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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 licensed securities dealer or other registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your Shares in Champion Technology Holdings Limited, you should at once hand this circular to the purchaser(s) or the transferee(s) or to the bank manager, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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CHAMPION TECHNOLOGY HOLDINGS LIMITED

冠軍科技集團有限公司

(Continued in Bermuda with limited liability)

(Stock Code: 92)

**(1) PROPOSED CAPITAL REORGANISATION
(2) CHANGE IN BOARD LOT SIZE
AND
(3) NOTICE OF SPECIAL GENERAL MEETING**

Capitalised terms used in this cover shall have the same meanings as those defined in this circular.

A notice convening the SGM to be held at Room 3601, Level 36, Tower 1, Enterprise Square Five, 38 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong on Friday, 15 March 2024 at 4:30 p.m. is set out on pages SGM-1 to SGM-3 of this circular.

Whether you are able to attend the SGM or not, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Secretaries 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 SGM (i.e. at or before 4:30 p.m. on Wednesday, 13 March 2024 (Hong Kong time) or any adjournment thereof (as the case may be)). Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjourned meeting (as the case may be) if you so wish and in such event, the form of proxy shall be deemed to be revoked.

References to time and dates in this circular are to Hong Kong time and dates.

22 February 2024

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DEFINITIONS

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

“Announcement”	the announcement of the Company dated 6 February 2024 in relation to, among other things, the proposed Capital Reorganisation and the Change in Board Lot Size
“Board”	the board of Directors
“Business Day(s)”	any day on which the Stock Exchange generally is open for business for dealing in securities in Hong Kong. For the avoidance of doubt, where the Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal or “extreme conditions” caused by super typhoons is announced by the Government of Hong Kong or black rainstorm warning or other similar event, such day shall not for the purposes of this circular be counted as a business day
“Bye-laws”	the bye-laws of the Company for the time being adopted by the Company and as amended from time to time
“Capital Reduction”	the proposal for the reduction of the par value of each issued Consolidated Shares from HK\$0.04 to HK\$0.01 by a cancellation of HK\$0.03 of the paid-up capital of the Company on each issued Consolidated Share
“Capital Reorganisation”	the proposed capital reorganisation of the Company involving the Share Consolidation, the Capital Reduction and the Diminution and Increase
“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 from time to time
“Change in Board Lot Size”	the proposed change in board lot size for trading from 24,000 Existing Shares to 12,000 New Shares
“Companies Act”	the Companies Act 1981 of Bermuda (as amended) in effect from time to time
“Company”	Champion Technology Holdings Limited, a company continued in Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange

DEFINITIONS

“Consolidated Share(s)”	the ordinary share(s) of HK\$0.04 each in the share capital of the Company immediately after the Share Consolidation becoming effective but before the Capital Reduction becoming effective
“Contributed Surplus Account”	the account designated as the contributed surplus account of the Company within the meaning of the Companies Act
“Diminution and Increase”	the proposed cancellation of all the authorised but unissued share capital of the Company (which shall include the authorised but unissued share capital arising from the Capital Reduction) in its entirety and forthwith upon such cancellation, the authorised share capital of the Company be increased to HK\$1,600,000,000 divided into 160,000,000,000 New Shares
“Director(s)”	the director(s) of the Company
“Effective Date”	the date on which the Capital Reorganisation becomes effective, being the second Business Day following the day of passing of the special resolution to approve the Capital Reorganisation at the SGM, or such other date as the Directors may determine
“Existing Share(s)”	the ordinary share(s) of HK\$0.01 each in the existing share capital of the Company prior to the Capital Reorganisation becoming effective
“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
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“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”	14 February 2024, being the latest practicable date prior to the publication of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Committee”	has the same meaning ascribed thereto under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“New Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company immediately following the Capital Reorganisation becoming effective
“SGM”	the special general meeting of the Company to be convened and held at 4:30 p.m. on Friday, 15 March 2024, to consider, and, if thought fit, to approve, among other things, the Capital Reorganisation
“Share(s)”	the Existing Share(s), the Consolidated Share(s) and/or the New Share(s), as the case may be
“Share Consolidation”	the proposed consolidation of every four (4) Existing Shares of HK\$0.01 each into one (1) Consolidated Share of HK\$0.04 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Existing Share(s), the Consolidated Share(s) and/or the New Share(s), as the case may be
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

EXPECTED TIMETABLE

Set out below is the expected timetable for the implementation of the Capital Reorganisation and the Change in Board Lot Size. The expected timetable is subject to the results of the SGM, satisfaction of the conditions to the Capital Reorganisation and may be extended or varied due to additional time required for compliance with regulatory requirements in Bermuda and is therefore for indicative purpose only. All times and dates in this circular refer to the Hong Kong local times and dates.

