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**GUANGDONG - HONG KONG GREATER BAY AREA
HOLDINGS LIMITED**

粤 港 湾 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1396)

PROPOSED SHARE CONSOLIDATION

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The Board proposes to implement the Share Consolidation on the basis that every ten (10) issued and unissued Existing Shares of HK\$0.01 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. As at the date of this announcement, there are 4,537,354,000 Existing Shares in issue which are fully paid or credited as fully paid. Assuming no further Shares will be allotted, issued or repurchased from the date of this announcement up to the date of the EGM, upon the Share Consolidation becoming effective, there will be 453,735,400 Consolidated Shares in issue which will be fully paid or credited as fully paid. The Existing Shares are currently traded on the Stock Exchange in board lot size of 2,000 Existing Shares. Upon the Share Consolidation becoming effective, the Consolidated Shares will continue to be traded in board lot size of 2,000 Consolidated Shares.

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, among other things, further information on the proposed Share Consolidation and a notice to convene the EGM are expected to be despatched to the Shareholders on or before Wednesday, 31 August 2022.

PROPOSED SHARE CONSOLIDATION

The Board proposes to implement the Share Consolidation on the basis that every ten (10) issued and unissued Existing Shares of HK\$0.01 each will be consolidated into one (1) Consolidated Share of HK\$0.1 each.

Effects of the Share Consolidation

As at the date of this announcement, the authorised share capital of the Company is HK\$80,000,000 divided into 8,000,000,000 Existing Shares of par value of HK\$0.01 each, of which 4,537,354,000 Existing Shares have been issued and are fully paid or credited as fully paid. Assuming that no further Shares will be allotted, issued or repurchased from the date of this announcement up to the date of the EGM, immediately after the Share Consolidation becoming effective, the authorised share capital of the Company will become HK\$80,000,000 divided into 800,000,000 Consolidated Shares of par value of HK\$0.1 each, of which 453,735,400 Consolidated Shares will be in issue and will be 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, 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.

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 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 obtaining of all necessary approvals from the regulatory authorities or otherwise as may be required in respect of the Share Consolidation, if any.

Listing Application

An application will be made by the Company to the 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 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.

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

Adjustments in relation to other securities of the Company

As at the date of this announcement, there are outstanding share options (the “**Options**”) granted by the Company. The proposed Share Consolidation may cause adjustments to the exercise prices of the Options and the number of Consolidated Shares to be issued under the outstanding Options pursuant to the terms and conditions of the Options and under the terms and conditions of the share option scheme of the Company granting such Options. Further announcement will be made in respect of the said adjustments as and when appropriate.

Save as disclosed above, as at the date of this announcement, 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.

No change in board lot size

The Existing Shares are currently traded on the Stock Exchange in board lot size of 2,000 Existing Shares. Upon the Share Consolidation becoming effective, the Consolidated Shares will continue to be traded in board lot size of 2,000 Consolidated Shares.

Based on the closing price of HK\$0.178 per Existing Share (equivalent to HK\$1.78 per Consolidated Share) as quoted on the Stock Exchange as at the date of this announcement, the market value of each board lot size of 2,000 Consolidated Shares, assuming the Share Consolidation had become effective, would be HK\$3,560.

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 of the Company 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 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 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.

Free exchange of share certificates for Consolidated Shares

Subject to the Share Consolidation becoming effective, which is currently expected to be on Tuesday, 27 September 2022, being the second Business Day immediately after the date of the EGM, Shareholders may on or after Tuesday, 27 September 2022 and until Monday, 7 November 2022 (both days inclusive), submit their existing share certificates in colour of blue for the Existing Shares to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for exchange for new share certificates for the Consolidated Shares in colour of yellow on the basis of every ten (10) Existing Shares for one (1) Consolidated Share without any fractional Consolidated Shares, at the expense of the Company.

Shareholders should note that after the prescribed time for free exchange of new share certificates, 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 Company's Hong Kong branch share registrar for exchange of new share certificates.

After 4:10 p.m. on Tuesday, 1 November 2022, trading will only be in Consolidated Shares which share certificates will be issued in colour of yellow. Existing share certificates in colour of blue for the Existing Shares will cease to be valid for trading, settlement and registration purpose, but will remain valid and effective as evidence of title.

REASONS FOR THE PROPOSED SHARE CONSOLIDATION

Pursuant 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 on 1 October 2020 (the "**Guideline**"), the expected board lot value should be greater than HK\$2,000 per board lot taking into account the minimum transaction costs for a securities trade. As at the date of this announcement, the closing price of each Existing Share is HK\$0.178, with a board lot size of 2,000 Existing Shares, the Company is trading below HK\$2,000 per board lot.

The Existing Share has been traded below HK\$1.0 for the past few years. 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. It is expected that the Share Consolidation will bring about a corresponding upward adjustment in the trading price per Consolidated Share. As such, it would enable the Company to comply with the trading requirements under the Listing Rules and the Guideline. Further, the Share Consolidation would reduce the overall transaction and handling costs of dealings in the shares of the Company as a proportion of the market value of each board lot, since most of the banks/securities houses will charge a minimum transaction costs for each securities trade. It is hoped that this will make investing in the Shares more attractive to a broader range of investors, in particular to institutional investors whose house rules might otherwise prohibit or restrict trading in securities that are priced below a prescribed floor, and thus help to further broaden the shareholder base of the Company.

