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CHINA HUAJUN GROUP LIMITED
中國華君集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 377)

(1) PROPOSED CAPITAL REDUCTION AND SUBDIVISION OF AUTHORISED BUT UNISSUED SHARES AND (2) CHANGE IN BOARD LOT SIZE

PROPOSED CAPITAL REORGANISATION

The Company proposes to implement a Capital Reorganisation involving the Capital Reduction and the Share Subdivision as follows:

Capital Reduction

(a) the par value of each issued Share will be reduced from HK$1.00 to HK$0.001 by cancelling the paid-up capital to the extent of HK$0.999 on each issued Share; and

Share Subdivision

(b) immediately following the Capital Reduction becoming effective, each authorised but unissued Share of HK$1.00 will be subdivided into 1,000 Shares of HK$0.001 each.

Upon the Capital Reorganisation becoming effective, the Shares will be identical in all respects and rank *pari passu* with each other in relation to all future dividends and distributions which are declared, made or paid in accordance with the Memorandum and the Bye-Laws.

PROPOSED CHANGE IN BOARD LOT SIZE

As at the date of this announcement, the Shares are traded on the Stock Exchange in the board lot size of 80 Shares. It is proposed that the board lot size for trading in the Shares shall be changed from 80 Shares to 2,000 Shares (the "**Change in Board Lot Size**").

GENERAL

The SGM will be convened and held for the Shareholders to consider and, if thought fit, approve the special resolution in respect of the Capital Reorganisation and the transactions contemplated thereunder. The Circular containing, among other matters, information regarding the Capital Reorganisation and the Change in Board Lot Size together with a notice of the SGM will be despatched to the Shareholders on or before Wednesday, 11 November 2026.

As the Capital Reorganisation is subject to the satisfaction of conditions, it may or may not become effective. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

PROPOSED CAPITAL REORGANISATION

The Company proposes to implement a capital reorganisation (the "**Capital Reorganisation**") involving the Capital Reduction and the Share Subdivision as follows:

Capital Reduction

(a) the par value of each issued Share will be reduced from HK$1.00 to HK$0.001 by cancelling the paid-up capital to the extent of HK$0.999 on each issued Share (the "**Capital Reduction**"); and

Share Subdivision

Immediately following the Capital Reduction becoming effective,

(b) each authorised but unissued Share of par value of HK$1.00 will be subdivided into one thousand (1,000) authorised but unissued Shares of par value of HK$0.001 each (the "**Share Subdivision**", together with the Capital Reduction, the "**Capital Reorganisation**").

Upon the Capital Reorganisation becoming effective, the Shares will be identical in all respects and rank *pari passu* with each other in relation to all future dividends and distributions which are declared, made or paid in accordance with the Memorandum and the Bye-Laws.

The number of issued Shares will remain unchanged immediately following the Capital Reorganisation becoming effective. No share consolidation is proposed as part of the Capital Reorganisation.

The credit arising from the Capital Reduction will be transferred to the contributed surplus account of the Company and may be applied by the Board in any manner permitted by or consistent with all applicable laws (including section 54 of the Companies Act), the Bye-Laws and the Memorandum.

Conditions of the Capital Reorganisation

The Capital Reorganisation is conditional upon the following conditions:

(a) the passing of a special resolution by the Shareholders at the SGM to approve the Capital Reorganisation and the transactions contemplated thereunder;

(b) the compliance with the relevant procedures and requirements under the Companies Act and applicable laws of Bermuda to effect the Capital Reorganisation, which includes the Directors being satisfied that, on the date the Capital Reorganisation is to take effect, 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;

(c) the compliance with the relevant procedures and requirements under the Listing Rules to effect the Capital Reorganisation; and

(d) 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 conditions of the Capital Reorganisation, the Capital Reorganisation is expected to become effective on Tuesday, 8 December 2026.

