

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

## **FINSOFT FINANCIAL INVESTMENT HOLDINGS LIMITED**

### **匯財金融投資控股有限公司\***

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

**(Stock Code: 8018)**

### **PROPOSED SHARE CONSOLIDATION**

#### **PROPOSED SHARE CONSOLIDATION**

The Board proposes to implement the Share Consolidation on the basis that every ten (10) issued and unissued Existing Shares of par value of HK\$0.005 each in the share capital of the Company be consolidated into one (1) Consolidated Share of par value of HK\$0.05 each. The Share Consolidation is conditional upon, among other things, the approval of the Shareholders at the AGM.

As at the date of this announcement, there were 1,260,582,340 issued Existing Shares of par value of HK\$0.005 each which are fully paid or credited as fully paid. Upon the Share Consolidation becoming effective and assuming that no Existing Shares will be issued, repurchased or surrendered from the date of this announcement until the effective date of the Share Consolidation, 126,058,234 Consolidated Shares of par value of HK\$0.05 each will be in issue as fully paid or credited as fully paid.

#### **GENERAL**

The AGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Share Consolidation. A circular containing, among other things, further details of the Share Consolidation and a notice convening the AGM will be despatched to the Shareholders on or before Monday, 24 May 2021.

**Shareholders and potential investors of the Company should note that the Share Consolidation is conditional upon satisfaction of the conditions set out in the paragraphs headed “Conditions for the proposed Share Consolidation” in this announcement. Accordingly, the Share Consolidation may or may not proceed.**

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the 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 ten (10) issued and unissued Existing Shares of par value of HK\$0.005 each in the share capital of the Company be consolidated into one (1) Consolidated Share of par value of HK\$0.05 each.

\* For identification purposes only

## **Effects of the proposed Share Consolidation**

As at the date of this announcement, the authorised share capital of the Company is HK\$10,000,000 divided into 2,000,000,000 Existing Shares of par value of HK\$0.005 each, of which 1,260,582,340 Existing Shares have been allotted and issued as fully paid or credited as fully paid.

Upon the Share Consolidation becoming effective and assuming that no Existing Shares will be issued, repurchased or surrendered from the date of this announcement until the effective date of the Share Consolidation, the authorised share capital of the Company will be HK\$10,000,000 divided into 200,000,000 Consolidated Shares of par value of HK\$0.05 each, of which 126,058,234 Consolidated Shares will be in issue as 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.

Other than the expenses to be incurred in relation to the Share Consolidation, the implementation of the Share Consolidation will have no effect on the consolidated net asset value of the Group, nor will it alter the underlying assets, business, operations, management or financial position of the Company or the proportionate interests of the Shareholders, save that no fractional Consolidated Shares will be allocated to the Shareholders who may otherwise be entitled. The Board believes that the Share Consolidation will not have any material adverse effect on the financial position of the Group.

## **Conditions for the proposed Share Consolidation**

The Share Consolidation is conditional upon the following conditions:

- (i) the passing of an ordinary resolution by the Shareholders to approve the Share Consolidation at the AGM;
- (ii) the GEM 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 the relevant procedures and requirements under the applicable laws of Cayman Islands and the GEM Listing Rules to effect the Share Consolidation.

Subject to the fulfilment of all the above conditions, the Share Consolidation will become effective on the second Business Day after the AGM. As at the date of this announcement, none of the conditions above had been fulfilled.

## **Listing application**

An application will be made to the GEM Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued 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 may be 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 Existing 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 issued to the Shareholders 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.

### **Arrangement for matching service for odd lot**

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 designated broker to provide matching service, on a best efforts 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, from Monday, 12 July 2021 to Friday, 30 July 2021 (both days inclusive). Shareholders should note that 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. Further details in respect of the odd lots trading arrangement will be set out in the circular in relation to the Share Consolidation to be despatched to the Shareholders.

**Shareholders or potential investors of the Company 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.**

### **Reasons for the Share Consolidation**

Under Rule 17.76 of the GEM 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 issuer may be required either to change the trading method or to proceed with a consolidation or splitting of its securities. Further, 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 has further stated that (i) market price of the shares at a level less than HK\$0.1 each will be considered as trading at extremity as referred to Rule 17.76 of the GEM Listing Rules; and (ii) taking into account the minimum transaction costs for a securities trade, the expected board lot value should be greater than HK\$2,000.00.

