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Reach New Holdings Limited

新達控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8471)

PROPOSED SHARE CONSOLIDATION

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The Board proposes to implement the Share Consolidation on the basis that every twenty (20) issued and unissued Existing Shares of par value of HK$0.01 each in the share capital of the Company to be consolidated into one (1) Consolidated Share of par value of HK$0.2 each.

As at the date of this announcement, the authorised share capital of the Company is HK$20,000,000 divided into 2,000,000,000 Existing Shares of HK$0.01 each, of which 1,226,000,000 Existing Shares have been allotted and issued, and are fully paid or credited as fully paid. Upon the Share Consolidation becoming effective and assuming that the Placing of 245,200,000 Shares is completed and there are no other changes to the number of issued Shares prior to completion of the Share Consolidation, the authorised share capital of the Company will be HK$20,000,000 divided into 100,000,000 ordinary shares of par value HK$0.2 each, of which 73,560,000 Consolidated Shares will be in issue and fully paid or credited as fully paid.

GENERAL

The AGM will be convened and held for the Shareholders to consider and, if thought fit, pass the ordinary resolution in approving the Share Consolidation. A circular containing, among other matters, further details of the Share Consolidation together with a notice of the AGM will be issued to the Shareholders on or before Tuesday, 26 May 2026.

As the Share Consolidation is subject to the satisfaction of conditions, the Share Consolidation may or may not become effective. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares and if they are in any doubt about their position, they should consult their professional advisers.

PROPOSED SHARE CONSOLIDATION

The Board proposes to implement the Share Consolidation on the basis that every twenty (20) issued and unissued Existing Shares of par value of HK$0.01 each in the share capital of the Company to be consolidated into one (1) Consolidated Share of par value of HK$0.2 each.

Effects of the Share Consolidation

As at the date of this announcement, the authorised share capital of the Company is HK$20,000,000 divided into 2,000,000,000 Existing Shares of HK$0.01 each, of which 1,226,000,000 Existing Shares have been allotted and issued, and are fully paid or credited as fully paid. Assuming that the Placing of 245,200,000 Shares is completed and there are no other changes to the number of issued Shares from the date of this announcement up to the date on which the Share Consolidation becomes effective, the share capital structure of the Company will be as follows:

	As of the date of this announcement	**After the completion of the Placing but before the Share Consolidation becoming effective**	**Immediately after the Share Consolidation becoming effective**
Par value	HK$0.01 per Existing Share	HK$0.01 per Existing Share	HK$0.2 per Consolidated Share
Amount of authorised share capital	HK$20,000,000	HK$20,000,000	HK$20,000,000
Number of authorised Shares	2,000,000,000 Existing Shares	2,000,000,000 Existing Shares	100,000,000 Consolidated Shares
Number of issued Shares	1,226,000,000 Existing Shares	1,471,200,000 Existing Shares	73,560,000 Consolidated Shares
Amount of the issued share capital	HK$12,260,000	HK$14,712,000	HK$14,712,000

As at the date of this announcement, the Company has no outstanding convertible bonds, options, derivatives, warrants, conversion rights or other similar rights entitling holders thereof to subscribe for or convert into or exchange into Shares.

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) passing of an ordinary resolution by the Shareholders to approve the Share Consolidation at the AGM;

(ii) compliance with all relevant procedures and requirements under the laws of the Cayman Islands and Hong Kong (where applicable) and the GEM Listing Rules to effect the Share Consolidation; and

(iii) the GEM Listing Committee granting the listing of, and permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective.

Subject to the fulfilment of the conditions of the Share Consolidation, the effective date of the Share Consolidation is expected to be Tuesday, 23 June 2026.

REASONS FOR THE SHARE CONSOLIDATION

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, 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 on 28 November 2008 and updated in September 2024, (i) any trading price 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.

As at the date of this announcement, the closing price of an Existing Share of the Company was HK$0.067, with a board lot size of 10,000 Existing Shares, the existing board lot value was only HK$670, which was less than HK$2,000. The closing prices of the Existing Shares were below HK$0.1 per Existing Share since the beginning of January 2026 and up to the date of this announcement with the highest closing price of HK$0.179 per Existing Share on 13 November 2025 and the lowest closing price of HK$0.024 per Existing Share from 28 April 2026 to 4 May 2026.

In view of the downward trend of the Share prices of the Company and the Existing Shares were trading at extremity in the past months, the proposed Share Consolidation is justified to increase the corresponding Share prices and to facilitate trading activities. In addition, the Board proposes to implement the Share Consolidation, resulting in the theoretical closing price of HK$1.34 per Consolidated Share and the estimated value of HK$13,400 per board lot of 10,000 Consolidated Shares will enable the Company to comply with the trading requirements under the GEM Listing Rules and reduce the transaction and registration costs incurred by the Shareholders and investors of the Company in dealings in the Shares as a proportion of the market value of each board lot, since most of the banks/securities houses will charge a minimum transaction cost for each securities trade.

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 or, other than the proposed placing of new Shares under general mandate announced by the Company on 5 May 2026, 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 Company. The Company will make further announcement in this regard in accordance with the GEM Listing Rules as and when appropriate.

As such, the Board considers that the Share Consolidation is beneficial to and in the interests of the Company and the Shareholders as a whole.

NO CHANGE IN BOARD LOT SIZE

The Existing Shares are currently traded on the Stock Exchange in the board lot size of 10,000 Existing Shares. Upon the Share Consolidation becoming effective, the board lot size for trading in the Consolidated Shares will remain unchanged at 10,000 Consolidated Shares per board lot.