The Company has no intention to carry out other corporate action or arrangement that may affect the trading in the shares of the Company, including share consolidation, share subdivision and change in board lot size, in the next 12 months which would have a contradictory effect to the Share Consolidation. The Company does not have any current intention or plan to undertake any equity issues in the next 12 months.

It is expected that the Share Consolidation will increase the value of each board lot of the Consolidated Shares to more than HK\$2,000. The theoretical price per board lot size of 2,000 Consolidated Shares will be HK\$3,560. The Company considers that the Share Consolidation is justifiable and the Board is of the view that the Share Consolidation is beneficial to the Company and the Shareholders as a whole.

EXPECTED TIMETABLE

Set out below is the expected timetable for the Share Consolidation. The expected timetable is subject to the results of the EGM and is therefore for indicative purpose only. Any change 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.

2022

Despatch date of circular with notice
of the EGM on or before
Wednesday, 31 August

Latest date and time for lodging transfer
documents in order to qualify for attending
and voting at the EGM 4:30 p.m. on
Monday, 19 September

Register of members of the Company closed for
the determining members who are entitled to
attend and vote at the EGM Tuesday, 20 September to Friday, 23 September
(both days inclusive)

Latest time for lodging forms of proxy for the EGM 4:00 p.m. on
Wednesday, 21 September

Record date for attendance and
voting at the EGM *(Note)* Friday, 23 September

Date and time of the EGM 4:00 p.m. on
Friday, 23 September

Publication of the announcement of
the results of the EGM Friday, 23 September

The following events are conditional on the fulfillment of the conditions for the implementation of the Share Consolidation as set out in this announcement:

Effective date of the Share Consolidation Tuesday, 27 September

Dealing in the Consolidated Shares commences 9:00 a.m. on
Tuesday, 27 September

First day of free exchange of existing share certificates
for new share certificates for Consolidated Shares Tuesday, 27 September

Original counter for trading in the Existing Shares
in board lots of 2,000 Existing Shares (in the form of
existing share certificates) temporarily closes 9:00 a.m. on
Tuesday, 27 September

Temporary counter for trading in the Consolidated
Shares in board lots of 200 Consolidated Shares
(in the form of existing share certificates) opens 9:00 a.m. on
Tuesday, 27 September

Original counter for trading in the Consolidated
Shares in 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
Wednesday, 12 October

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
Wednesday, 12 October

Designated broker starts to stand in the market
to provide matching services for odd lots of
the Consolidated Shares 9:00 a.m. on
Wednesday, 12 October

Designated broker ceases to stand in the market
to provide matching services for odd lots of
the Consolidated Shares 4:00 p.m. on
Tuesday, 1 November

Temporary counter for trading in the Consolidated Shares
in board lots of 200 Consolidated Shares
(in the form of existing share certificates) closes 4:10 p.m. on
Tuesday, 1 November

Parallel trading in the Consolidated Shares
(in the form of new share certificates for the
Consolidated Shares and existing share certificates) ends 4:10 p.m. on
Tuesday, 1 November

Last day and time for free exchange of
existing share certificates for new share certificates
for the Consolidated Shares4:30 p.m. on
Monday, 7 November

Note: Shareholders whose names appear on the register of members of the Company on 23 September 2022 will be entitled to attend and vote at the EGM. In order to qualify for attending the EGM, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Monday, 19 September 2022.

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, among other things, further information on the proposed Share Consolidation and a notice to convene the EGM are expected to be despatched to the Shareholders on or before Wednesday, 31 August 2022.

Only Shareholders whose names appear in the register of members of the Company on 23 September 2022 are entitled to attend and vote at the EGM. In order to qualify for the entitlement to attend and vote at the EGM, unregistered holders of Shares will ensure that all transfer documents and relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 19 September 2022.

Shareholders and potential investors should note that the Share Consolidation is conditional upon satisfaction of the conditions as set out in the paragraph headed "Conditions of the 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

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

“Board”	the board of 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
“Company”	Guangdong – Hong Kong Greater Bay Area Holdings Limited, 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 (Stock Code: 1396)
“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
“Existing Share(s)”	issued and unissued ordinary share(s) of HK\$0.01 each in the existing share capital of the Company before the Share Consolidation becoming effective
“EGM”	the extraordinary general meeting of the Company to be held for the purpose of considering and, if thought fit, approving the Share Consolidation
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, and for the purpose of this

	announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Share Consolidation”	the proposed consolidation of every ten (10) 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 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 dollars, the lawful currency of Hong Kong

By order of the Board
Guangdong – Hong Kong Greater Bay Area Holdings Limited
ZENG Yunshu
Chairman and Executive Director

Hong Kong, 17 August 2022

As at the date of this announcement, the executive Directors are Mr. Zeng Yunshu, Mr. Wong Choi Hing, Mr. Cai Hongwen, Mr. He Fei and Ms. Wei Haiyan; the non-executive Director is Mr. Feng Ke and the independent non-executive Directors are Mr. Dai Yiyi, Mr. Guan Huanfei and Mr. Han Qinchun.