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**寶新金融集團有限公司**

**GLORY SUN FINANCIAL GROUP LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 01282)**

## **PROPOSED CAPITAL REORGANISATION**

The Company proposes to implement the Capital Reorganisation which will involve the Share Consolidation, the Capital Reduction and the Share Sub-division as follows:

### **(1) Share Consolidation**

The Board proposes that every twenty (20) issued and unissued Existing Shares of par value of HK\$0.10 each in the share capital of the Company be consolidated into one (1) Consolidated Share of par value of HK\$2.00 each in the share capital of the Company.

### **(2) Capital Reduction**

The Board proposes that immediately upon the Share Consolidation becoming effective, the Capital Reduction be implemented, pursuant to which, (a) any fractional Consolidated Shares in the issued share capital of the Company arising from the Share Consolidation shall be cancelled; and (b) the issued share capital of the Company will be reduced by cancelling the paid-up capital to the extent of HK\$1.99 on each of the then issued Consolidated Shares such that the par value of each issued Consolidated Share will be reduced from HK\$2.00 to HK\$0.01. The credit arising from the Capital Reduction in the amount of approximately HK\$3,123,057,465 will be applied towards setting off against the balance of the accumulated losses of the Company up to the effective date of the Capital Reduction.

### **(3) Share Sub-division**

Immediately following the Capital Reduction becoming effective, each of the authorised but unissued Consolidated Shares of par value of HK\$2.00 each will be sub-divided into 200 New Shares of par value of HK\$0.01 each. The New Shares will rank *pari passu* in all respects with each other in accordance with the memorandum and the articles of association of the Company.

As at the date of this announcement, the Existing Shares are traded on the Stock Exchange in board lots of 4,000 Existing Shares. Upon the Capital Reorganisation becoming effective, the New Shares will continue to be traded in board lots of 4,000 New Shares.

### **GENERAL**

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the necessary resolution(s) in respect of the Capital Reorganisation. A circular containing, among other things, details of the Capital Reorganisation and a notice convening the EGM is expected to be despatched to the Shareholders on or before Monday, 3 October 2022.

**As the Share Consolidation, Capital Reduction and Share Sub-division are subject to the satisfaction of conditions, they 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. If they are in doubt, they should consult their professional advisers.**

## **PROPOSED CAPITAL REORGANISATION**

The Company proposes to implement the Capital Reorganisation which will involve the Share Consolidation, the Capital Reduction and the Share Sub-division, details of which are as follows:

### **(1) Share Consolidation**

The Board proposes that every twenty (20) issued and unissued Existing Shares of par value of HK\$0.10 each in the share capital of the Company be consolidated into one (1) Consolidated Share of par value of HK\$2.00 each in the share capital of the Company.

## **(2) Capital Reduction**

The Board proposes that immediately upon the Share Consolidation becoming effective, the Capital Reduction be implemented, pursuant to which, (a) any fractional Consolidated Shares in the issued share capital of the Company arising from the Share Consolidation shall be cancelled; and (b) the issued share capital of the Company will be reduced by cancelling the paid-up capital to the extent of HK\$1.99 on each of the then issued Consolidated Shares such that the par value of each issued Consolidated Share will be reduced from HK\$2.00 to HK\$0.01. The credit arising from the Capital Reduction in the amount of approximately HK\$3,123,057,465 will be applied towards setting off against the balance of the accumulated losses of the Company up to the effective date of the Capital Reduction.

## **(3) Share Sub-division**

Immediately following the Capital Reduction becoming effective, each of the authorised but unissued Consolidated Shares of par value of HK\$2.00 each will be sub-divided into 200 New Shares of par value of HK\$0.01 each. The New Shares will rank *pari passu* in all respects with each other in accordance with the memorandum and the articles of association of the Company.

## **Effects of the Share Consolidation**

As at the date of this announcement, the authorised share capital of the Company is HK\$50,000,000,000 divided into 500,000,000,000 Existing Shares of par value of HK\$0.10 each, of which 31,387,512,211 Existing Shares have been issued and are fully paid or credited as fully paid.

