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## **PROPOSED SHARE CONSOLIDATION**

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The Board proposes to implement the proposed Share Consolidation on the basis that every 5 issued and unissued Shares of par value of HK\$0.01 each in the share capital of the Company will be consolidated into one Consolidated Share of par value of HK\$0.05 each.

### **GENERAL**

The Share Consolidation is conditional upon, among other things, the passing of an ordinary resolution by the Shareholders at the SGM and the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares. 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 relating to the proposed Share Consolidation.

A circular containing, among other things, information regarding the proposed Share Consolidation and a notice of the SGM is expected to be despatched to the Shareholders on or about 27 July 2022.

**Shareholders and potential investors should note that the Share Consolidation is conditional upon satisfaction of the conditions as set out in the paragraphs headed "Conditions of the proposed Share Consolidation" below. Accordingly, the Share Consolidation may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares. If they are in any doubt, they should consult their professional advisers.**

\* For identification purposes only

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

The proposed Share Consolidation is conditional upon:

- (i) the passing of the relevant resolution to approve the proposed Share Consolidation by the Shareholders at the SGM;
- (ii) the compliance with all relevant procedures and requirements under Bermuda law (where applicable) to effect the Share Consolidation; and
- (iii) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Consolidated Shares.

Subject to the satisfaction of all the above conditions, it is expected that the Share Consolidation will become effective on the Effective Date, i.e. being the second Business Day immediately following the date of passing the relevant ordinary resolution approving the Share Consolidation at the SGM.

### **Effect of the proposed Share Consolidation**

As at the date of this announcement, the authorised share capital of the Company is HK\$400,000,000 divided into 40,000,000,000 Shares of par value of HK\$0.01 each, of which 2,418,879,481 Shares have been issued and are fully paid or credited as fully paid. Assuming that no further Shares are issued or repurchased between the date of this announcement and the date of the SGM, immediately after the proposed Share Consolidation becoming effective, the authorised share capital of the Company will become HK\$400,000,000 divided into 8,000,000,000 Consolidated Shares of par value of HK\$0.05 each, of which 483,775,896 Consolidated Shares will be in issue.

### **Status of the Consolidated Shares**

The Consolidated Shares will rank *pari passu* in all respects with each other in accordance with Memorandum of Association and Bye-Laws of the Company and as to all future dividends and distributions which are declared, made or paid. There will be no change in the relative rights of the Shareholders. Other than the expenses to be incurred in relation to the Share Consolidation (including without limitation professional fees and printing fees), the implementation of the Share Consolidation will not, in itself, alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders, save for any fractional Consolidated Shares which may arise.

Fractional Consolidated Shares will not be issued by the Company to the Shareholders. Any fractional entitlements of Consolidated Shares will be aggregated, sold and retained for the benefit of the Company.

### **Outstanding options, warrants or other securities**

As at the date of this announcement, there are outstanding 428,000,000 Share Options which are convertible into 428,000,000 Shares upon exercise of the respective conversion rights attaching thereto.

Except as disclosed above, the Company has no outstanding options, warrants, derivatives or other securities which are convertible or exchangeable into, any existing Shares or Consolidated Shares.

### **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. All necessary arrangements will be made for the Consolidated Shares to be admitted into the CCASS. The Share Consolidation will be conducted in accordance with the provisions in the Bye-laws.

No part of the share capital of the Company is listed or dealt in on any other stock exchanges other than the Stock Exchange and no such listing or permission to deal is being or is proposed to be sought.

### **Share Capital Structure of the Company before and after the Share Consolidation**

The following table sets out the effect on the share capital structure of the Company before and immediately after the Share Consolidation, assuming that no further Shares will be issued from the date of this announcement up to the Effective Date:

	<b>Before the Share Consolidation</b>	<b>After the Share Consolidation</b>
Par value per share of the Company	HK\$0.01	HK\$0.05
Authorized share capital of the Company	HK\$400,000,000	HK\$400,000,000
Number of authorized ordinary shares of the Company	40,000,000,000	8,000,000,000
Issued share capital of the Company	HK\$24,188,794.81	HK\$24,188,794.80
Number of issued ordinary shares of the Company	2,418,879,481	483,775,896

### **BOARD LOT SIZE**

As at the date of this announcement, the Shares are traded on the Stock Exchange in the board lot size of 10,000 Shares. No change to the board lot size is being contemplated as a result of the Share Consolidation.