Event	2024
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Latest date and time for lodging transfers of the Existing Shares for attending and voting at the SGM	4:30 p.m. on Monday, 11 March
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Closure of register of members for determining the entitlement to attend and vote at the SGM (both days inclusive)....	Tuesday, 12 March to Friday, 15 March
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Latest date and time for lodging proxy forms for the SGM	4:30 p.m. on Wednesday, 13 March
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Date and time of the SGM	4:30 p.m. on Friday, 15 March
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Announcement of the results of the SGM to be posted on the Stock Exchange's website and the Company's website.....	Friday, 15 March
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Register of members of the Company re-opens.....	Monday, 18 March
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The following events are conditional on the fulfilment of the conditions for the implementation of the Capital Reorganisation and therefore the dates are tentative only.

Expected effective date of the Capital Reorganisation.....	Tuesday, 19 March
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First day of free exchange of existing share certificates into new share certificates for the New Shares	Tuesday, 19 March
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Commencement of dealing in the New Shares.....	9:00 a.m. on Tuesday, 19 March
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Original counter for trading in the Existing Shares in board lots of 24,000 Existing Shares (in the form of existing share certificates) temporarily closes.....	9:00 a.m. on Tuesday, 19 March
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Temporary counter for trading in the New Shares in board lots of 6,000 New Shares (in the form of existing share certificates) opens.....	9:00 a.m. on Tuesday, 19 March
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Expected effective date of the Change in Board Lot Size.....	Friday, 5 April
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EXPECTED TIMETABLE

Original counter for trading in the New Shares
in board lots of 12,000 New Shares (in the form of
new share certificates) re-opens..... 9:00 a.m. on Friday, 5 April

Parallel trading in the New Shares (in the form of
existing share certificates and new share
certificates) commences..... 9:00 a.m. on Friday, 5 April

Designated broker starts to stand in the market to provide
matching services for odd lots of the New Shares 9:00 a.m. on Friday, 5 April

Designated broker ceases to stand in the market to provide
matching services for odd lots of the New Shares 4:00 p.m. on Thursday, 25 April

Temporary counter for trading in the New Shares
in board lots of 6,000 New Shares (in the form of
existing share certificates) closes 4:10 p.m. on Thursday, 25 April

Parallel trading in the New Shares (in the form of
existing share certificates and new share certificates) ends 4:10 p.m. on Thursday, 25 April

Last day for free exchange of existing share certificates
into new share certificates for the New Shares Monday, 29 April

The timetable is indicative only and may be extended or varied. Any change to the expected timetable above will be announced by the Company as and when appropriate.

LETTER FROM THE BOARD



CHAMPION TECHNOLOGY HOLDINGS LIMITED

冠軍科技集團有限公司

(Continued in Bermuda with limited liability)

(Stock Code: 92)

Executive Director:

Ms. WONG Man Winny (*Chairperson*)

Non-executive Directors:

Mr. LIU Ka Lim

Ms. TO Yin Fong Cecilica

Independent non-executive Directors:

Mr. LEUNG Man Fai

Mr. CHAN Yik Hei

Mr. WONG Yuk Man Edmand

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

***Head office and principal place of
business in Hong Kong:***

Units 4214–15, 42nd Floor

Hong Kong Plaza

188 Connaught Road West

Hong Kong

22 February 2024

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSED CAPITAL REORGANISATION
AND
(2) CHANGE IN BOARD LOT SIZE**

INTRODUCTION

Reference is made to the Announcement, in relation to, among other matters, the proposed Capital Reorganisation and the Change in Board Lot Size.

The purpose of this circular is to provide you with, among others, further details on the proposed Capital Reorganisation, the Change in Board Lot Size and the special resolution to be proposed at the SGM for the proposed Capital Reorganisation and to give you notice of SGM in order to enable you to make an informed decision on whether to vote for or against the special resolution to be proposed.