Immediately upon the Share Consolidation becoming effective but prior to the Capital Reduction and the Share Sub-division becoming effective, and assuming there will be no change in the issued share capital of the Company from the date of this announcement up to and including the effective date of the Share Consolidation, the authorised share capital of the Company will be HK\$50,000,000,000 divided into 25,000,000,000 Consolidated Shares of par value of HK\$2.00 each, of which 1,569,375,610 Consolidated Shares will be in issue and fully paid or credited as fully paid.

Upon the Share Consolidation becoming effective, all the Consolidated Shares will rank *pari passu* in all respects with each other in accordance with the memorandum and the articles of association of the Company. Any fractional Consolidated Shares arising from the Share Consolidation will be aggregated and, if possible, sold for the benefit of the Company.

The implementation of the Share Consolidation will not alter the underlying assets, business operation, management or financial position of the Company and the interests and rights of the Shareholders.

## **Conditions of the Share Consolidation**

The Share Consolidation is conditional upon:

- (i) the passing of an ordinary resolution by the Shareholders at the EGM to approve the Share Consolidation;
- (ii) the Listing Committee granting approval for the listing of, and the permission to deal in, the Consolidated Shares in issue upon the Share Consolidation becoming effective; and
- (iii) the compliance with the relevant procedures and requirements under the applicable laws of Cayman Islands and the Listing Rules to effect the Share Consolidation.

Subject to the fulfillment of the above conditions, the effective date of the Share Consolidation is expected to be on Monday, 31 October 2022, being one clear Business Day immediately after the date of the EGM.

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

## **Reasons for the Share Consolidation**

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\$9,995.00, the Stock Exchange reserves the right to require the issuer either to change the trading method or to proceed with a consolidation or splitting of its securities. The “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 (last updated on 1 October 2020) has 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) taking into account the minimum transaction costs for a securities trade, the expected value per board lot should be greater than HK\$2,000.

As at the date of this announcement, the closing price of the Existing Share is HK\$0.032 per Share, with a board lot size of 4,000 Shares, the existing board lot value is only HK\$128, which is less than HK\$2,000. Based on the closing price of HK\$0.032 per Existing Share (equivalent to the theoretical closing price of HK\$0.64 per Consolidated Share) as at the date of this announcement, the estimated new board lot value would be HK\$2,560, assuming that the Share Consolidation becoming effective. It is therefore expected that the proposed Share Consolidation will increase the nominal value of the Shares and would bring about a corresponding upward adjustment in the expected value per board lot and increase the value of each board lot of the Consolidated Shares to over HK\$2,000. As such, it would enable the Company to comply with the trading requirements under the Listing Rules. 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 costs for each securities trade.

Accordingly, the Board considers that the Share Consolidation would maintain the trading amount for each board lot at a reasonable level in order to attract potential investors and to extend the shareholder base of the Company. The Board considers that the Share Consolidation is beneficial to and in the interests of the Company and the Shareholders as a whole.

Save as disclosed in this announcement, as at the date of this announcement, the Company has no intention to carry out other corporate actions in the next 12 months which may have an effect of undermining or negating the intended purpose of the Share Consolidation, and the Company does not have any concrete plan to conduct any fundraising activities 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(s) in this regard in accordance with the Listing Rules as and when appropriate.

#### **Application for the listing of the Consolidation Shares**

An application will be made by the Company to the Stock Exchange for the listing of, and the permission to deal in, the Consolidated Shares.

Subject to the granting of the listing of, and the permission to deal in, the Consolidated Shares on the Stock Exchange, as well as compliance with the stock admission requirements of 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 dealing 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 trading 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 Existing Shares are listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time the Share Consolidation becomes 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.

