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## **Jin Cai Holdings Company Limited**

**金彩控股有限公司**

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

**(Stock Code: 01250)**

## **PROPOSED SHARE SUBDIVISION AND PROPOSED CHANGE IN BOARD LOT SIZE**

### **PROPOSED SHARE SUBDIVISION**

The Board proposes that each of the existing issued and unissued Shares of par value of HK\$0.01 each in the share capital of the Company be subdivided into ten (10) Subdivided Shares of par value of HK\$0.001 each. The Share Subdivision will become effective upon fulfillment of the conditions set out under the section headed “Conditions of the Share Subdivision” below.

### **PROPOSED CHANGE IN BOARD LOT SIZE**

The Board proposes to change the board lot size for trading on the Stock Exchange from 4,000 Shares to 20,000 Subdivided Shares after and conditional upon the Share Subdivision becoming effective.

## **GENERAL**

The EGM will be convened and held for the Shareholders to consider, and if thought fit, approve the proposed Share Subdivision. A circular containing, among other things, further details about the Share Subdivision and Change in Board Lot Size together with the notice of EGM, will be despatched to the Shareholders on or before 13 February 2015.

## **PROPOSED SHARE SUBDIVISION**

The Board proposes that each of the existing issued and unissued Shares of par value of HK\$0.01 each in the share capital of the Company be subdivided into ten (10) Subdivided Shares of par value of HK\$0.001 each.

### **Effect of the Share Subdivision**

As at the date of this announcement, the authorised share capital of the Company is HK\$20,000,000 divided into 2,000,000,000 Shares of HK\$0.01 each, of which 320,000,000 Shares have been issued and are fully paid or credited as fully paid. Assuming no further Shares will be issued or repurchased between the date of this announcement and the date of EGM, immediately after the Share Subdivision becoming effective, the authorised share capital of the Company will become HK\$20,000,000 divided into 20,000,000,000 ordinary shares of HK\$0.001 each, of which 3,200,000,000 Subdivided Shares will be in issue which are fully paid or credited as fully paid.

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

### **Conditions of the Share Subdivision**

The Share Subdivision is conditional upon the following:

- (a) the passing of an ordinary resolution by the Shareholders at the EGM to approve the Share Subdivision; and
- (b) the Stock Exchange granting the listing of, and permission to deal in, the Subdivided 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 Subdivided Shares.

Assuming all the conditions are fulfilled, the Share Subdivision will become effective on the day following the passing of the ordinary resolution at the EGM, which is expected to be 5 March 2015.

#### **Free exchange of Subdivided Shares' certificates and trading arrangement**

Subject to the Share Subdivision becoming effective, which is expected to be on Thursday, 5 March 2015, Shareholders may, during the period from Thursday, 5 March 2015 to Wednesday, 15 April 2015 (both days inclusive) between 9:00 a.m. to 4:30 p.m. on any Business Day, submit share certificates for the existing Shares in blue colour to the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shop 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, to exchange, at the expense of the Company, for new certificates of the Subdivided Shares in green colour. Thereafter, each share certificate for the existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be specified by the Stock Exchange) for each new share certificate issued for the Subdivided Shares or each share certificate for the existing Shares submitted for cancellation, whichever the number of certificates issued or cancelled is higher. Nevertheless, the share certificates for the existing Shares will continue to be good evidence of legal title and may be exchanged for new share certificates for the Subdivided Shares at any time after Wednesday, 15 April 2015 but are not accepted for trading, settlement and registration after 4:00 p.m. on Monday, 13 April 2015.

#### **PROPOSED CHANGE IN BOARD LOT SIZE**

As at the date of this announcement, the Shares are traded on the Stock Exchange in board lots of 4,000 Shares. The Board proposes to change the board lot size for trading on the Stock Exchange from 4,000 Shares to 20,000 Subdivided Shares after and conditional upon the Share Subdivision becoming effective.

Based on the closing price of HK\$3.2 per Share (equivalent to HK\$0.32 per Subdivided Share) as at the date of this announcement, the value of each board lot of 20,000 Subdivided Shares, assuming the Share Subdivision had already become effective, would be HK\$6,400.

The Share Subdivision and the Change in Board Lot Size will not result in any odd lot.