Based on the closing price of HK\$0.062 per Share (equivalent to HK\$0.31 per Consolidated Share) as quoted on the Stock Exchange as at the date of this announcement, the value of each board lot of the Shares is HK\$620 and the theoretical market value of each board lot of the Consolidated Shares, assuming the proposed Share Consolidation had become effective, would be HK\$3,100.

### **Reasons for the proposed Share Consolidation**

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 on 1 October 2020 has stated that market price of the Shares at a level less than HK\$0.01 will be considered as trading at extremity as referred to under Rule 13.64 of the Listing Rules.

Taking into account of the closing price of HK\$0.062 per Share on 13 July 2022 (being the date of this announcement), the Share Consolidation would enable the Company to comply with the trading requirements under the Listing Rules.

The Share Consolidation will increase the nominal value of the Shares and will reduce the total number of Shares currently in issue. As such, it is expected that the Share Consolidation will bring about a corresponding upward adjustment in the trading price of the Shares.

As set out in the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by Hong Kong Exchanges and Clearing Limited, the value of each board lot shall not be less than HK\$2,000. Based on the closing price of HK\$0.062 per Share (equivalent to the theoretical closing price of HK\$0.31 per New Share upon the Share Consolidation becoming effective) as at the date of this announcement, (i) the value per board lot of 10,000 Existing Shares is HK\$620; and (ii) the value per board lot of 10,000 New Shares would be HK\$3,100 on the assumption that the Share Consolidation becomes effective.

Based on the above, the Board is of the view that the Share Consolidation is beneficial to and in the interests of the Company and its Shareholders as a whole.

### **CORPORATE ACTION PLAN OF THE COMPANY**

As at the date of this announcement, the Company has no intention to carry out other corporate actions in the next 12 months which may have an effect of undermining or negating the intended purpose of the Share Consolidation, and the Company does not have any plan, arrangement, understanding, intention, negotiation (either concluded or in process) on any fund raising activities or precise investment opportunities and has no immediate plan for issue of new Shares. However, the Board cannot rule out the possibility that the Company will conduct debt and/or 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.

## **OTHER ARRANGEMENTS**

### **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 services, on a best effort basis, to those Shareholders who wish to top up or sell their holding of odd lots of the Consolidated Shares. Details of the odd lot trading arrangement will be stated in the circular to be despatched to the Shareholders which shall also contain, *inter alia*, details of the proposed Share Consolidation. Holders of odd lots of the Consolidated Shares should note that successful matching of the sale and purchase of odd lots of the Consolidated Shares is not assured. Any Shareholder who has queries about the odd lots arrangement should consult his own professional advisers.

### **Free exchange of Consolidated Shares' certificates and trading arrangement**

Subject to the proposed Share Consolidation becoming effective, which is expected to be on Monday, 22 August 2022, Shareholders may, during the period from Monday, 22 August 2022 to Wednesday, 28 September 2022 (both days inclusive) between 9:00 a.m. and 4:30 p.m. on any Business Day, submit share certificates for the existing Shares in green colour to the Company's branch share registrar and transfer office in Hong Kong, Tricor Standard Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, to exchange, at the expense of the Company, for new certificates of the Consolidated Shares in red colour. Thereafter, each share certificate for the existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may be from time to time be specified by the Stock Exchange) for each new share certificate issued for the Consolidated Shares or each share certificate for the existing Shares submitted for cancellation, whichever the number of certificates issued or cancelled is higher. Nevertheless, the share certificates for the existing Shares will continue to be good evidence of legal title and may be exchanged for new share certificates for the Consolidated Shares at any time but are not accepted for trading, settlement and registration upon completion of the proposed Share Consolidation.