The Existing Shares had been trading below HK\$0.08 and a board lot of the Existing Shares had been traded below HK\$2,000 at all times during the past 12 months. In view of the recent trading price of the Existing Shares, the Board proposed to implement the Share Consolidation. The Share Consolidation will also allow the value of each board lot to be increased to more than HK\$2,000 and enable the Company to avoid non-compliance with the trading requirements under the GEM 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 fee for each securities trade. It is also hoped that the Share Consolidation will make investing in the Shares more attractive to a broader range of investors, in particular to institutional investors whose house rules might otherwise prohibit or restrict trading in securities that are priced below a prescribed floor, and thus help to further broaden the shareholder base of the Company.

In view of the above, the Board considers the Share Consolidation is justifiable notwithstanding the potential costs and impact arising from the creation of odd lots to the Shareholders. Accordingly, 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.

As at the date of this announcement, the Company currently 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 currently does not have any concrete plan to conduct any fundraising activities in the next 12 months. Having considered the Company's current plan in relation to all corporate actions and equity fundraising activities for the next 12 months, the Directors are of the view that the Share Consolidation is reasonable and sufficient and in the best interest of the Company and the Shareholders as a whole.

### **Exchange of Share Certificate**

Subject to the Share Consolidation becoming effective, the Shareholders may during the period from Friday, 25 June 2021 to Tuesday, 3 August 2021 (both days inclusive) submit their existing share certificates in the colour of green for the Existing Shares to the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, in exchange for new share certificates in the colour of purple for the Consolidated Shares at the expense of the Company.

Thereafter, share certificates for the Existing Shares will be accepted for exchange only upon 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 the number of share certificates cancelled or issued is higher.

Subject to and upon the Share Consolidation becoming effective, after 4:00 p.m. on Tuesday, 3 August 2021, trading will only be in Consolidated Shares and the existing share certificates in the colour of green will remain to be good evidence of legal title and may be exchanged for share certificates for the Consolidated Shares at the expense of the Shareholders concerned at any time but will not be accepted for delivery, trading and settlement purposes.

## Adjustments in relation to other securities of the Company

As at the date of this announcement, save for the outstanding Share Options entitling the holders thereof to subscribe for 100,760,000 Existing Shares, the Company had no other outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into any Existing Shares or Consolidated Shares. The Share Consolidation will cause adjustments to be made to the exercise prices and/or the number of the Share Options. The Company will engage an independent financial adviser or the auditors of the Company to certify the adjustments to the Share Options and will inform the holders of the Share Options of the adjustments accordingly.

## No change in board lot size

As at the date of this announcement, the Existing Shares are traded on the Stock Exchange in the board lot size of 10,000 Existing Shares. Upon the Share Consolidation becoming effective, the board lot size for trading in the Consolidated Shares will continue to be 10,000 Consolidated Shares.

Based on the closing price of HK\$0.033 per Existing Share (equivalent to the theoretical closing price of HK\$0.33 per Consolidated Share) as quoted on the Stock Exchange as at the date of this announcement, the market value of each existing board lot of the Existing Shares is HK\$330 and the theoretical market value of each board lot of the Consolidated Shares would be HK\$3,300 on the assumption that the Share Consolidation becomes effective.

## Expected Timetable

The expected timetable for the Share Consolidation and the associated trading arrangements are as follows:

<b>Events</b>	<b>Time and date</b>
Despatch date of circular with notice of AGM and form of proxy . . . . .	Monday, 24 May 2021
Latest time for lodging transfers of Shares . . . . .	4:00 p.m. on Thursday, 17 June 2021
Closure of the register of members (both dates inclusive) . . . . .	Friday, 18 June 2021 to Wednesday, 23 June 2021
Latest time for lodging forms of proxy for the purpose of the AGM . . . . .	10:00 a.m. on Monday, 21 June 2021
AGM . . . . .	10:00 a.m. on Wednesday, 23 June 2021
Publication of announcement of results of the AGM . . . . .	Wednesday, 23 June 2021

**Events****Time and date****The following events are conditional on the fulfilment of the conditions for the implementation of the Share Consolidation:**

