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## **盛源控股有限公司**

**SHENG YUAN HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 851)**

**(1) POLL RESULTS OF SPECIAL GENERAL MEETING  
HELD ON 22 SEPTEMBER 2022**

**(2) CAPITAL REORGANIZATION AND SHARE CONSOLIDATION**

**(3) ADJUSTMENTS TO CONVERSION PRICE  
OF THE CONVERTIBLE BONDS**

Reference is made to (i) the announcement of Sheng Yuan Holdings Limited (the “**Company**”) dated 24 August 2022; (ii) the circular of the Company dated 31 August 2022 (the “**Circular**”); and (iii) the notice of special general meeting of the Company dated 31 August 2022 (the “**Notice**”) in relation to, among other things, the Capital Reorganization and the Share Consolidation. Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Circular.

The Board is pleased to announce that all proposed resolutions as set out in the Notice were duly approved by the Shareholders by way of poll at the SGM held on Thursday, 22 September 2022.

As at the date of the SGM, the total number of issued Shares of the Company was 3,819,705,413 Shares, which was the total number of Shares entitling the Shareholders to attend and vote for or against the resolutions proposed at the SGM. No Shareholders were required under the Listing Rules to abstain from voting on any of the resolutions proposed at the SGM and no Shareholders were entitled to attend and abstain from voting in favour as set out in Rule 13.40 of the Listing Rules. No Shareholders have stated their intention in the Circular to vote against or to abstain from voting on any of the proposed resolutions at the SGM.

The Company's Hong Kong branch share registrar, Tricor Tengis Limited, was appointed as the scrutineer at the SGM for the purpose of vote-taking.

The poll results in respect of the resolutions set out in the Notice and proposed at the SGM were as follows:

SPECIAL RESOLUTION		Number of Votes (%)	
		For	Against
1.	<p>Subject to and conditional upon (i) the listing committee of The Stock Exchange of Hong Kong Limited (the “<b>Stock Exchange</b>”) granting the listing of, and permission to deal in, the Consolidated Shares (as defined below); (ii) compliance with the requirements of section 46(2) of the Companies Act 1981 of Bermuda in respect of the Capital Reduction (as defined below); and (iii) the obtaining of all necessary approvals from the regulatory authorities or otherwise as may be required to effect the Capital Reorganisation (as defined below), with effect from the second business day immediately following the date on which this resolution is passed:</p> <p>a. the par value of each of the issued shares of the Company of HK\$0.05 each (the “<b>Existing Shares</b>”) be reduced from HK\$0.05 to HK\$0.01 by a cancellation of the paid-up capital to the extent of HK\$0.04 on each issued Existing Share so that following the aforesaid steps, each issued Existing Share will be treated as one fully paid-up share of par value of HK\$0.01 each in the share capital of the Company (the “<b>Adjusted Shares</b>”) (the “<b>Capital Reduction</b>”), and the credit arising from the Capital Reduction be transferred to the contributed surplus account of the Company;</p>	1,687,331,917 (99.99%)	400 (0.01%)

SPECIAL RESOLUTION		Number of Votes (%)	
		For	Against
	<p>b. immediately following the Capital Reduction, each of the authorised but unissued Existing Shares of HK\$0.05 each be sub-divided into five Adjusted Shares of par value of HK\$0.01 each (the “<b>Share Subdivision</b>”) so that immediately following the Capital Reduction and the Share Subdivision (collectively, the “<b>Capital Reorganisation</b>”), the authorised share capital of the Company shall become HK\$600,000,000 divided into 60,000,000,000 Adjusted Shares;</p> <p>c. the Adjusted Shares shall rank pari passu in all respects with each other and have such rights and subject to such restrictions as set out in the memorandum of association and bye-laws of the Company;</p> <p>d. the directors of the Company (the “<b>Directors</b>”) be and are hereby authorised to utilise the credit in the contributed surplus account of the Company for such purposes as may be permitted by the applicable laws and the bye-laws of the Company as the Directors consider appropriate; and</p> <p>e. the Directors be hereby authorised to do all such acts and things and execute all such documents on behalf of the Company, including under the common seal of the Company where applicable, as they may consider necessary or expedient to give effect to the Capital Reorganisation.</p>		

ORDINARY RESOLUTION		Number of Votes (%)	
		For	Against
2.	<p>Subject to and conditional upon (i) the Capital Reorganization having become effective; (ii) the listing committee of the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares (as defined below); and (iii) the obtaining of all necessary approvals from the regulatory authorities or otherwise as may be required to effect the Share Consolidation (as defined below), with effect from the second business day immediately following the date on which this resolution is passed:</p> <p>a. every ten (10) issued and unissued Adjusted Shares of par value HK\$0.01 each in the share capital of the Company be consolidated into one (1) consolidated share of par value HK\$0.10 each (the “<b>Consolidated Shares</b>”) in the share capital of the Company (the “<b>Share Consolidation</b>”), 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 in respect of the shares contained in the memorandum of association and bye-laws of the Company;</p> <p>b. all fractional entitlements to the issued Consolidated Shares resulting from the Share Consolidation (if any) will be disregarded and will not be issued to the shareholders of the Company but all such fractional Consolidated Shares will be aggregated and, if possible, sold and the net proceeds shall be retained for the benefit of the Company in such manner and on such terms as the Directors may think fit; and</p>	1,687,331,917 (99.99%)	400 (0.01%)

ORDINARY RESOLUTION		Number of Votes (%)	
		For	Against
	c. the Directors be hereby authorised to do all such acts and things and execute all such documents on behalf of the Company, including under the common seal of the Company where applicable, as they may consider necessary or expedient to give effect to the Share Consolidation.		