## **Exchange of share certificates for the Consolidated Shares**

Subject to the Share Consolidation becoming effective, which is currently expected to be on Monday, 31 October 2022, being one clear Business Day immediately after the date of the EGM, Shareholders may at any time between 9:00 a.m. and 4:30 p.m. on any Business Day during the period from Monday, 31 October 2022 to Tuesday, 6 December 2022 (both days inclusive), submit existing share certificates for the Existing Shares (in orange) to the Company's Hong Kong branch share registrar and transfer officer, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, to exchange, at the expense of the Company, for new share certificates for the Consolidated Shares (in yellow). Thereafter, existing share certificates of the Existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 each (or such other amount as may from time to time be specified by the Stock Exchange) by the Shareholders for each share certificate issued for the Existing Shares submitted for cancellation or each new share certificate issued for the Consolidated Shares, whichever the number of certificates cancelled/issued is higher. After 4:10 p.m. on Friday, 2 December 2022, existing share certificates for the Existing Shares in orange will only remain effective as documents of title and may be exchanged for certificates for the Consolidated Shares at any time but will not be accepted for delivery, trading, settlement and registration purposes.

## **Fractional entitlement to the Consolidated Shares**

Any fractional Consolidated Shares arising from the Share Consolidation, if any, will be disregarded and will not be issued to the Shareholders otherwise entitled thereto but all such fractional Consolidated Shares 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.

Shareholders who are concerned about losing out on any fractional entitlement are recommended to consult their licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisers and may wish to consider the possibility of buying or selling the Shares in a number sufficient to make up an entitlement to receive a whole number of Consolidated Shares.

## **ARRANGEMENT ON ODD LOT TRADING AND MATCHING SERVICES**

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares arising from the Capital Reorganisation, the Company will appoint 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. Details of the odd lot trading arrangement will be stated in the circular to be despatched to the Shareholders which shall also contain, among others, details of the Capital Reorganisation.

Shareholders should note that matching of the sale and purchase of odd lots of Consolidated Shares is not guaranteed. Shareholders, who are in any doubt about the odd lot arrangement, are recommended to consult their own professional advisers.

## **PROPOSED CAPITAL REDUCTION AND SHARE SUB-DIVISION**

The Board further proposes that immediately following the Share Consolidation becoming effective, the Capital Reduction and the Share Sub-division be implemented in the following manner:

- (i) (a) any fractional Consolidated Shares in the issued share capital of the Company arising from the Share Consolidation shall be cancelled; and (b) the issued share capital of the Company be reduced by cancelling the paid-up capital to the extent of HK\$1.99 on each of the then issued Consolidated Shares such that the par value of each issued Consolidated Share will be reduced from HK\$2.00 to HK\$0.01; and
- (ii) Immediately following the Capital Reduction becoming effective, each of the authorised but unissued Consolidated Shares of par value of HK\$2.00 each will be sub-divided into 200 New Shares of par value of HK\$0.01 each;

each of the New Shares arising from the Capital Reduction and the Share Sub-division shall rank *pari passu* in all respects with each other in accordance with the memorandum and the articles of association of the Company and have the rights and privileges and be subject to the restrictions as contained in the memorandum and the articles of association of the Company.

### **Effect of the Capital Reduction and the Share Sub-division**

As at the date of this announcement, the authorised share capital of the Company is HK\$50,000,000,000 divided into 500,000,000,000 Existing Shares of par value of HK\$0.10 each, of which 31,387,512,211 Existing Shares have been issued and are fully paid or credited as fully paid.

Immediately upon the Share Consolidation, the Capital Reduction and the Share Sub-division becoming effective and assuming no further change in the issued share capital of the Company from the date of this announcement up to and including the effective date of the Capital Reduction and the Share Sub-division, the authorised share capital of the Company shall be HK\$50,000,000,000 divided into 5,000,000,000,000 New Shares of par value of HK\$0.01 each, of which 1,569,375,610 New Shares of par value of HK\$0.01 each will be issued as fully paid or credited as fully paid.

