.m. on Saturday, 15 June 2024) or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude the Shareholder from attending and voting in person.
4. The voting at the EGM shall be taken by poll.
5. The register of members of the Company will be closed from Wednesday, 12 June 2024 to Monday, 17 June 2024 (both days inclusive) for determining Shareholders’ entitlement to attend and vote at the EGM, during which no transfer of Shares will be registered. In order to qualify for attending and voting at the EGM, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 11 June 2024.
6. If typhoon signal no. 8 or above, or a “black” rainstorm warning is in effect any time after 7:30 a.m. on the date of the EGM, the EGM will be postponed. The Company will publish an announcement on the website of the Company at www.cncv.hk and on the website of the Stock Exchange at www.hkexnews.hk to notify the Shareholders of the date, time and venue of the rescheduled meeting.

NOTICE OF EGM

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

Executive Directors:

Mr. Kan Kwok Cheung (*Chairman*)

Mr. Hui Ka Tsun (*Chief Executive Officer*)

Mr. Kan Chun Ting Max

Non-executive Director:

Mr. Law Cheuk Hung

Independent non-executive Directors:

Mr. Chin Chi Ho Stanley

Mr. Kwok Man To Paul

Mr. Wong Chung Yip Kenneth

Mr. Lai Ah Ming Leon

This notice, 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 notice 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 notice misleading.

This notice will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange at <http://www.hkexnews.hk> for at least 7 days from the date of its publication and on the website of the Company at www.cnctv.hk.