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

Effect of the Capital Reorganisation

As at the date of this announcement, the authorised share capital of the Company is comprised of HK$400,000,000 divided into 400,000,000 Shares of par value of HK$1.00 each, of which 187,491,851 Shares have been issued and are fully paid or credited as fully paid and 212,508,149 Shares remain unissued.

Assuming that no further Shares are allotted, issued or repurchased from the date of this announcement up to and including the effective date of the Capital Reorganisation, immediately upon the Capital Reorganisation becoming effective, the authorised share capital of the Company shall become HK$400,000,000 divided into 400,000,000,000 Shares of par value of HK$0.001 each, of which 187,491,851 Shares will have been issued and will be fully paid or credited as fully paid and 399,812,508,149 Shares will remain unissued. A credit of approximately HK$187,304,359.149 will arise from the Capital Reduction and will be transferred to the contributed surplus account of the Company.

The size of each board lot for dealing in the Shares on the Stock Exchange will be changed from 80 Shares to 2,000 Shares, subject to the Change in Board Lot Size becoming effective. Please refer to the section headed "Proposed Change in Board Lot Size" below for further details.

Assuming that there is no change in the number of issued Shares from the date of this announcement up to and including the date on which the Capital Reorganisation becomes effective, the share capital structure of the Company will be as follows:

Authorised share capital	**As at the date of this announcement**	**Immediately upon the Capital Reorganisation becoming effective**
Amount of authorised share capital	HK$400,000,000	HK$400,000,000
Number of authorised shares	400,000,000 Shares	400,000,000,000 Shares
Issued share capital		
Amount of issued share capital	HK$187,491,851.00	HK$187,491.851
Number of issued shares	187,491,851 Shares	187,491,851 Shares

Other than the expenses to be incurred in relation to the Capital Reorganisation and the Change in Board Lot Size, 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. The Directors are of the view that the Capital Reorganisation and the Change in Board Lot Size will not have any material adverse effect on the financial position of the Group and are in the interests of the Company and the Shareholders as a whole.

Share certificates

No new share certificate for existing Shares will be issued as a result of the Change in Board Lot Size, and therefore there will be no arrangement for free exchange of existing share certificate in board lot size of 80 Shares to new share certificate in board lot size of 2,000 Shares.

As from Tuesday, 8 December 2026, any new share certificates will be issued in board lot of 2,000 Shares each (except for odd lots or where the share registrar is otherwise instructed). All existing share certificates in board lot of 80 Shares each will continue to be good evidence of legal title to such Shares and continue to be valid for transfer, trading, delivery and settlement purposes.

The Capital Reorganisation will not affect any of the rights of the existing Shareholders. All existing share certificates of the Company in issue bearing the existing par value will continue to be evidence of title to the Shares and will continue to be valid for trading, settlement, registration and delivery purposes. Accordingly, there will not be any arrangement for free exchange of the existing share certificates of the Company for new share certificates in respect of the change in par value after the Capital Reorganisation becomes effective. Upon the Capital Reorganisation becoming effective, any new share certificate of the Company will be issued bearing the par value of HK$0.001 per Share. The new share certificates bearing the par value of HK$0.001 per Share will be issued in yellow colour in order to distinguish them from the share certificates for the existing share certificates which are in red colour.

PROPOSED CHANGE IN BOARD LOT SIZE

The Board hereby announces that the board lot size of the Shares for trading on the Stock Exchange will be changed from 80 Shares to 2,000 Shares with effect from 9:00 a.m. on Tuesday, 8 December 2026 (the "**Change in Board Lot Size**"). Based on the closing price of HK$0.645 per Share as quoted on the Stock Exchange as at the Last Trading Day, the market value of the existing board lot of 80 Shares each is HK$51.60. Upon the Change in Board Lot Size becoming effective, the market value of the then board lot of 2,000 Shares each will be HK$1,290.00 (based on the closing price of HK$0.645 per Share as quoted on the Stock Exchange as at the Last Trading Day). The Change in Board Lot Size will increase the board lot value. The Change in Board Lot Size will not affect any of the relative rights of the Shareholders. The Board is of the opinion that the Change in Board Lot Size is in the interests of the Company and the Shareholders as a whole.