LETTER FROM THE BOARD

(1) PROPOSED CAPITAL REORGANISATION

As at the Latest Practicable Date, the existing authorised share capital of the Company is HK\$1,600,000,000 divided into 160,000,000,000 Existing Shares, of which 2,735,323,392 Existing Shares are in issue. The Company proposes to carry out the Capital Reorganisation, which involves the Share Consolidation, the Capital Reduction and the Diminution and Increase as follows:

- (i) the Company proposes to implement the Share Consolidation on the basis that every four (4) issued and unissued Existing Shares of HK\$0.01 each in the share capital of the Company be consolidated into one (1) Consolidated Share of HK\$0.04 each. Immediately after the Share Consolidation but prior to the Capital Reduction and assuming no further Existing Shares will be issued or repurchased from the Latest Practicable Date up to and including the effective date of the Share Consolidation, the authorised share capital of the Company will be HK\$1,600,000,000 divided into 40,000,000,000 Consolidated Shares of HK\$0.04 each. As at the Latest Practicable Date, there are 2,735,323,392 Existing Shares in issue. On the basis of such issued share capital, there will be 683,830,848 Consolidated Shares of HK\$0.04 each in issue immediately upon the Share Consolidation becoming effective. The Consolidated Shares will rank *pari passu* in all respects with each other;
- (ii) immediately following the Share Consolidation becoming effective, the Capital Reduction whereby the issued share capital of the Company will be reduced from an amount of HK\$27,353,233.92 by an amount of HK\$20,514,925.44 to an amount of HK\$6,838,308.48 such that the par value of each issued Consolidated Share be reduced from HK\$0.04 to HK\$0.01 by cancellation of HK\$0.03 of the paid-up capital of the Company on each issued Consolidated Share so that each issued Consolidated Share will be treated as one (1) fully paid-up share of par value HK\$0.01 each in the share capital of the Company;
- (iii) immediately following the Capital Reduction, all the authorised but unissued share capital of the Company (which shall include the authorised but unissued share capital arising from the Capital Reduction) will be cancelled in its entirety and forthwith upon such cancellation, the authorised share capital of the Company will be increased to HK\$1,600,000,000 by the creation of such number of additional New Shares as shall be sufficient to increase the authorised share capital of the Company to HK\$1,600,000,000 divided into 160,000,000,000 New Shares;
- (iv) the credit arising from the Capital Reduction be transferred to the Contributed Surplus Account; and
- (v) the amount standing to the credit of the Contributed Surplus Account be applied in any manner as may be permitted under the Bye-laws, the Companies Act and all applicable laws including, without limitation, eliminating or setting off the accumulated losses of

LETTER FROM THE BOARD

the Company from time to time and/or paying dividend and/or making any other distribution out of the Contributed Surplus Account from time to time without further authorisation from the Shareholders.

Conditions of the Capital Reorganisation

The implementation of the Share Consolidation, the Capital Reduction and the Diminution and Increase are inter-conditional on each other. The Capital Reorganisation is conditional on the following conditions being fulfilled:

- (i) the passing of a special resolution(s) by the Shareholders at the SGM to approve the Capital Reorganisation;
- (ii) the Listing Committee granting the approval for listing of, and permission to deal in, the New Shares;
- (iii) the compliance with the relevant procedures and requirements under the laws of Bermuda and the Listing Rules to effect the Capital Reorganisation; and
- (iv) the obtaining of all necessary approvals from the regulatory authorities or otherwise as may be required in respect of the Capital Reorganisation.

Subject to the fulfilment of the above conditions, it is expected that the Capital Reorganisation will become effective on the Effective Date. As at the Latest Practicable Date, none of the above conditions have been fulfilled.

