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復興亞洲絲路集團有限公司
RENAISSANCE ASIA SILK ROAD GROUP LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock code: 274)

**PROPOSED SHARE CONSOLIDATION AND
CHANGE IN BOARD LOT SIZE**

PROPOSED SHARE CONSOLIDATION

The Board proposes to implement the Share Consolidation on the basis that every five (5) issued and unissued Shares of par value of HK\$0.01 each be consolidated into one (1) Consolidated Share of HK\$0.05 each.

The Share Consolidation is conditional upon, among others, the approval by the Shareholders at the EGM.

As at the date of this announcement, the authorised share capital of the Company is HK\$250,000,000 divided into 25,000,000,000 Existing Shares with par value of HK\$0.01 each, of which 2,912,625,443 Shares have been allotted and issued as fully paid or credited as fully paid.

Upon the Share Consolidation becoming effective and assuming that there are no changes on the authorised share capital of the Company from the date hereof until the Share Consolidation becomes effective, the authorised share capital of the Company will become HK\$250,000,000 divided into 5,000,000,000 Consolidated Shares with par value of HK\$0.05 each, of which 582,525,088 Consolidated Shares will be in issue.

PROPOSED CHANGE IN BOARD LOT SIZE

As at the date of this announcement, the Existing Shares are traded on the Stock Exchange in board lots of 10,000 Existing Shares. It is proposed that, subject to and conditional upon the Share Consolidation becoming effective, the board lot size for trading on the Stock Exchange be changed from 10,000 Existing Shares to 20,000 Consolidated Shares. Based on the closing price of HK\$0.036 per Existing Share (equivalent to the theoretical closing price of HK\$0.180 per Consolidated Share) as at the date of this announcement, (i) the value per board lot of 10,000 Existing Shares is HK\$360; (ii) the value of each board lot of 10,000 Consolidated Shares would be HK\$1,800 assuming the Share Consolidation becoming effective; and (iii) the estimated value per board lot of 20,000 Consolidated Shares would be HK\$3,600 on the assumption that the Change in Board Lot Size had also become effective.

GENERAL

An EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Share Consolidation. The Circular containing, among other matters, information regarding the Share Consolidation and the Change in Board Lot Size with a notice of the EGM will be despatched to the Shareholders on or before Friday, 10 May 2024.

Shareholders and potential investors should note that the Share Consolidation and the Change in Board Lot Size are conditional upon satisfaction of the conditions as set out in the paragraph headed “Conditions of the Share Consolidation” below. Accordingly, the Share Consolidation and the Change in Board Lot Size may or may not proceed.

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

PROPOSED SHARE CONSOLIDATION

The Board proposes to implement the Share Consolidation on the basis that every five (5) issued and unissued Shares of par value of HK\$0.01 each be consolidated into one (1) Consolidated Share of HK\$0.05 each.

Effects of the proposed Share Consolidation

As at the date of this announcement, the authorised share capital of the Company is HK\$250,000,000 divided into 25,000,000,000 Existing Shares with par value of HK\$0.01 each.

Upon the Share Consolidation becoming effective and assuming that there are no changes on the authorised share capital of the Company from the date of this announcement until the effective date of the Share Consolidation, the authorised share capital of the Company will become HK\$250,000,000 divided into 5,000,000,000 Consolidated Shares with par value of HK\$0.05 each.

As at the date of this announcement, 2,912,625,443 Existing Shares have been allotted and issued. Upon the Share Consolidation becoming effective and assuming that no new Existing Shares are issued nor Existing Shares are repurchased from the date hereof until the effective date of the Share Consolidation, 582,525,088 Consolidated Shares will be in issue.

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank pari passu in all respects with each other and the Share Consolidation will not result in any change in the relative rights of the Shareholders.

Other than the expenses to be incurred in relation to the Share Consolidation, the implementation thereof will not 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 will not be allocated to the Shareholders who may otherwise be entitled. The Directors are of the view that the Share Consolidation will not have any material adverse effect on the financial position of the Group and are in the interest of the Company and the Shareholders as a whole.