Odd lots arrangement and matching services

In order to facilitate the trading of odd lots (if any) of the Shares, the Company has appointed Central China International Securities Co., Limited as an agent to provide matching services, on a best effort basis, regarding the sale and purchase of odd lots of Shares from 9:00 a.m. on Tuesday, 8 December 2026 to 4:00 p.m. on Tuesday, 29 December 2026 (both days inclusive). Shareholders who wish to acquire odd lots to make up a full board lot, or to dispose of their holding of odd lots of the Shares, should contact Mr. Leo Cheng of Central China International Securities Co., Limited at Room 1304, 13/F, Admiralty Centre Tower 1, 18 Harcourt Road, Admiralty, Hong Kong (telephone number: 2500 1388) during the office hours of such period.

Holders of the Shares in odd lots should note that successful matching of the sale and purchase of odd lots of the Shares is not guaranteed. Shareholders are recommended to consult their professional advisors if they are in doubt about the above arrangement.

As at the date of this announcement, save for the proposed adoption of the 2026 Share Scheme, 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 Capital Reorganization and the Change in Board Lot Size. The Company, from time to time, explores suitable fund raising opportunities, including debt and/or equity fund raising exercises, to support future development of the Group. 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 the operations and future development of the Group. The Company will make further announcement in this regard in accordance with the Listing Rules as and when appropriate.

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

Under the Bye-Laws and the applicable laws of Bermuda, the Company is restricted from issuing Shares at a price lower than their par value. The Capital Reorganisation will reduce the par value of the Shares to a lower amount of HK$0.001 each, which will provide the Company with greater flexibility in the pricing of further issuances of Shares as needed.

In addition, upon the Capital Reorganisation becoming effective, the credit arising from the Capital Reduction will be transferred to the contributed surplus account of the Company and may be applied by the Company in any manner permitted by or consistent with all applicable laws (including section 54 of the Companies Act), the Bye-Laws and the Memorandum.

As set out in the "Guide on Trading Arrangements for Selected Types of Corporate Actions" issued by Hong Kong Exchanges and Clearing Limited, the value of each board lot shall not be less than HK$1,000. Based on the closing price of HK$0.645 per Share as at the Last Trading Day, (i) the value per board lot of 80 Shares is HK$51.60; and (ii) the value per board lot of 2,000 Shares would be HK$1,290.00. The Board believes that the Change in Board Lot Size would allow the Company to comply with such requirement. The Change in Board Lot Size will not affect the relative rights of Shareholders.

Accordingly, the Board considers that the Capital Reorganisation and the Change in Board Lot Size are beneficial to and in the interests of the Company and the Shareholders as a whole.

EXPECTED TIMETABLE

Set out below is the expected timetable for the Capital Reorganisation together with the Change in Board Lot Size. Part of the expected timetable is subject to the results of the SGM and satisfaction of the conditions to the Capital Reorganisation 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 unless otherwise stated in this announcement.

Event	**Time and date**
Expected date of despatch of circular in relation to the Capital Reorganisation and the Change in Board Lot Size together with the notice of the SGM and form of proxy	on or before Wednesday, 11 November 2026
Latest time for lodging transfers of Shares in order to qualify for attendance and voting at the SGM	4:00 p.m. on Monday, 30 November 2026