Based on the 31,387,512,211 Existing Shares in issue as at the date of this announcement (or as the case may be), 1,569,375,610 Consolidated Shares in issue as at the date on which the Share Consolidation becomes effective, and assuming that no further change in the issued share capital of the Company from the date of this announcement to the effective

date of the Capital Reduction and the Share Sub-division, a credit of approximately HK\$3,123,057,465 will arise as a result of the Capital Reduction and the aggregate nominal value of the issued share capital will be HK\$15,693,756.10 following the Capital Reduction becoming effective. It is proposed that the credit arising from the Capital Reduction will be applied towards setting off against the balance of the accumulated losses of the Company up to the effective date of the Capital Reduction.

Assuming there are no other changes in the issued share capital of the Company from the date of this announcement up to the effective date of the Capital Reorganisation, the share capital structure of the Company (i) as at the date of this announcement; (ii) immediately after completion of the Share Consolidation; and (iii) immediately after completion of the Capital Reduction and the Share Sub-division is summarised below:

|                                | <b>As at the date of this announcement</b> | <b>Immediately after completion of the Share Consolidation but prior to the Capital Reduction and the Share Sub-division becoming effective</b> | <b>Immediately after completion of the Capital Reduction and the Share Sub-division</b> |
|--------------------------------|--|---|---|
| Authorised share capital       | HK\$50,000,000,000                         | HK\$50,000,000,000  | HK\$50,000,000,000  |
| Number of authorised shares    | 500,000,000,000<br>Existing Shares         | 25,000,000,000<br>Consolidated Shares   | 5,000,000,000,000<br>New Shares   |
| Par value per share            | HK\$0.1                                    | HK\$2.00  | HK\$0.01  |
| Amount of issued share capital | HK\$3,138,751,221.10                       | HK\$3,138,751,221.10  | HK\$15,693,756.10   |
| Number of issued shares        | 31,387,512,211<br>Existing Shares          | 1,569,375,610<br>Consolidated Shares  | 1,569,375,610<br>New Shares   |
| Number of unissued shares      | 468,612,487,789<br>Existing Shares         | 23,430,624,390<br>Consolidated Shares   | 4,998,430,624,390<br>New Shares   |

All New Shares in issue immediately following the Capital Reorganisation becoming effective shall rank *pari passu* in all aspects with each other in accordance with the memorandum and the articles of association of the Company.



Other than the expenses to be incurred in relation to the Capital Reorganisation, the implementation of the Capital Reorganisation will not alter the underlying assets, business operation, management or financial position of the Company and the proportional interests and rights of the Shareholders, save that any fractional New Shares will not be allocated to the Shareholders who may otherwise be entitled and the necessary professional expenses for the implementation of the Capital Reorganisation.

### **Conditions of the Capital Reduction and the Share Sub-division**

The Capital Reduction and the Share Sub-division are conditional upon the following conditions:

- (i) the Share Consolidation has become effective;
- (ii) the passing of a special resolution by the Shareholders at the EGM to approve the Capital Reduction and the Share Sub-division;
- (iii) the Grand Court granting an order confirming the Capital Reduction;
- (iv) compliance with any terms and conditions which the Grand Court may impose in relation to the Capital Reduction;
- (v) registration by the Registrar of Companies in the Cayman Islands of a copy of the order of the Grand Court confirming the Capital Reduction and the minute approved by the Grand Court containing the particulars required under the Companies Act with respect to the Capital Reduction; and
- (vi) the Listing Committee granting approval for the listing of, and the permission to deal in, the New Shares arising from the Capital Reduction and the Share Sub-division.

The Capital Reorganisation will become effective when the above conditions are fulfilled. Upon the approval by the Shareholders of the Capital Reorganisation at the EGM, the legal advisers to the Company (as to Cayman Islands Law) will apply to the Grand Court for hearing date(s) to confirm the Capital Reduction and further announcement(s) will be made by the Company on the preliminary timetable as soon as practicable after the Grand Court hearing date(s) is confirmed.