LISTING AND DEALING

Application will be made to the GEM 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 lot 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 lot arrangement will be set out in the circular to be issued 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 Tuesday, 23 June 2026, Shareholders may between 9:00 a.m. and 4:30 p.m. on any Business Day during the period from Tuesday, 23 June 2026 to Thursday, 30 July 2026 (both days inclusive), submit share certificates for the Existing Shares (in blue colour) to the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong to exchange for new shares certificates for the Consolidated Shares (in green 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 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, 28 July 2026, trading will only be in Consolidated Shares which share certificates will be issued in green colour. Existing share certificates in blue 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.

EXPECTED TIMETABLE

The expected timetable for the Share Consolidation is set out below.

The expected timetable is subject to the results of the AGM and is therefore for indicative purpose only. Any changes to the expected timetable will be announced in a separate announcement by the Company as and when appropriate. All times and dates in this announcement refer to Hong Kong local times and dates.

Expected date of despatch of circular and notice of AGM	26 May 2026
Latest time for lodging transfer documents for existing shares for attending and voting at the AGM	4:30 p.m. on 12 June 2026
Closure of register of members (both dates inclusive)	15 June 2026 to 18 June 2026
Latest time to lodge proxy form for the AGM (48 hours before the time appointed for the AGM)	11:00 a.m. on 16 June 2026
Expected time and date of the AGM	11:00 a.m. on 18 June 2026
Announcement of the poll results of AGM	18 June 2026
Effective Date of the Share Consolidation	23 June 2026
First day of free exchange of existing share certificates for new share certificates for the Consolidated Shares	23 June 2026
Dealing in the Consolidated Shares commences	9:00 a.m. on 23 June 2026
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 23 June 2026
Temporary counter for trading in the Consolidated Shares in board lots of 500 Consolidated Shares (in the form of existing share certificates) opens	9:00 a.m. on 23 June 2026
Original counter for trading in the Consolidated Shares in board lots of 10,000 of Consolidated Shares (in the form of new share certificates) re-opens	9:00 a.m. on 8 July 2026

Parallel trading in the Consolidated Shares (in the form of both new share certificates and existing share certificates) commences ..... 9:00 a.m. on 8 July 2026

Designated broker starts to stand in the market to provide matching services for odd lots of the Consolidated Shares ..... 9:00 a.m. on 8 July 2026

Designated broker ceases to stand in the market to provide matching services for odd lots of the Consolidated Shares ..... 4:00 p.m. on 28 July 2026

Temporary counter for trading in the Consolidated Shares in board lots of 500 Consolidated Shares (in the form of existing share certificates) closes ..... 4:10 p.m. on 28 July 2026

Parallel trading in the Consolidated Shares (in the form of both new share certificates and existing share certificates) ends ..... 4:10 p.m. on 28 July 2026

Last day for free exchange of existing share certificates for new share certificates for the Consolidated Shares ..... 30 July 2026

GENERAL

None of the Directors has a material interest in the Share Consolidation and hence no Director was required to abstain from voting on the Board resolution approving the same.

The AGM will be convened and held for the Shareholders to consider and, if thought fit, pass the ordinary resolution in approving the Share Consolidation. A circular containing, among other matters, further details of the Share Consolidation together with a notice of the AGM will be issued to the Shareholders on or before Tuesday, 26 May 2026.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolution in respect of the Share Consolidation.

As the Share Consolidation is subject to the satisfaction of conditions, the Share Consolidation may or may not become effective. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares and if they are in any doubt about their position, they should consult their professional advisers.

DEFINITIONS

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

"AGM"	the annual general meeting of the Company to be convened and held at Room 2502, 25 Floor, South Tower, Concordia Plaza, 1 Science Museum Road, Tsim Sha Tsui, Kowloon, Hong Kong on Thursday, 18 June 2026, at 11:00 a.m., to consider and, if thought fit, approve, among other things, the proposed Share Consolidation
"Board"	the board of Directors
"Business Day"	a day (other than a Saturday, Sunday, public holiday and any day on which "extreme conditions" caused by super typhoons is announced by the Government of Hong Kong or a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a "black" rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) 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 from time to time in force
"Company"	Reach New Holdings Limited (新達控股有限公司), an exempted company incorporated in the Cayman Islands for limited liability (stock code: 8471)
"Consolidated Share(s)"	ordinary share(s) with par value of HK$0.2 each in the share capital of the Company upon the Share Consolidation having become effective
"Director(s)"	the director(s) of the Company
"Existing Share(s)"	ordinary share(s) with par value of HK$0.01 each in the share capital of the Company before the Share Consolidation becoming effective
"GEM"	the GEM of the Stock Exchange
"GEM Listing Committee"	has the same meaning ascribed to it under the GEM Listing Rules

"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM, as amended from time to time
"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
"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
"Placing"	placing of 245,200,000 new Shares under general mandate by the placing agent pursuant to the placing agreement dated 5 May 2026 entered into between the Company as issuer and Ruibang Securities Limited as placing agent
"Registrar"	Tricor Investor Services Limited, the Hong Kong Branch share registrar of the Company
"Share(s)"	the Existing Share(s) and/or the Consolidated Share(s) as the case may be
"Share Consolidation"	the proposed consolidation of every twenty (20) issued and unissued Existing Shares in the share capital of the Company into one (1) Consolidated Share in the share capital of the Company
"Shareholder(s)"	holder(s) of the issued Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"%"	per cent.

By Order of the Board
Reach New Holdings Limited
Sha Xuanyi
Chairlady and Executive Director

Hong Kong, 15 May 2026

As at the date of this announcement, the executive Directors are Ms. Sha Xuanyi (Chairlady), Mr. Lam Kai Yuen, Mr. Lam Kai Cheong and Mr. Li Rongsheng (Chief Executive Officer); the non-executive Director is Mr. Kok Bing Ching and the independent non-executive Directors are Mr. Liu Mingxiao, Mr. Zhu Honghai and Mr. Lin Kin-Chin.