Conditions of the Share Consolidation

The Share Consolidation is conditional upon the following conditions:

- (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 upon the Share Consolidation becoming effective; and
- (iii) the compliance with all relevant procedures and requirements under the applicable laws of the Cayman Islands and the Listing Rules to effect the Share Consolidation.

Subject to the fulfilment of the conditions of the Share Consolidation, the effective date of the Share Consolidation is expected to be on Monday, 3 June 2024.

As at the date of this announcement, none of the conditions above had been fulfilled.

Application for listing of the Consolidated Shares

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective.

Subject to the granting of 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 the 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 Shares are listed or dealt in on any other stock exchanges other than the Stock Exchange, and at the time when the Share Consolidation becoming 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.

Fractional entitlement to Consolidated Shares

Fractional Consolidated Shares arising from the Share Consolidation, if any, will be disregarded and will not be allocated to the Shareholders, but will be aggregated and, if possible, sold for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Existing Shares regardless of the number of share certificates held by such holder.

Arrangement on odd lot trading

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares 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.

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.

Details of the odd lots arrangement will be set out in the Circular.

Shareholders or potential investors should note that (i) odd lots will be created after the Share Consolidation; (ii) odd lots arrangements do not guarantee successful matching of all odd lots at the relevant market price; and (iii) odd lots might be sold below the market price in the market.

Exchange of share certificates

Subject to the Share Consolidation becoming effective, which is currently expected to be on Monday, 3 June 2024, the second Business Day after the date of the EGM, the Shareholders may during the specific period submit existing share certificates for the Existing Shares (in the colour of purple) 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 the colour of green) 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 other amount as may from time to time be specified by the Stock Exchange) by the Shareholders for each share certificate for the Existing Shares submitted for cancellation or each new share certificate issued for the Consolidated Shares, whichever is higher.

After 4:10 p.m. on Tuesday, 9 July 2024, trading will only be in Consolidated Shares. Share certificates for the Existing Shares will remain effective as documents of title and may be exchanged for share certificates for the Consolidated Shares at any time but will not be accepted for delivery, trading and settlement purposes.

ADJUSTMENT IN RELATION TO THE OTHER SECURITIES OF THE COMPANY

As at the date of this announcement, the Company has outstanding Share Options entitling the holders thereof to subscribe for a total of 73,224,887 Existing Shares. Under the terms and conditions of the Share Option Schemes, the Share Consolidation may lead to adjustments to the number of shares of the Company available for issue under the scheme limit, which has not yet been utilised, of the Share Option Schemes, and/or the exercise price and/or the number of shares of the Company falling to be issued upon the exercise of the Share Options. The Company will make further announcement(s) on such adjustment(s) as and when appropriate.

As at the date of this announcement, the Company has outstanding Convertible Bonds in a principal amount of HK\$3,025,000. Assuming full conversion of the Convertible Bonds, an aggregate of 22,000,000 Conversion Shares of the Company may be allotted and issued by the Company upon exercise of the conversion rights attaching to the Convertible Bonds in full. The Share Consolidation may cause adjustments to the conversion price of Convertible Bonds and/or the maximum number of Consolidated Shares that will be issued upon conversion. The Company will make further announcement(s) on such adjustment(s) as and when appropriate.

Save as disclosed above, the Company does not have any other outstanding derivatives, options, warrants, conversion rights, securities in issue, convertible securities or other similar rights which are convertible or exchangeable into, any Existing Shares or Consolidated Shares, as at the date of this announcement.

PROPOSED CHANGE IN BOARD LOT SIZE

As at the date of this announcement, the Existing Shares are traded on the Stock Exchange in board lots of 10,000 Existing Shares. It is proposed that, subject to and conditional upon the Share Consolidation becoming effective, the board lot size for trading on the Stock Exchange be changed from 10,000 Existing Shares to 20,000 Consolidated Shares. Based on the closing price of HK\$0.036 per Existing Share (equivalent to the theoretical closing price of HK\$0.180 per Consolidated Share) as at the date of this announcement, (i) the value per board lot of 10,000 Existing Shares is HK\$360; (ii) the value of each board lot of 10,000 Consolidated Shares would be HK\$1,800 assuming the Share Consolidation becoming effective; and (iii) the estimated value per board lot of 20,000 Consolidated Shares would be HK\$3,600 on the assumption that the Change in Board Lot Size had also become effective.