Effective date of the Share Consolidation . . . . .	Friday, 25 June 2021
First day for free exchange of existing share certificates for new share certificates for the Consolidated Shares . . . . .	Friday, 25 June 2021
Dealing in the Consolidated Shares commences . . . . .	9:00 a.m. on Friday, 25 June 2021
Original counter for trading in the Existing Shares in board lots of 10,000 Existing Shares (in the form of existing share certificates) temporarily closes . . . . .	9:00 a.m. on Friday, 25 June 2021
Temporary counter for trading in the Consolidated Shares in board lots of 1,000 Consolidated Shares (in the form of existing share certificates) opens . . . . .	9:00 a.m. on Friday, 25 June 2021
Original counter for trading in the Consolidated Shares in board lots of 10,000 Consolidated Shares (in the form of new share certificates) re-opens . . . . .	9:00 a.m. on Monday, 12 July 2021
Parallel trading in the Consolidated Shares (in the form of new and existing share certificates) commences . . . . .	9:00 a.m. on Monday, 12 July 2021
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 Monday, 12 July 2021
Designated broker ceases to stand in the market to provide matching services for the sale and purchase of odd lots of the Consolidated Shares . . . . .	4:00 p.m. on Friday, 30 July 2021
Temporary counter for trading in the Consolidated Shares in board lots of 1,000 Consolidated Shares (in the form of existing share certificates) closes . . . . .	4:10 p.m. on Friday, 30 July 2021
Parallel trading in the Consolidated Shares (in the form of new and existing share certificates) ends . . . . .	4:10 p.m. on Friday, 30 July 2021
Latest time for free exchange of existing share certificates for the new share certificates for the Consolidated Shares . . . . .	4:00 p.m. on Tuesday, 3 August 2021

All times and dates in this announcement refer to Hong Kong local times and dates. The expected timetable set out above is indicative only and may be subject to change. Further announcement(s) will be made as and when appropriate.



## GENERAL

The AGM will be convened and held for the Shareholders to consider and, if thought fit, approve, among other things, the Share Consolidation. A circular containing, among other things, further details of the Share Consolidation and a notice convening the AGM will be despatched to the Shareholders on or before Monday, 24 May 2021. 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 are required to abstain from voting at the AGM.

**Shareholders and potential investors of the Company should note that the Share Consolidation is conditional upon satisfaction of the conditions set out in the paragraphs headed "Conditions for the proposed Share Consolidation" in this announcement. Accordingly, the Share Consolidation may or may not proceed.**

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

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the meaning ascribed to them below:

"AGM"	the annual general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, approve, among other things, the Share Consolidation
"Board"	the board of the Directors
"Business Day"	a day (excluding Saturday, Sunday, public holiday and any day on which a tropical cyclone warning signal 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 licensed banks in Hong Kong are open for business throughout their normal business hours
"CCASS"	the Central Clearing and Settlement System, a securities settlement system used within the Hong Kong Exchanges and Clearing Limited market system, which is established and operated by the HKSCC;
"CCASS Operational Procedures"	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as amended from time to time;
"Company"	Finsoft Financial Investment Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on GEM

“Consolidated Share(s)”	ordinary share(s) of par value of HK\$0.05 each in the share capital of the Company immediately after the Share Consolidation becoming effective
“Director(s)”	the director(s) of the Company
“Existing Share(s)”	ordinary share(s) of par value of HK\$0.005 each in the share capital of the Company prior to the Share Consolidation having become effective
“GEM”	GEM of the Stock Exchange
“GEM Listing Committee”	the GEM listing sub-committee of the board of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“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
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Share(s)”	Existing Share(s) or Consolidated Share(s), as the case maybe
“Share Consolidation”	the proposed consolidation of every ten (10) issued and unissued Existing Shares of par value of HK\$0.005 each in the share capital of the Company into one (1) Consolidated Share of HK\$0.05 each
“Share Options”	the outstanding share options granted under the share option scheme of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

On behalf of the Board  
**Finsoft Financial Investment Holdings Limited**  
**Ms. Tin Yat Yu Carol**  
*Chairman*

Hong Kong, 26 April 2021



*As at the date of this announcement, the Board consists of Ms. Tin Yat Yu Carol being an executive Director and the chairman of the Board, Mr. Chan Wai Lung, Ms. Lam Ching Yee, Ms. Lin Ting and Ms. So Wai Yee Betty being the executive Directors, and Mr. Hon Ming Sang, Ms. Lee Kwun Ling, May Jean and Ms. Lo Wing Sze BBS, JP being the independent non-executive Directors.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Company Announcements” page of the website of the GEM at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its publication and on the website of the Company at [www.finsofthk.com](http://www.finsofthk.com).*