LETTER FROM THE BOARD

Effects of the Capital Reorganisation

Assuming there will be no change in the issued share capital of the Company from the Latest Practicable Date up to the Effective Date, the share capital structure of the Company immediately after the Capital Reorganisation becoming effective will be as follows:

	As at the Latest Practicable Date	Immediately after the Share Consolidation becoming effective but prior to the Capital Reduction becoming effective	Immediately after the Share Consolidation and the Capital Reduction becoming effective but prior to the Diminution and Increase	Immediately after the Capital Reorganisation becoming effective
Par value	HK\$0.01 per Existing Share	HK\$0.04 per Consolidated Share	HK\$0.01 per Consolidated Share	HK\$0.01 per New Share
Amount of the authorised share capital	HK\$1,600,000,000	HK\$1,600,000,000	HK\$1,600,000,000	HK\$1,600,000,000
Number of authorised Shares	160,000,000,000 Existing Shares	40,000,000,000 Consolidated Shares	40,000,000,000 Consolidated Shares	160,000,000,000 New Shares
Amount of the issued share capital	HK\$27,353,233.92	HK\$27,353,233.92	HK\$6,838,308.48	HK\$6,838,308.48
Number of issued Shares	2,735,323,392 Existing Shares	683,830,848 Consolidated Shares	683,830,848 Consolidated Shares	683,830,848 New Shares

Note: The above share capital structure of the Company is for illustration purpose only.

As at the Latest Practicable Date, 2,735,323,392 Existing Shares have been issued and are fully paid or credited as fully paid. Immediately upon the Capital Reorganisation becoming effective and assuming there will be no change in the issued share capital of the Company from the Latest Practicable Date up to and including the Effective Date, the authorised share capital of the Company will be HK\$1,600,000,000 divided into 160,000,000,000 New Shares of par value of HK\$0.01 each, of which 683,830,848 New Shares would have been issued as fully paid or credited as fully paid. The New Shares will rank *pari passu* in all respects with each other.

A credit will arise as a result of the Capital Reduction. It is proposed that such credit will be transferred to the Contributed Surplus Account and be applied in any manner as may be permitted under the Bye-laws, the Companies Act and all applicable laws including, without limitation, eliminating or setting off the accumulated losses of the Company from time to time and/or paying dividend and/or making any other distribution out of the Contributed Surplus Account from time to time without further authorisation from the Shareholders.

LETTER FROM THE BOARD

Shareholders and potential investors should note that the credits arising in the books from the Capital Reduction will be subject to change depending on the number of the Existing Shares in issue immediately prior to the Capital Reorganisation becoming effective.

As at the Latest Practice Date, the Company has no outstanding warrants, options or convertible securities.

Other than the relevant expenses incurred, the implementation of the Capital Reorganisation will have no effect on the consolidated net asset value of the Group, nor will it alter the underlying assets, business, operations, management or financial position of the Group or the interests of the Shareholders as a whole. The Board believes that the Capital Reorganisation will not have any material adverse effect on the financial position of the Company and that on the date the Capital Reorganisation is to be effected, there are no reasonable grounds for believing that the Company is, or after the Capital Reorganisation would be, unable to pay its liabilities as they become due. The Capital Reorganisation 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 relevant rights of the Shareholders.

(2) PROPOSED CHANGE IN BOARD LOT SIZE

As at the Latest Practicable Date, the Existing Shares are currently traded on the Stock Exchange in the board lot size of 24,000 Existing Shares. Conditional upon the Capital Reorganisation becoming effective, the Board proposes to Change in Board Lot Size for trading in the New Shares to 12,000 New Shares.

Based on the closing price of HK\$0.062 per Existing Share (equivalent to the theoretical closing price of HK\$0.248 per New Share) as quoted on the Stock Exchange as at the Latest Practicable Date, the market value of each board lot of the Existing Shares is HK\$1,488. Based on the average closing price of HK\$0.084 per Existing Shares (equivalent to the theoretical closing price of HK\$0.336 per New Share) as quoted on the Stock Exchange during the six months immediately preceding the Latest Practicable Date (excluding the trading suspension period between 9 June 2023 and 9 October 2023, the “**Relevant Period**”), the average market value of each board lot of the Existing Shares during the Relevant Period was HK\$2,016. Based on the highest and lowest closing price of HK\$0.135 and HK\$0.057 per Existing Shares, respectively (equivalent to the theoretical closing price of HK\$0.540 and HK\$0.228 per New Share, respectively) as quoted on the Stock Exchange during the Relevant Period, the highest and lowest market value of each board lot of the Existing Shares during the Relevant Period was HK\$3,240 and HK\$1,368, respectively. Upon the Capital Reorganisation and Change in Board Lot Size becoming effective, the New Shares will be traded in board lots of 12,000 New Shares and the theoretical market value of each board lot of the New Shares, would be HK\$2,976 based on the theoretical closing price of HK\$0.248 per New Share as quoted on the Stock Exchange as at the Latest Practicable Date.