## **REASONS FOR THE SHARE SUBDIVISION AND THE CHANGE IN BOARD LOT SIZE**

Upon the proposed Share Subdivision becoming effective, the par value of each share of the Company will decrease and the total number of shares of the Company in issue will increase. The Share Subdivision will result in a downward adjustment to the trading price of the shares of the Company. Based on the closing price of HK\$3.2 per Share as quoted on the Stock Exchange as at the date of this announcement, the market value per board lot of 4,000 existing Shares is HK\$12,800. The estimated market value per new board lot of 20,000 Subdivided Shares will theoretically be reduced to HK\$6,400 immediately upon the Share Subdivision becoming effective. The Board believes that the Share Subdivision will reduce the trading spread and improve the trading liquidity of the Subdivided Shares. The Board also considers that the proposed Change in Board Lot Size will maintain the trading value for each board lot at a reasonable level and attract more investors and broaden the shareholder base of the Company. Accordingly, the Board considers that the Share Subdivision and the Change in Board Lot Size is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Other than the relevant expenses, including but not limited to professional fees and printing charges incurred, the implementation of the Share Subdivision and the Change in Board Lot Size 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 interests of the Shareholders. The Directors believe that the Share Subdivision will not have any material adverse effect on the financial position of the Group.

## **EXPECTED TIMETABLE**

The expected timetable relating to the Share Subdivision and Change in Board Lot Size and the associated trading arrangement are as follows:

*2015*

Despatch of the circular and the notice of the EGM  
on the proposed Share Subdivision and  
Change In Board Lot Size ..... Friday, 13 February

Latest time for lodging the form of proxy for the EGM ..... 10:00 a.m. on Monday,  
2 March

Expected date and time of EGM ..... 10:00 a.m. on Wednesday,  
4 March

Publication of announcement of poll results  
of the EGM ..... Wednesday,  
4 March

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

Effective date of the Share Subdivision ..... Thursday, 5 March

Dealing in Subdivided Share commences ..... 9:00 a.m. on Thursday,  
5 March

Original counter for trading in existing Shares in  
board lots of 4,000 Shares temporarily closes ..... 9:00 a.m. on Thursday,  
5 March

Temporary counter for trading in board lots  
of 40,000 Subdivided Shares (in the form of  
Existing Share Certificates) opens ..... 9:00 a.m. on Thursday,  
5 March

Free exchange of Existing Share Certificates for the New Share Certificates for the Subdivided Shares commences .....	Thursday, 5 March
Original counter for trading in Subdivided Shares in board lots of 20,000 Subdivided Shares (in the form of New Share Certificates for the Subdivided Shares) re-opens .....	9:00 a.m. on Thursday, 19 March
Parallel trading in Subdivided Shares (in the form of Existing Share Certificates and New Share Certificates) commences .....	9:00 a.m. on Thursday, 19 March
Temporary counter for trading in board lots of 40,000 Subdivided Shares (in the form of Existing Share Certificates) closes .....	4:00 p.m. on Monday, 13 April
Parallel trading in Subdivided Shares (in the form of Existing Share Certificates and New Share Certificates) ends .....	4:00 p.m. on Monday, 13 April
Free exchange of Existing Share Certificates for the New Share Certificates for the Subdivided Shares ends .....	Wednesday, 15 April

*Note:* All times and dates in this announcement refer to Hong Kong local times and dates.

Dates or deadlines specified in this announcement are indicative only and may be varied by the Company. Any consequential changes to the expected timetable will be published or notified to the Shareholders as and when appropriate.

## **GENERAL**

The EGM will be convened and held for the Shareholders to consider, and if thought fit, approve the proposed Share Subdivision. A circular containing, among other things, further details about the Share Subdivision and the Change in Board Lot Size and the notice of EGM, will be despatched to the Shareholders on or before 13 February 2015.

## **DEFINITIONS**

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

“Board”	the board of Directors
“Business Day”	a day (excluding Saturday, 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 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 general business
“Change in Board Lot Size”	the proposed change in board lot size of the Shares for trading on the Stock Exchange from 4,000 Shares to 20,000 Subdivided Shares
“Company”	Jin Cai Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company from time to time
“EGM”	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve the proposed Share Subdivision

“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Share(s)”	ordinary share(s) in the issued and unissued capital of the Company, the nominal value of which being HK\$0.01 each prior to the Share Subdivision
“Share Subdivision”	the proposed subdivision of every one (1) issued and unissued Share of par value HK\$0.01 each into ten (10) Subdivided Shares of par value of HK\$0.001 each
“Shareholder(s)”	holders of the Shares or Subdivided Shares, as the case may be
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subdivided Share(s)”	ordinary share(s) of nominal value of HK\$0.001 each in the share capital of the Company upon completion of the Share Subdivision
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board  
**Jin Cai Holdings Company Limited**  
**Huang Li**  
*Chairman*

Hong Kong, 6 February 2015

*As at the date of this announcement, the Board comprises six Directors, namely Ms. Huang Li and Mr. Zheng Hua as executive Directors; Mr. Huang Chao as non-executive Director; Mr. Zeng Shiquan, Mr. Tam Tak Kei Raymond and Professor Lam Sing Kwong Simon as independent non-executive Directors.*