## **EXPECTED TIMETABLE**

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

<b>Event</b>	<b>Time and date 2022</b>
Expected date of despatch of the circular, notice and proxy form of the SGM . . . . .	not later than Wednesday, 27 July
Latest date and time for lodging transfer documents in order to qualify for attending and voting at the SGM . . . . .	4:30 p.m. on Friday, 12 August

<b>Event</b>	<b>Time and date 2022</b>
Closure of register of members for the entitlement to attend and vote at the SGM .....	Monday, 15 August to Thursday, 18 August (both days inclusive)
Latest time for return of proxy form of the SGM (not less than 48 hours prior to time of the SGM) .....	11:00 a.m. on Tuesday, 16 August
SGM .....	11:00 a.m. on Thursday, 18 August
Announcement of results of the SGM .....	Thursday, 18 August
Effective Date of the Share Consolidation .....	Monday, 22 August
Commencement of dealings in the Consolidated Shares .....	9:00 a.m. on Monday, 22 August
Original counter for trading in Shares in existing Shares in board lots of 10,000 Shares temporarily closes .....	9:00 a.m. on Monday, 22 August
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, 22 August
First day for free exchange of existing share certificates for new share certificates for Consolidated Shares commences .....	9:00 a.m. on Monday, 22 August
Original counter for trading in Consolidated Shares in board lots of 10,000 Consolidated Shares (in the form of new share certificates) re-opens .....	9:00 a.m. on Monday, 5 September
Designated broker starts to stand in the market to provide matching services for the sale and purchase of odd lots of Consolidated Shares .....	9:00 a.m. on Monday, 5 September
Parallel trading in Consolidated Shares (in the form of new and existing share certificates) begins .....	9:00 a.m. on Monday, 5 September

<b>Event</b>	<b>Time and date 2022</b>
Designated broker ceases to stand in the market to provide matching services for the sale and purchase of odd lots of Consolidated Shares . . . . .	4:00 p.m. on Monday, 26 September
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, 26 September
Parallel trading in Consolidated Shares (in the form of new and existing certificates) ends . . . . .	4:10 p.m. on Monday, 26 September
Last day for free exchange of existing certificates for new certificates for Consolidated Shares . . . . .	Wednesday, 28 September

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

**GENERAL**

The SGM will be convened and held for the Shareholders to consider and, if thought fit, to approve, among other things, the proposed Share Consolidation.

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 resolutions relating to the proposed Share Consolidation at the SGM.

A circular containing, among other things, information regarding the proposed Share Consolidation and a notice of the SGM is expected to be despatched to the Shareholders on or about Wednesday, 27 July 2022.

**Shareholders and potential investors should note that the Share Consolidation is conditional upon satisfaction of the conditions as set out in the paragraphs headed “Conditions of the proposed Share Consolidation” above in this announcement. Accordingly, the Share Consolidation may or may not proceed.**

**Shareholders and potential investors are advised to exercise caution when dealing in the Shares. If they are in any doubt, they should consult their professional advisers.**



## DEFINITIONS

In this announcement, the following expressions have the following meanings, unless the context requires otherwise:

“Board”	the board of directors of the Company;
“Business Day”	a day (other than a Saturday and Sunday) on which licensed banks are generally open for business more than five hours in Hong Kong;
“CCASS”	Central Clearing and Settlement System established and operated by the Hong Kong Securities Clearing Company Limited;
“Company”	AMCO United Holding Limited, a company incorporated in Bermuda, the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 630);
“Consolidated Share”	Share of par value of HK\$0.05 each in the share capital of the Company upon completion of the proposed Share Consolidation;
“Director”	a director of the board of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Committee”	the listing committee of the Stock Exchange;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“SGM”	the special general meeting of the Company to be convened to consider and, if thought fit, to approve, among other things, the proposed Share Consolidation;
“Share”	ordinary share of par value of HK\$0.01 each in the share capital of the Company;



“Share Consolidation”	the proposed consolidation of every 5 issued and unissued Shares of par value of HK\$0.01 each into one Consolidated Share of par value of HK\$0.05 each;
“Shareholders”	shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

By order of the Board  
**AMCO United Holding Limited**  
**ZHANG Hengxin**  
*Chairman and Managing Director*

Hong Kong, 13 July 2022

*As at the date of this announcement, Mr. Zhang Hengxin and Mr. Jia Minghui are the Executive Directors; and Mr. Chan Tsz Keung, Mr. Au Yeung Ming Yin Gordon and Mr. Guo Zhenhui are the Independent Non-executive Directors.*