LETTER FROM THE BOARD

REASONS FOR THE CAPITAL REORGANISATION AND THE CHANGE IN BOARD LOT SIZE

Pursuant to the Bye-laws and the Companies Act, the Company shall not issue any shares at a price below par value. In order to lower the par value of the shares of the Company for facilitating possible fund raising activities in the future, it is necessary to implement the Capital Reduction which forms part of the Capital Reorganisation. The Capital Reduction effectively reduces the par value of the Consolidated Share of HK\$0.04 each by 75% to HK\$0.01 each for each New Share.

Pursuant to Rule 13.64 of the Listing Rules, where the market price of the Existing Shares approaches the extremities of HK\$0.01 or HK\$9,995.00, the Company may be required either to change the trading method or to proceed with a consolidation or splitting of the Existing Shares. 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 “Guide”) has further stated that (i) market price of the Existing Shares at a level less than HK\$0.10 each will be considered as trading at extremity as referred to under Rule 13.64 of the Listing Rules; and (ii) taking into account the minimum transaction costs for a securities trade, the expected value per board lot should be greater than HK\$2,000. On this basis, the Board considers that it is appropriate to implement the Capital Reorganisation.

The Company has been constantly monitoring the trading prices of the Existing Shares. It was noted that the trading prices of the Existing Shares experienced a downward trend recently. The Board considers that the Capital Reorganisation will give the Company greater flexibility in pricing future capital raising exercise. Based on (i) the closing price of HK\$0.062 per Existing Share as quoted on the Stock Exchange as at the Latest Practicable Date; (ii) the average closing price of HK\$0.084 per Existing Share as quoted on the Stock Exchange during the Relevant Period; and (iii) the lowest closing price of HK\$0.057 per Existing Share as quoted on the Stock Exchange during the Relevant Period, the Existing Shares have been generally traded below HK\$0.10 and the board lot value of the Existing Shares has been generally less than HK\$2,000 during the Relevant Period. The Board considers that the Capital Reorganisation and the Change in Board Lot Size are expected to bring about a corresponding upward adjustment in the trading price per new board lot of the New Shares. The Capital Reorganisation would also enable the share price and the value of the new board lot to comply with the minimum transaction costs for a securities trade with the expected board lot value of greater than HK\$2,000 as set out in the Guide under the Listing Rules. The proposed Share Consolidation will reduce the total number of Existing Shares currently in issue and it is expected to bring about a corresponding upward adjustment in the trading price per board lot of the Consolidated Shares on the Stock Exchange. In addition, the Capital Reorganisation and the Change in Board Lot Size would reduce the overall transaction and handling costs of dealings in the New Shares as a proportion of the market value of each board lot, since most of the banks or securities houses will charge a minimum transaction cost for each securities trade irrespective of the value of the transaction. Based on the closing price of HK\$0.062 per Existing Share (equivalent to the theoretical closing price of HK\$0.248 per New Share) as quoted on the Stock Exchange as at the Latest Practicable Date and the existing board lot of 24,000 Existing Shares, the market value of each board lot of the Existing Shares is HK\$1,488. Upon the Capital Reorganisation and the

LETTER FROM THE BOARD

Change in Board Lot Size becoming effective, the New Shares will be traded in board lot size of 12,000 New Shares. Based on the theoretical closing price of HK\$0.248 per New Shares, the market value of each board lot of the New Shares would be HK\$2,976. Despite the higher value of each board lot of the New Shares, the minimum transaction cost would remain the same per board lot. Since the market value of each board lot of the New Shares would be approximately doubled, the Shareholder would save approximately half of the brokerage fee for trading the Share at similar market value. It is expected that the Capital Reorganisation would maintain the trading amount for each board lot at a reasonable level and attract a broader range of investors of the Company and thus further broaden the Shareholders' base, including institutional investors whose house rules might otherwise prohibit or restrict trading in securities that are priced below a prescribed floor. It is also expected that the liquidity in trading of the New Shares will increase accordingly. The proposed Diminution and Increase will increase the unissued share capital of the Company, which will provide greater flexibility to the Company to raising capital and facilitate any such future expansion in the share capital of the Company. The Capital Reduction will reduce the par value of the Consolidation Shares from HK\$0.04 to HK\$0.01 each, which shall further enhance the Company's flexibility to issue new shares in the future given under the laws of Bermuda, a company may not issue shares at a discount to the par value of its shares. Accordingly, the Directors are of the view that the Capital Reorganisation and the Change in Board Lot Size is in the interests of the Company and the Shareholders as a whole.