REASONS FOR THE PROPOSED SHARE CONSOLIDATION AND THE CHANGE IN BOARD LOT SIZE

Pursuant to Rule 13.64 of the Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995, the issuer may be required either to change the trading method or to proceed with a consolidation or splitting of its securities. Moreover, 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, it stated that (i) market price of the shares at a level less than HK\$0.1 will be considered as trading at extremity as referred to under Rule 13.64 of the Listing Rules; and (ii) the expected board lot value per board lot should be greater than HK\$2,000 after taking into account the minimum transaction costs for a securities trade.

In view of the prevailing trading price of the Shares, the Board proposes to implement the Share Consolidation and the Change in Board Lot Size. It is expected that the proposed Share Consolidation and the Change in Board Lot Size would bring about a corresponding upward adjustment in the trading price of the Consolidated Shares on the Stock Exchange. As a result, the proposed Share Consolidation and the Change in Board Lot Size would enable the Company to comply with the trading requirements under the Listing Rules. The Company also considers that the Change in Board Lot Size will maintain the trading amount for each board lot at a reasonable level and attract more investors and broaden the shareholder base of the Company.

In view of the above reasons, the Company considers the proposed Share Consolidation and Change in Board Lot Size are justifiable notwithstanding of the potential costs and impact arising from creation of odd lots to Shareholders. Accordingly, the Board is of the view that the Share Consolidation and the Change in Board Lot Size are beneficial to and in the interests of the Company and the Shareholders as a whole.

As at the date of this announcement, the Company has no intention to carry out other corporate actions in the next twelve months which may have an effect of undermining or negating the intended purpose of the Share Consolidation. As at the date of this announcement, the Company has no present intention to conduct any equity fundraising activities. 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 meet its operational needs or 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.

The Board believes that the Share Consolidation and the Change in Board Lot Size will not have any material adverse effect on the financial position of the Group nor result in a change in the relative rights of the Shareholders.

EXPECTED TIMETABLE

The expected timetable for the Share Consolidation and the Change in Board Lot Size is set out below. The expected timetable is subject to the results of the EGM and satisfaction of the conditions to the Share Consolidation 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.

Event	Time and Date 2024
Expected date of despatch of circular in relation to the Share Consolidation with the notice of EGM and proxy form for EGM.....	On or before Friday, 10 May
Latest time for lodging transfer documents of the Existing Shares to qualify for attendance and voting at the EGM.....	4:30 p.m. on Monday, 27 May

Event	Time and Date 2024
Closure of register of members of the Company for determining the identity of the Shareholders entitled to attend and vote at the EGM.....	Tuesday, 28 May to Thursday, 30 May (both dates inclusive)
Latest time for lodging proxy forms for the EGM.....	11:00 a.m. on Tuesday, 28 May
Date and time of the EGM to approve the Share Consolidation	11:00 a.m. on Thursday, 30 May
Announcement of the poll results of the EGM	Thursday, 30 May
The following events are conditional upon the results of the EGM and therefore the dates are tentative only.	
Effective date of the Share Consolidation	Monday, 3 June
First day for free exchange of existing share certificates for new share certificates for the Consolidated Shares	Monday, 3 June
Dealing in the Consolidated Shares commences.....	9:00 a.m. on Monday, 3 June
Original counter for trading in the Existing Shares in board lots of 10,000 Existing Shares temporarily closes	9:00 a.m. on Monday, 3 June
Temporary counter for trading in the Consolidated Shares in board lots of 2,000 Consolidated Shares (in the form of existing share certificate(s)) opens	9:00 a.m. on Monday, 3 June
Original counter for trading in the Consolidated Shares in board lots of 20,000 Consolidated Shares (in the form of new share certificates) re-opens.....	9:00 a.m. on Tuesday, 18 June
Parallel trading in the Consolidated Shares (in form of new share certificates and existing share certificates) commences.....	9:00 a.m. on Tuesday, 18 June
Designated broker starts to stand in the market to provide matching services for odd lots of the Consolidated Shares.....	9:00 a.m. on Tuesday, 18 June

