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Flowing Cloud Technology Ltd
飛天雲動科技有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 6610)

PROPOSED SHARE CONSOLIDATION

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The Board proposes to implement the Share Consolidation on the basis that every twenty (20) issued and unissued Shares of par value of US$0.00001 each be consolidated into one (1) Consolidated Share of US$0.00020 each.

The Share Consolidation is conditional upon, among other things, (i) the passing of an ordinary resolution by the Shareholders at the EGM to approve the Share Consolidation; and (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.

To the best knowledge, information and belief of the Directors after 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.

GENERAL

The EGM will be convened and held for the Shareholders to consider, if thought fit, approve, among other things, the Share Consolidation. The Circular containing, among other things, (i) further details in relation to the Share Consolidation and (ii) the notice of the EGM, is expected to be despatched to the Shareholders on or before Monday, 17 November 2025.

Shareholders and potential investors should be aware of and take note that the Share Consolidation is conditional upon satisfaction of the conditions set out in the paragraph headed "Conditions of the Share Consolidation". Accordingly, the Share Consolidation may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

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The Board proposes to implement the Share Consolidation on the basis that every twenty (20) issued and unissued Shares of par value of US$0.00001 each be consolidated into one (1) Consolidated Share of US$0.00020 each.

Effects of the Share Consolidation

As at the date of this announcement, the authorised share capital of the Company is US$50,000 divided into 5,000,000,000 Shares with par value of US$0.00001 each, of which 2,601,757,200 Shares have been issued and are fully paid or credited as fully paid.

Assuming that no further Shares will be issued or repurchased from the date hereof until the date of the EGM, immediately upon the Share Consolidation becoming effective, the authorised share capital of the Company will become US$50,000 divided into 250,000,000 Consolidated Shares with par value of US$0.00020 each, of which 130,087,860 Consolidated Shares will be in issue and 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 and the Share Consolidation will not result in any change in the relative rights of the Shareholders.

As at the date of this announcement, there are outstanding 29,590,000 Share Options entitling the holders thereof to subscribe for up to an aggregate of 29,590,000 Shares under the Post-IPO Share Option Scheme. The maximum number of options available for grant under the Post-IPO Share Option Scheme was 108,503,000 Shares (representing approximately 4.17% of the total number of Shares in issue (excluding treasury shares) as at the date of this announcement and would be adjusted to 5,425,150 upon the Share Consolidation became effective). The Company will make further announcement(s) as and when appropriate on any adjustments to be made as a result of the Share Consolidation to the exercise price and the aggregate number of Shares to be allotted and issued upon exercise of the subscription rights attaching to the above outstanding share options.

Save as disclosed above, the Company does not have any other derivatives, options, warrants, other securities, conversion rights, or similar rights that are convertible or exchangeable into Shares or Consolidated Shares.

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.

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 Friday, 5 December 2025.

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 and the Consolidated Shares which may be issued pursuant to the exercise of the outstanding options granted or which may be granted under the Post-IPO Share Option Schemes.

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 HKSCC and HKSCC 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 exchange other than the Stock Exchange, and at the time 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.

OTHER ARRANGEMENTS

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 Shares regardless of the number of share certificates held by such holder.

Odd lots arrangement and matching services

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, Shareholders may during the period from Friday, 5 December 2025 to Thursday, 15 January 2026 (both days inclusive), submit share certificates for the Shares (in blue colour) to the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, in exchange, at the expense of the Company for new share certificates for the Consolidated Shares (in red colour). Thereafter, share certificates for the Shares will be accepted for exchange only on payment of a fee of HK$2.50 (or such other amount as may be allowed by the Stock Exchange from time to time) for each share certificate for the Shares cancelled or each new share certificate issued for the Consolidated Shares, whichever the number of certificates cancelled/issued is higher.

The existing share certificates will only be valid for delivery, trading and settlement purposes for the period up to 4:30 p.m. on Thursday, 15 January 2026, and thereafter will not be accepted for delivery, trading and settlement purposes. However, the existing share certificates will continue to be good evidence of title to the Consolidated Shares on the basis of twenty (20) Shares for one (1) Consolidated Share. The new share certificates for the Consolidated Shares will be issued in red colour in order to distinguish them from the share certificates for the Shares which are in blue colour.