It is important for Shareholders to note that, as at the Latest Practicable Date, there can be no assurance that any dividends will be declared or paid in the future, or that the Company will issue new shares, even if the Capital Reorganisation takes effect. As at the Latest Practicable Date, the Company has no intention to declare any dividend.

As at the Latest Practicable Date, the Company has no plan to carry out any further share consolidation, share subdivision, change in board lot size or any fund-raising activities that may affect the trading arrangements in the shares of the Company in the next 12 months. However, the Board cannot rule out the possibility that the Company will conduct debt and/or equity fund raising exercises when suitable fund raising 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. As it takes time to conduct the Capital Reorganisation and the Change in Board Lot Size, the Board considers it is in the interest of the Company and the Shareholders as a whole to complete the exercise as soon as possible.

Furthermore, it is proposed that the credit arising as a result of the Capital Reduction will be transferred to the Contributed Surplus Account and be applied in any manner as may be permitted under the Bye-laws, the Companies Act and all applicable laws including, without limitation, eliminating or setting off the accumulated losses of the Company from time to time and/or paying dividend and/or making any other distribution out of the Contributed Surplus Account from time to time.

LETTER FROM THE BOARD

In view of the above reasons, the Board considers that the Capital Reorganisation and the Change in Board Lot Size are justifiable and are beneficial to and in the interests of the Company and the Shareholders as a whole.

Listing of and dealings

Application has been made to the Listing Committee of the Stock Exchange for the granting of listing of, and permission to deal in, the New Shares.

Subject to the granting of listing of, and permission to deal in, the New Shares on the Stock Exchange, as well as compliance with the stock admission requirements of the HKSCC, the New 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 New 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 New Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares or debt securities of the Company are listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time the Capital Reorganisation becomes effective, the New 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.

Exchange of new share certificates for the New Shares

Subject to the Capital Reorganisation becoming effective, Shareholders may submit share certificates for the Existing Shares (in yellow color), to the branch share registrar of the Company in Hong Kong, Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong between 9:00 a.m. and 4:30 p.m. on any Business Day during the period from Tuesday, 19 March 2024 to Monday, 29 April 2024 (both days inclusive), to exchange, at the expense of the Company, for the new share certificates for the New Shares (in blue color). It is expected that the new share certificates for the New Shares will be available for collection within 10 Business Days after the submission for the existing share certificates to the branch share registrar of the Company in Hong Kong for exchange.

Shareholders should note that after the prescribed time for free exchange of share certificates, a fee of HK\$2.50 each (or such higher amount as may from time to time be allowed by the Stock Exchange) will be payable by the Shareholders to the branch share registrar for each share certificate for the Existing Shares submitted for cancellation or each new share certificate issued for the New Shares, whichever the number of share certificates involved is higher.

LETTER FROM THE BOARD

After 4:10 p.m. on Thursday, 25 April 2024, trading will only be in New Shares which share certificates will be issued in blue colour. Existing share certificates in yellow 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.

Arrangement on odd lot trading and matching services

In order to facilitate the trading of odd lots (if any) of the New Shares arising from the Capital Reorganisation, the Company has appointed Get Nice Financial Group Limited as an agent to provide matching services, on a best effort basis, to those Shareholders who wish to acquire odd lots of the New Shares to make up a full board lot, or to dispose of their holding of odd lots of the New Shares during the period from 9:00 a.m. on Friday, 5 April 2024 to 4:00 p.m. on Thursday, 25 April 2024 (both days inclusive). Shareholders who wish to take advantage of this facility may contact Mr. Larry Ng of Get Nice Financial Group Limited at G/F to 3/F, Cosco Tower, Grand Millennium Plaza, 183 Queen's Road Central, Hong Kong or at telephone number (852) 2526 7868 during office hours (i.e. 9:00 a.m. to 4:30 p.m. within such period). Shareholders who would like to match odd lots are recommended to make an appointment in advance by dialing the telephone number of Get Nice Financial Group Limited set out above.