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

### **Reasons for the Capital Reduction and the Share Sub-division**

Under the Companies Act, the Company is not permitted to, without the order of the Grand Court, to issue its Shares at a discount to their nominal value. The memorandum and articles of association of the Company also prohibits the Company from issuing Shares at a discount to their nominal value. Immediately after completion of the Share Consolidation but before implementation of the Capital Reduction and the Share Sub-division, the nominal

value of the Consolidated Shares will be HK\$2.00 per Consolidated Share. The Capital Reduction and the Share Sub-division will keep the nominal value of the New Shares at a lower level of HK\$0.01 per New Share, which allows greater flexibility in the pricing for any issue of New Shares in the future. The credit arising from the Capital Reduction will enable the Company to set off its accumulated loss. The Board considers that the Capital Reduction and the Share Sub-division are beneficial to and in the interests of the Company and the Shareholders as a whole.

### **Application for the listing of the New Shares**

An application will be made by the Company to the Stock Exchange for the listing of, and the permission to deal in, the New Shares.

Subject to the granting of the listing of, and the permission to deal in, the New Shares on the Stock Exchange, as well as compliance with the stock admission requirements of 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 dealing 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 trading 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.

### **Exchange of share certificates for the New Shares**

As the Grand Court hearing dates have yet to be fixed, the effective date of the Capital Reduction and the Share Sub-division is not ascertainable at present. Should the Capital Reduction and the Share Sub-division become effective, Shareholders may submit share certificates for the Consolidated Shares (in yellow) to the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong to exchange for new share certificates for the New Shares (in blue), at the expense of the Company within the relevant free exchange period from the effective date of the Capital Reduction and the Share Sub-division. Details of such free exchange of share certificates will be announced as soon as practicable as the effective date of the Capital Reorganisation is ascertained.

The Company will publish announcement(s) to update the Shareholders when the Grand Court hearing dates, the effective date of the Capital Reduction and the Share Sub-division, and the period when the Shareholders can submit share certificates for the Consolidated Shares to exchange for new share certificates for the New Shares is/are ascertained and/or updated. All existing certificates of the Consolidated Shares or (as the case may be) the

Existing Shares will continue to be evidence of title to such Shares but all existing certificates of Existing Shares will cease to be valid for delivery, trading and settlement purpose.

#### **ADJUSTMENTS IN RELATION TO OTHER SECURITIES OF THE COMPANY**

As at the date of this announcement, the Company does not have any other derivatives, options, warrants, other securities or conversion rights or other similar rights which are convertible or exchangeable into any Shares.

#### **NO CHANGE IN BOARD LOT SIZE**

The New Shares will remain to be traded in board lots of 4,000 New Shares after the Capital Reorganisation having becoming effective.

#### **EXPECTED TIMETABLE**

The expected timetable for the Share Consolidation, the Capital Reduction and the Share Sub-division is set out below. The expected timetable is subject to the results of the EGM and satisfaction of the conditions to the Share Consolidation, the Capital Reduction and the Share Sub-division, including the availability and compliance with any requirements imposed by the Grand Court, 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 specified.

#### **Expected Date/Time**

|  |   |
|--|---|
| Despatch date of the circular, proxy form and notice of the EGM.....   | Monday, 3 October 2022                                    |
| Latest date and time for lodging transfer documents in order to be qualified to be attending and voting at the EGM.....      | 4:30 p.m.<br>on Wednesday, 19 October 2022                |
| Closure of the register of members for determining the entitlement to attend and vote at the EGM (both days inclusive) ..... | Thursday, 20 October 2022<br>to Thursday, 27 October 2022 |
| Latest date and time for lodging proxy forms for the EGM.....  | 11:00 a.m.<br>on Tuesday, 25 October 2022                 |

Record date for attending and voting at the EGM ..... Thursday, 27 October 2022

Date and time of the EGM ..... 11:00 a.m.  
on Thursday, 27 October 2022

Announcement of poll results of the EGM..... Thursday, 27 October 2022

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

Effective date of the Share Consolidation..... Monday, 31 October 2022

First day of free exchange of existing share certificates  
for new share certificates for the Consolidated Shares..... Monday, 31 October 2022