NO CHANGE IN BOARD LOT SIZE

The Shares are currently traded on the Stock Exchange in board lot size of 1,000 Shares. Upon the Share Consolidation becoming effective, the board lot size for trading in the Consolidated Shares will remain unchanged at 1,000 Consolidated Shares per board lot.

Based on the closing price of HK$0.192 per Share (equivalent to the theoretical closing price of HK$3.840 per Consolidated Share) as quoted on the Stock Exchange as at the date of this announcement, (i) the value per board lot of 1,000 Shares is HK$192; and (ii) the estimated value per board lot of 1,000 Consolidated Shares would be HK$3,840 assuming that the Share Consolidation becomes effective.

REASONS FOR THE SHARE CONSOLIDATION

According to the "Guide on Trading Arrangements for Selected Types of Corporate Actions" issued by Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated in September 2024, taking into account the minimum transaction costs for a securities trade, the expected board lot value should be greater than HK$2,000. The Share Consolidation will result in a corresponding upward adjustment in the trading price of the Shares and the value of a board lot. Based on the closing price of HK$0.192 per Share (equivalent to the theoretical closing price of HK$3.840 per Consolidated Share) as quoted on the Stock Exchange as at the date of the announcement, the theoretical value of each board lot of the Consolidated Shares will be HK$3,840.

The Group is committed to optimising its capital structure and enhancing long-term shareholder value as part of its ongoing corporate development strategy. The Board considers that the proposed Share Consolidation would bring about a corresponding upward adjustment in the trading price per Consolidated Share on the Stock Exchange. Further, the Share Consolidation would reduce the overall transaction and handling costs of dealings in the Shares as a proportion of the market value of each board lot, since most of the banks/securities houses will charge a minimum transaction cost for each securities trade. In view of the above reasons, the Board considers that the Share Consolidation is justifiable, notwithstanding the potential costs and impact arising from the creation of odd lots to Shareholders.

The Board believes that the Share Consolidation will not have any material adverse effect on the Group's financial position or result in a change in the relative rights of the Shareholders.

As at the date of this announcement, the Company has no intention to carry out other corporate actions or arrangements which may have an effect of undermining or negating the intended purpose of the Share Consolidation in the next 12 months. Although the Company currently does not have concrete plans or arrangements to conduct any fund-raising activities in the next 12 months, the Board cannot rule out the possibility of the Company conducting debt and/or equity fund-raising activities when suitable fund-raising and/or investment opportunities arise in order to meet the Group's operational needs or support the future development of the Group. In considering any potential corporate action and/or fund-raising activity, the Board will endeavour to minimise the impact it may have on the intended purpose of the Share Consolidation. The Company will make further announcement in this regard in accordance with the Listing Rules as and when appropriate.

In light of the above reasons, the Board is of the view that the Share Consolidation is beneficial to and in the interests of the Company and the Shareholders as a whole.

EXPECTED TIMETABLE

The expected timetable for the implementation of the Share Consolidation is set out below.

All times and dates in this announcement refer to Hong Kong local times and dates. The expected timetable is subject to the satisfaction of all conditions of the Share Consolidation and is therefore for indicative purpose only. Any subsequent changes to the expected timetable will be announced in a separate announcement by the Company as and when appropriate.

Event(s)	*Time and Date*
Expected date of despatch of the circular, the notice of the EGM and the form of proxy of the EGM	Monday, 17 November 2025
Latest date and time for lodging transfer documents in order to qualify for attending and voting at the EGM	4:30 p.m. on Thursday, 27 November 2025
Closure of the register of members for determining the entitlement to attend and vote at the EGM	Friday, 28 November 2025 to Wednesday, 3 December 2025 (both days inclusive)
Latest date and time for lodging the forms of proxy for the EGM	11:00 a.m. on Monday, 1 December 2025
Record date for attendance and voting at the EGM	Wednesday, 3 December 2025
Expected date and time of the EGM	11:00 a.m. on Wednesday, 3 December 2025
Publication of announcement of poll results of the EGM	Wednesday, 3 December 2025

The following events are conditional on the fulfillment of the conditions for the implementation of the Share Consolidation

Event(s)	*Time and Date*
Effective date of the Share Consolidation	Friday, 5 December 2025
First day for free exchange of existing share certificates for new share certificates of the Consolidated Shares	Friday, 5 December 2025