Holders of odd lots of the New Shares should note that successful matching of the sale and purchase of odd lots of the New Shares is not guaranteed. Any Shareholder who is in any doubt about the odd lot arrangement is recommended to consult his/her/its own professional advisers.

GENERAL

The SGM will be convened for the Shareholders to consider and, if thought fit, approve the Capital Reorganisation.

The notice convening the SGM to be held at Room 3601, Level 36, Tower 1, Enterprise Square Five, 38 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong on Friday, 15 March 2024 at 4:30 p.m. is set out on pages SGM-1 to SGM-3 of this circular.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders have a material interest in the Capital Reorganisation and no Shareholders are required to abstain from voting on the resolutions to approve the Capital Reorganisation at the SGM.

A form of proxy for use at the SGM is also enclosed. Whether you are able to attend the SGM or not, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible but in any event not later than 48 hours before the time appointed for holding the SGM (i.e. at or before 4:30 p.m. on Wednesday, 13 March 2024 (Hong Kong time) or any adjournment thereof (as the case may be)). Completion and return of the form of

LETTER FROM THE BOARD

proxy will not preclude you from attending and voting in person at the SGM or any adjourned meeting (as the case maybe) if you so wish and in such event, the form of proxy shall be deemed to be revoked.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, the proposed special resolution will be put to vote by way of poll at the SGM. An announcement on the poll vote results will be published by the Company after the SGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

CLOSURE OF REGISTER OF MEMBERS

For determination of the entitlement to attend and vote at the SGM, the register of members of the Company will be closed from Tuesday, 12 March 2024 to Friday, 15 March 2024 (both days inclusive), during which period no transfer of Shares will be effected. In order to be qualified for attending and voting at the SGM, unregistered holders of Shares should ensure that all share transfer documents accompanied by the corresponding share certificates are lodged with the Hong Kong branch share registrar of the Company, Tricor Secretaries Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. (Hong Kong time) on Monday, 11 March 2024.

RECOMMENDATIONS

The Directors consider that the Capital Reorganisation is in the best interests of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of the special resolution at the SGM.

ADDITIONAL INFORMATION

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,
For and on behalf of the Board
Champion Technology Holdings Limited
Wong Man Winny
Chairperson



CHAMPION TECHNOLOGY HOLDINGS LIMITED

冠軍科技集團有限公司

(Continued in Bermuda with limited liability)

(Stock Code: 92)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the special general meeting (the “**SGM**”) of Champion Technology Holdings Limited (the “**Company**”) will be held at Room 3601, Level 36, Tower 1, Enterprise Square Five, 38 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong on Friday, 15 March 2024 at 4:30 p.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolution as special resolution:

SPECIAL RESOLUTION

1. **“THAT** subject to and conditional upon (i) the listing committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the approval for listing of, and permission to deal in, the New Shares (as defined below); (ii) the compliance with the relevant procedures and requirements under the laws of Bermuda and the Rules Governing the Listing of Securities on the Stock Exchange to effect the Capital Reorganisation (as defined below); and (iii) the obtaining of all necessary approvals from the regulatory authorities or otherwise as may be required in respect of the Capital Reorganisation (as defined below), with effect from the second business day on which the Stock Exchange generally is open for business for dealing in securities in Hong Kong, or such other date as the directors of the Company (“**Director(s)**”) may determine (“**Effective Date**”) following the date of passing this resolution by the shareholders of the Company (the “**Shareholders**”):
 - (a) every four (4) issued and unissued existing shares of HK\$0.01 each in the share capital of the Company be consolidated into one (1) consolidated Share (the “**Consolidated Share(s)**”) of HK\$0.04 each (the “**Share Consolidation**”);
 - (b) immediately following the Share Consolidation becoming effective, the issued share capital of the Company be reduced from an amount of HK\$27,353,233.92 by an amount of HK\$20,514,925.44 to an amount of HK\$6,838,308.48 such that the par value of each issued Consolidated Share be reduced from HK\$0.04 to HK\$0.01 by cancellation of HK\$0.03 of the paid-up capital of the Company on each issued Consolidated Share so that each issued Consolidated Share will be treated as one (1) fully paid-up share (the “**New Share(s)**”) of par value HK\$0.01 each in the share capital of the Company (the “**Capital Reduction**”);