Dealing in the Consolidated Shares commences ..... 9:00 a.m.  
on Monday, 31 October 2022

Original counter for trading in the Existing Shares  
(in board lots of 4,000 Existing Shares)  
(in the form of existing share certificates)  
temporarily closes ..... 9:00 a.m.  
on Monday, 31 October 2022

Temporary counter for trading in the Consolidated  
Shares in board lots of 200 Consolidated Shares  
(in the form of existing share certificates) opens ..... 9:00 a.m.  
on Monday, 31 October 2022

Original counter for trading in the Consolidated  
Shares (in board lots of 4,000 Consolidated  
Shares in the form of new share certificates  
for Consolidated Shares) re-opens..... 9:00 a.m.  
on Monday, 14 November 2022

Parallel trading in the Existing Shares and the  
Consolidated Shares (in the form of existing share  
certificates and new share certificates) commences ..... 9:00 a.m.  
on Monday, 14 November 2022

Designated broker starts to stand in the market  
to provide matching services for the odd lots  
of the Consolidated Shares ..... 9:00 a.m.  
on Monday, 14 November 2022

Designated broker ceases to stand in the market  
to provide matching services for the odd lots  
of the Consolidated Shares ..... 4:00 p.m.  
on Friday, 2 December 2022

Temporary counter for trading in the Consolidated  
Shares in board lots of 200 Consolidated Shares  
(in the form of existing share certificate) closes ..... 4:10 p.m.  
on Friday, 2 December 2022

Parallel trading in the Consolidated Shares  
(in the form of existing share certificates  
and new share certificates) ends..... 4:10 p.m.  
on Friday, 2 December 2022

Last day for free exchange of existing share  
certificates for new share certificates for  
the Consolidated Shares ..... Tuesday, 6 December 2022

**The following events are conditional on the fulfillment of the conditions for the  
implementation of the Capital Reduction, which are included in this announcement**

Grand Court hearing of petition to confirm  
the Capital Reduction ..... Wednesday, 11 January 2023  
(Cayman Islands time)

Registration of court order confirming the Capital  
Reduction and the minute of the order of the  
Capital Reduction with the Registrar of  
Companies in the Cayman Islands ..... Monday, 16 January 2023  
(Cayman Islands time)

Effective date of the Capital Reduction and  
Share Sub-division ..... Tuesday, 17 January 2023

Commencement of dealing in the New Shares ..... 9:00 a.m.  
on Tuesday, 17 January 2023

First day of free exchange of share certificates  
of the Consolidated Shares for new share  
certificates for the New Shares..... Tuesday, 17 January 2023

Last date for free exchange of share certificates  
for the Consolidated Shares for new share  
certificates for the New Shares..... Wednesday, 22 February 2023

## CLOSURE OF REGISTER OF MEMBERS

For determining the Shareholders' entitlement to attend and vote at the EGM, the register of members will be closed from Thursday, 20 October 2022 to Thursday, 27 October 2022 (both days inclusive), during which period no transfer of Shares will be effected. In order to qualify for attending and voting at the EGM, Shareholders must lodge all transfer documents, accompanied by the relevant share certificates, with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 19 October 2022.

## GENERAL

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the necessary resolution(s), among other things, in respect of the proposed Capital Reorganisation. A circular containing, among other things, further details of the Capital Reorganisation and a notice convening the EGM will be despatched to the Shareholders on or before Monday, 3 October 2022. Shareholders are recommended to consult their professional advisers if they are in doubt about any of the above matters.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolution(s) relating to the proposed Capital Reorganisation at the EGM.