Dealings in the Consolidated Shares commence	9:00 a.m. on Friday, 5 December 2025
Original counter for trading in Shares in board lots of 1,000 Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Friday, 5 December 2025
Temporary counter for trading in Consolidated Shares in board lots of 50 Consolidated Shares (in the form of existing share certificates) opens	9:00 a.m. on Friday, 5 December 2025
Original counter for trading in Consolidated Shares in board lots of 1,000 Consolidated Shares (in the form of new share certificates for Consolidated Shares) re-opens	9:00 a.m. on Friday, 19 December 2025
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 Friday, 19 December 2025
Designated broker starts to stand in the market to provide matching services for the sale and purchase of odd lots of the Consolidated Shares	9:00 a.m. on Friday, 19 December 2025
Designated broker ceases to stand in the market to provide matching services for sale and purchase of odd lots of the Consolidated Shares	4:00 p.m. on Tuesday, 13 January 2026
Temporary counter for trading Consolidated Shares in board lots of 50 Consolidated Shares (in the form of existing share certificates) closes	4:10 p.m. on Tuesday, 13 January 2026
Parallel trading in the New Shares (in form of new share certificate(s) and existing share certificate(s)) ends	4:10 p.m. on Tuesday, 13 January 2026
Last date and time for free exchange of share Certificates for the new share certificates of the Consolidated Shares	4:30 p.m. on Thursday, 15 January 2026

GENERAL

The EGM will be convened and held for the Shareholders to consider, if thought fit, approve, among other things, the Share Consolidation. The Circular containing, among other things, (i) further details in relation to the Share Consolidation and (ii) the notice of the EGM, is expected to be despatched to the Shareholders on or before Tuesday, 18 November 2025.

Shareholders and potential investors should be aware of and take note that the Share Consolidation is conditional upon satisfaction of the conditions set out in the paragraph headed "Conditions of the Share Consolidation". Accordingly, the Share Consolidation may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

DEFINITIONS

In this announcement, unless the context otherwise requires, capitalized terms used shall have the following meanings:

"Board"	the board of Directors
"CCASS"	the Central Clearing and Settlement System established and operated by the HKSCC
"Circular"	the circular of the Company to be despatched to the Shareholders containing, among other things, (i) further details of the Share Consolidation, and (ii) the notice of the EGM
"Company"	Flowing Cloud Technology Ltd, a company incorporated in the Cayman Islands with limited liability, and the ordinary shares of which are listed on the Main Board of the Stock Exchange (stock code: 6610)
"Consolidated Share(s)"	ordinary share(s) of US$0.00020 each in the share capital of the Company upon the Share Consolidation becoming effective
"Director(s)"	the director(s) of the Company

"EGM"	the extraordinary general meeting of the Company to be convened and held to consider and, if thought fit, approve (among other things) the Share Consolidation
"General Rules of HKSCC"	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"	Hong Kong Securities Clearing Company Limited
"HKSCC 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 in force
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Listing Committee"	has the meaning ascribed thereto under the Listing Rules
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Post-IPO Share Option Scheme"	the share option scheme adopted by the Company on 8 September 2022
"Registrar"	the branch share registrar and transfer office of the Company in Hong Kong, being Tricor Investor Services Limited
"Share Consolidation"	the proposed consolidation of every twenty (20) issued and unissued Shares be consolidated into one (1) Consolidated Share

"Share Options"	the options granted pursuant to the Post-IPO Share Option Scheme, i.e. the 29,590,000 outstanding share options granted by the Company pursuant to the Post-IPO Share Option Scheme as at the date of this announcement
"Shareholder(s)"	the holder(s) of the issued Share(s)
"Shares"	ordinary share(s) of US$0.00001 each in the share capital of the Company prior to the Share Consolidation becoming effective
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"US$"	United States dollar(s), the lawful currency of the United States of America

By order of the Board
Flowing Cloud Technology Ltd
Wang Lei
Chairman

Hong Kong, 20 October 2025

As of the date of this announcement, the Board comprises Mr. Wang Lei, Ms. Xu Bing and Mr. Li Yao as executive Directors and Mr. Jiang Yi, Ms. Chen Yuelin and Mr. Li Shaojie as independent non-executive Directors.