NOTICE OF SGM

- (c) immediately following the Capital Reduction, all the authorised but unissued share capital of the Company (which shall include the authorised but unissued share capital arising from the Capital Reduction) be cancelled in its entirety and forthwith upon such cancellation, the authorised share capital of the Company be increased to HK\$1,600,000,000 by the creation of such number of additional New Shares as shall be sufficient to increase the authorised share capital of the Company to HK\$1,600,000,000 divided into 160,000,000,000 New Shares (the “**Diminution and Increase**”);
- (d) the credit arising from the Capital Reduction be transferred to the contributed surplus account of the Company (the “**Contributed Surplus Account**”);
- (e) the amount standing to the credit of the Contributed Surplus Account be applied in any manner as may be permitted under the bye-laws of the Company (“**Bye-laws**”), the Companies Act 1981 of Bermuda and all applicable laws including, without limitation, eliminating or setting off the accumulated losses of the Company from time to time and/or paying dividend and/or making any other distribution out of the Contributed Surplus Account from time to time without further authorisation from the Shareholders;
- (f) each of the New Shares arising from the Share Consolidation, Capital Reduction and Diminution and Increase (together, the “**Capital Reorganisation**”) shall rank *pari passu* in all respects with each other and will have rights and privileges and be subject to the restrictions contained in the Bye-laws; and
- (g) any one of the Directors be and is/are hereby authorised to do all such acts and things and execute all such documents, and take any and all steps, and to do and/or procure to be done any and all acts and things as he/she may consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the Capital Reorganisation.”

By Order of the Board
Champion Technology Holdings Limited
Wong Man Winny
Chairperson

Hong Kong, 22 February 2024

NOTICE OF SGM

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place of
business in Hong Kong:*
Units 4214–15, 42nd Floor
Hong Kong Plaza
No. 188 Connaught Road West
Hong Kong

Notes:

1. The register of members of the Company will be closed from Tuesday, 12 March 2024 to Friday, 15 March 2024 (both days inclusive) for the purpose of determining the eligibility of the Shareholders to attend and vote at the SGM. During the closure of the register of members of the Company, no transfer of Shares will be effected. In order to be qualified for attending and voting at the SGM (or at any adjournment thereof), all transfer documents accompanied by the relevant share certificates must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Monday, 11 March 2024.
2. A member entitled to attend and vote at the SGM is entitled to appoint one proxy or, if he/she/it is a holder of two or more Shares may appoint more than one proxy to attend and vote instead of him/her/it. A proxy needs not be a member of the Company.
3. Where there are joint holders of any Share, any one of such joint holder may vote at the SGM, either personally or by proxy, in respect of such Share as if he/she/it was solely entitled thereto, but if more than one of such joint holders be present at the SGM personally or by proxy, that the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
4. To be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority, must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not less than 48 hours before the time appointed for holding the SGM (i.e. at or before 4:30 p.m. on Wednesday, 13 March 2024 (Hong Kong time)) or any adjournment thereof (as the case may be).
5. Completion and return of the form of proxy will not preclude a member of the Company from attending and voting in person at the SGM or any adjournment thereof (as the case may be) if he/she/it so desires. If a member of the Company attends the SGM after having deposited the form of proxy, his/her/its form of proxy will be deemed to have been revoked.
6. A form of proxy for use at the SGM is enclosed with the circular to the Shareholders.
7. The special resolution set out above will be determined by way of a poll.
8. References to time and dates in this notice are to Hong Kong time and dates.

As at the date of this notice, the board of Directors comprises Ms. Wong Man Winny as executive Director, Mr. Liu Ka Lim and Ms. To Yin Fong Cecilica as non-executive Directors and Mr. Leung Man Fai, Mr. Chan Yik Hei and Mr. Wong Yuk Man Edmand as independent non-executive Directors.