**As the Share Consolidation, the Capital Reduction and the Share Sub-division are subject to the satisfaction of conditions, they may or may not become effective. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company. If they are in any doubt, they should consult their professional advisers.**

## DEFINITIONS

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

|                          |   |
|--------------------------|---|
| <b>“Board”</b>           | board of the Directors  |
| <b>“Business Day(s)”</b> | a day (other than a public holiday, a Saturday or Sunday and any day on which a tropical cyclone warning no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which banks in Hong Kong are generally open for business and the Stock Exchange is open for business of dealing in securities |

|                                 |  |
|---------------------------------|--|
| <b>“Capital Reduction”</b>      | the proposed reduction of the issued share capital of the Company by (a) any fractional Consolidated Share in the issued share capital of the Company arising from the Share Consolidation shall be cancelled; and (b) cancelling the paid-up capital of the Company to the extent of HK\$1.99 on each of the then issued Consolidated Share such that the nominal value of each issued Consolidated Share will be reduced from HK\$2.00 to HK\$0.01 |
| <b>“Capital Reorganisation”</b> | the proposed capital reorganisation of the Company comprising (i) the Share Consolidation; (ii) the Capital Reduction; and (iii) the Share Sub-division  |
| <b>“CCASS”</b>                  | the Central Clearing and Settlement System established and operated by HKSCC   |
| <b>“Company”</b>                | Glory Sun Financial Group Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Main Board of the Stock Exchange (stock code: 1282)  |
| <b>“Companies Act”</b>          | the Companies Act (2021 Revision) of the Cayman Islands, Cap. 22, as consolidated and revised  |
| <b>“Consolidated Share(s)”</b>  | ordinary share(s) of par value of HK\$2.00 each in the share capital of the Company upon completion of the Share Consolidation   |
| <b>“Director(s)”</b>            | the directors of the Company   |
| <b>“EGM”</b>                    | the extraordinary general meeting of the Company to be convened for the purpose of considering, among other things, and, if thought fit, approving the necessary resolution(s) in respect of the Capital Reorganisation which is expected to be held at 11:00 a.m., on Thursday, 27 October 2022 and any adjournment thereof   |
| <b>“Existing Share(s)”</b>      | ordinary share(s) of HK\$0.10 each in the share capital of the Company prior to the completion of the Share Consolidation  |
| <b>“Grand Court”</b>            | the Grand Court of the Cayman Islands  |
| <b>“Group”</b>                  | the Company and its subsidiaries   |
| <b>“HK\$”</b>                   | Hong Kong dollars, the lawful currency of Hong Kong  |

|                       |  |
|-----------------------|--|
| “HKSCC”               | Hong Kong Securities Clearing Company Limited  |
| “Hong Kong”           | Hong Kong Special Administrative Region of the People’s Republic of China  |
| “Listing Committee”   | The Listing Committee of the Stock Exchange  |
| “Listing Rules”       | The Rules Governing the Listing of Securities on the Stock Exchange  |
| “Main Board”          | the Main Board of the Stock Exchange   |
| “New Share(s)”        | ordinary share(s) of HK\$0.01 each in the share capital of the Company immediately after the completion of the Capital Reduction and the Share Sub-division            |
| “Share Consolidation” | the proposed consolidation of every twenty (20) issued and unissued Shares of par value of HK\$0.10 each into one (1) Consolidated Share of par value of HK\$2.00 each |
| “Share(s)”            | Existing Share(s), Consolidated Share(s), and/or New Share(s) as the case may be   |
| “Shareholder(s)”      | holder(s) of the Share(s)  |
| “Share Sub-division”  | the proposed sub-division of every unissued Consolidated Shares in the authorised share capital of the Company into 200 New Shares                                     |
| “Stock Exchange”      | The Stock Exchange of Hong Kong Limited  |
| “%”                   | per cent.  |

By order of the Board  
**Glory Sun Financial Group Limited**  
**Yao Jianhui**  
*Chairman and Chief Executive Officer*

Hong Kong, 15 September 2022

*As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Yao Jianhui, Mr. Li Minbin and Mr. Huang Wei; one non-executive Director, namely Mr. Zhang Chi; and two independent non-executive Directors, namely Mr. Wong Chun Bong and Professor Lee Kwok On, Matthew.*