Please refer to the Notice and the Circular for the details of the above resolutions.

All Directors except Mr. Zhang Jinfan attended the SGM in person or by electronics means.

As more than three-fourths of votes were cast in favour of the special resolution no. 1, such resolution was duly passed by the Shareholders as a special resolution.

As more than 50% of votes were cast in favour of the ordinary resolutions no. 2, such resolution was duly passed by the Shareholders as an ordinary resolution.

## **THE CAPITAL REORGANIZATION AND THE SHARE CONSOLIDATION**

The Board is pleased to announce that all conditions precedent to the Capital Reorganization have been fulfilled. According to the poll results of the SGM and the expected timetable contained in the Circular, the Capital Reorganization and the Share Consolidation shall become effective on 26 September 2022.

Please refer to the Circular for the timetable, the trading arrangements and other details of the Capital Reorganization and the Share Consolidation.

### **Odd lot arrangement**

In order to alleviate the difficulties arising from the existence of odd lots of the Consolidated Shares arising from the Share Consolidation, the Company has appointed Sheng Yuan Securities Limited as an agent to provide matching services, on a best efforts 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 during the period from 9:00 a.m. on Tuesday, 11 October 2022 to 4:00 p.m. on Monday, 31 October 2022. Shareholders who wish to take advantage of this service should contact Mr. Hung of Sheng Yuan Securities Limited at telephone number (+852) 31928828 during office hours of such period.

## **Exchange of Share Certificates**

Upon the Capital Reorganization and the Share Consolidation on Monday, 26 September 2022, the Shareholders may on or after Monday, 26 September 2022 and until Wednesday, 2 November 2022 (both days inclusive) submit their existing share certificates for the Existing Shares in blue color for the Existing Shares to the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong to exchange for new share certificates for the Consolidated Shares in red color at the expense of the Company. Thereafter, share certificates 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 from time to time be specified by the Stock Exchange) for each new share certificate issued for the Consolidated Shares or each existing share certificate for the Existing Shares submitted for cancellation, whichever the number of certificates issued or cancelled is higher. After 4:10 p.m. on Monday, 31 October 2022, existing 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 acceptable for trading, settlement and registration purposes.

## **ADJUSTMENTS TO CONVERSION PRICE OF THE CONVERTIBLE BONDS**

Pursuant to the terms and conditions of the Convertible Bonds, the Conversion Price shall be subject to adjustment upon the occurrence of, among others, any alteration of the nominal value of the Shares by reason of consolidation or sub-division of Shares. Accordingly, the Share Consolidation gave rise to the adjustment to the Conversion Price. Pursuant to the terms and conditions of the Convertible Bonds, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such alteration by the following fraction:

$$\frac{A}{B}$$

where:

A is the nominal amount of one Share immediately after such alteration; and

B is the nominal amount of one Share immediately before such alteration, and

such adjustment shall become effective from the day on which such consolidation or subdivision becomes effective.

The adjustments resulting from the Share Consolidation as set out in the table below will take effect after the trading hours on Monday, 26 September 2022, being the date on which the Share Consolidation becomes effective:

<i>Convertible Bonds</i>	<i>After the Capital Reorganization but immediately before the Share Consolidation becoming effective</i>			<i>Immediately after the Share Consolidation becoming effective</i>	
	<i>Outstanding principal amount of the Convertible Bonds</i>	<i>Number of the Adjusted Shares to be allotted and issued upon exercise of all the conversion rights under the Convertible Bonds</i>	<i>Conversion Price per Adjusted Share</i>	<i>Adjusted number of the Consolidated Shares to be allotted and issued upon exercise of all the conversion rights under the Convertible Bonds</i>	<i>Adjusted Conversion Price per Consolidated Share</i>
<i>Date of Issue</i>					
21 May 2021 (due 2023)	HK\$150,000,000	5,000,000,000	HK\$0.03	500,000,000	HK\$0.3

As the Capital Reorganization will involve no sub-division of issued shares of the Company, it would not give rise to any other adjustment to the Conversion Price.

Save for the above adjustments, all other terms and conditions of the Convertible Bonds remain unchanged. Gram Capital Limited, the independent financial advisor of the Company, has certified the above conversion price adjustment of the Convertible Bonds in accordance with the instrument of the Convertible Bonds.

By order of the Board  
**Sheng Yuan Holdings Limited**  
**Zhou Quan**  
*Executive Director*

Hong Kong, 22 September 2022

*As at the date of this announcement, the Board consists of Mr. Ma Baojun (being a non-executive Director), Mr. Zhou Quan and Mr. Zhao Yun (both being executive Directors), Mr. Huang Shuanggang (being a non-executive Director), Mr. Zhang Jinfan and Ms. Huang Qin (both being independent non-executive Directors).*