Event	Time and date
Closure of register of members of the Company for determining entitlement to attend and vote at the SGM	Tuesday, 1 December 2026 to Friday, 4 December 2026 (both dates inclusive)
Latest time for lodging forms of proxy for the SGM	3:00 p.m. on Wednesday, 2 December 2026
Record date for attendance and voting at the SGM	Friday, 4 December 2026
Expected date and time of the SGM	3:00 p.m. on Friday, 4 December 2026
Publication of announcement of poll results of the SGM	Friday, 4 December 2026
Register of members of the Company re-opens	Monday, 7 December 2026
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.	
Last day for trading of Shares in board lot of 80 Shares each in the original counter	Monday, 7 December 2026
Expected effective date of the Capital Reorganisation	Tuesday, 8 December 2026
Effective date of the Change in Board Lot Size from 80 Shares each to 2,000 Shares each	Tuesday, 8 December 2026
Original counter for trading in the Shares in board lot of 80 Shares each closes and becomes counter for trading in the Shares in board lot of 2,000 Shares each	9:00 a.m. on Tuesday, 8 December 2026
Designated broker starts to stand in the market to provide matching services for odd lots of Shares	9:00 a.m. on Tuesday, 8 December 2026
Designated broker ceases to stand in the market to provide matching services for odd lots of Shares	4:00 p.m. on Tuesday, 29 December 2026

All times and dates specified in the timetable above refer to Hong Kong time and dates.

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.

GENERAL

The SGM will be convened and held for the Shareholders to consider and, if thought fit, approve the special resolutions in respect of the Capital Reorganisation and the transactions contemplated thereunder. The Circular containing, among other matters, information regarding the Capital Reorganisation and the Change in Board Lot Size together with a notice of the SGM will be despatched to the Shareholders on or before Wednesday, 11 November 2026.

To the extent that the Company is aware having made all reasonable enquiries, as at the date of this announcement, to the best of the Directors' knowledge, information and belief, no Shareholder has a material interest in the Capital Reorganisation and no Shareholder is required to abstain from voting on any of the resolutions at the SGM.

As the Capital Reorganisation is subject to the satisfaction of certain conditions, it may or may not become effective. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

"2026 Share Scheme"	the share scheme of the Company proposed to be approved by Shareholders at the SGM
"Board"	the board of Directors
"Bye-Laws"	the bye-laws of the Company currently in force
"Capital Reduction"	the proposed reduction of the par value of each issued Share of the Company from HK$1.00 to HK$0.001 by cancelling the paid-up capital to the extent of HK$0.999 on each issued Share, as described in this announcement
"Capital Reorganisation"	collectively, the Capital Reduction and the Share Subdivision
"Circular"	the circular to be despatched to the Shareholders containing, among other things, details of the Capital Reorganisation and the Change in Board Lot Size and the notice of the SGM
"Change in Board Lot Size"	the proposed change in board lot size for trading in the Shares on the Stock Exchange from 80 Shares to 2,000 Shares
"Companies Act"	the Companies Act 1981 of Bermuda, as amended from time to time
"Company"	China Huajun Group Limited（中國華君集團有限公司）, an exempted company with limited liability incorporated under the laws of Bermuda, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 377)

"Director(s)"	the director(s) of the Company
"Last Trading Day"	6 November 2026, being the last full trading day on the Stock Exchange immediately prior to the publication of this announcement
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
"Memorandum"	the memorandum of association of the Company, as amended from time to time
"SGM"	the special general meeting of the Company to be held to consider and, if thought fit, approve, among other things, the Capital Reorganisation and the transactions contemplated thereunder
"Share(s)"	ordinary share(s) of par value of HK$1.00 each in the share capital of the Company prior to the Capital Reorganisation becoming effective, or ordinary share(s) of par value of HK$0.001 each in the share capital of the Company upon the Capital Reorganisation becoming effective (as the case may be)
"Shareholder(s)"	holder(s) of the Share(s)
"Share Subdivision"	the proposed subdivision of each authorised but unissued Share of HK$1.00 into 1,000 Shares of HK$0.001 each, immediately following the Capital Reduction becoming effective
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

By order of the Board
China Huajun Group Limited
Li Gang
Chairman, Co-Chief Executive Officer and Executive Director

Hong Kong, 9 November 2026

As at the date of this announcement, the Board comprises Mr. Li Gang as Executive Director; Ms. Tan Yanzi and Ms. Chen Yun as Non-executive Directors; and Mr. Mok Yi Kwo, Ms. Shen Shujiang and Dr. Gao Xiang as Independent Non-executive Directors.