Event	Time and Date 2024
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, 9 July
Temporary counter for trading in the Consolidated Shares in board lots of 2,000 Consolidated Shares (in the form of existing share certificates) closes	4:10 p.m. on Tuesday, 9 July
Parallel trading in the Consolidated Shares (in form of new share certificates and existing share certificates) ends	4:10 p.m. on Tuesday, 9 July
Last day for free exchange of existing share certificates for new share certificates for the Consolidated Shares	Thursday, 11 July

GENERAL

An EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Share Consolidation. The Circular containing, among other matters, information regarding the Share Consolidation and the Change in Board Lot Size, together with a notice of the EGM will be despatched to the Shareholders on or before Friday, 10 May 2024.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders have a material interest in the Share Consolidation and no Shareholders are required to abstain from voting at the EGM.

Shareholders and potential investors should note that the Share Consolidation and the Change in Board Lot Size are conditional upon satisfaction of the conditions as set out in the paragraph headed "Conditions of the Share Consolidation" above. Accordingly, the Share Consolidation and the Change in Board Lot Size may or may not proceed.

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

DEFINITIONS

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

"Board"	the board of Directors
"Business Day(s)"	a day on which banks are open in Hong Kong, other than Saturday, Sunday or public holiday in Hong Kong

“CCASS”	Central Clearing and Settlement System, a securities settlement system used within the Hong Kong Exchanges and Clearing Limited market system
“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 on the Stock Exchange from 10,000 Existing Shares to 20,000 Consolidated Shares upon Share Consolidation becoming effective
“Circular”	the circular to be despatched to the Shareholders containing, among other things, details of the Share Consolidation and the notice of the EGM
“Company”	Renaissance Asia Silk Road Group Limited (stock code: 274), a company incorporated in the Cayman Islands with limited liability and its issued Shares are listed on the Stock Exchange
“Consolidated Share(s)”	the ordinary share(s) of par value HK\$0.05 each in the share capital of the Company upon the Share Consolidation becoming effective
“Conversion Shares”	new Share(s) to be issued upon the exercise of the conversion rights attaching to the Convertible Bonds
“Convertible Bonds”	the convertible bonds in the aggregate principal amount of HK\$3,025,000 issued by the Company on 18 July 2023, for further details, please refer to the Company’s announcements dated 18 July 2023 and 31 August 2023
“Director(s)”	the director(s) of the Company from time to time
“EGM”	the extraordinary general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, to approve the Share Consolidation
“Existing Share(s)”	existing ordinary share(s) in the Company of HK\$0.01 each
“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 dollars, the lawful currency of Hong Kong
“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, which for the purpose of this announcement only, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Registrar”	the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Share(s)”	the ordinary share(s) of par value HK\$0.01 each in the share capital of the Company before the Share Consolidation becoming effective
“Share Consolidation”	the proposed consolidation of every five (5) issued and unissued Existing Shares of par value HK\$0.01 each in the share capital of the Company into one (1) Consolidated Share of par value HK\$0.05 each
“Share Options”	the right(s) granted under the Share Option Scheme to subscribe for the Shares in accordance with the Share Option Scheme
“Share Option Scheme”	the share option scheme of the Company adopted on 22 February 2016
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

* *For identification purposes only*

By Order of the Board
Renaissance Asia Silk Road Group Limited
Qiu Zhenyi
Chairman of the Board

Hong Kong, 29 April 2024

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:

Mr. Qiu Zhenyi

(Chairman of the Board)

Mr. Pan Feng

Mr. Xie Qiangming

Non-executive Directors:

Ms. Ng Ching

Mr. Xu Huiqiang

*Independent non-executive
Directors:*

Dr. Liu Ka Ying Rebecca

Mr. Tse Sze Pan

Mr. Yang Jingang

Mr. Zhang Zhen