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GREATERCHINA PROFESSIONAL SERVICES LIMITED

漢華專業服務有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8193)

PROPOSED SHARE CONSOLIDATION

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The Board proposes to implement the Share Consolidation on the basis that every ten (10) issued and unissued Shares of par value of HK\$0.01 each in the share capital of the Company will be consolidated into one (1) Consolidated Share of par value of HK\$0.10 each.

GENERAL

The EGM 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 proposed Share Consolidation and a notice convening the EGM are expected to be despatched to the Shareholders on or before 21 December 2018.

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Effects of the Share Consolidation

As at the date of this announcement, the authorised share capital of the Company is HK\$100,000,000 divided into 10,000,000,000 Shares of par value of HK\$0.01 each, of which 5,829,558,600 Shares have been issued as fully paid or credited as fully paid. Assuming that no further Shares are allotted, issued or repurchased between the date of this announcement and the date of the EGM, upon the Share Consolidation becoming effective, the authorised share capital of the Company shall become HK\$100,000,000 divided into 1,000,000,000 Consolidated Shares of par value of HK\$0.10 each, of which 582,955,860 Consolidated Shares will be in issue.

* *for identification purpose only*

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other. The Share Consolidation will not result in any change in the rights of the Shareholders. Other than the expenses to be incurred in relation to the Share Consolidation, the implementation of the Share Consolidation will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders.

Conditions of the Share Consolidation

The implementation of 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 of the Stock Exchange granting the approval for the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective; and
- (iii) The compliance with all relevant procedures and requirements under the applicable laws of the Cayman Islands and the GEM Listing Rules to effect the Share Consolidation.

The Share Consolidation will become effective on the next Business Day immediately following the fulfilment of the above conditions.

Listing application

An application will be made by the Company to 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 the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, as well as compliance with the stock admission requirements of the HKSCC, upon the Share Consolidation being effective, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of 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.

No part of the share capital of the Company is listed or dealt in on any other stock exchange other than the Stock Exchange and no such listing or permission to deal is being or is proposed to be sought.

OTHER ARRANGEMENTS

Fractional entitlement to Consolidated Shares

Fractional Consolidated Shares, 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 benefits of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Shares regardless of the number of existing share certificates held by such holder.

Arrangement on odd lot trading

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares, the Company will appoint a securities firm 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 arrangement will be set out in the circular to be despatched to the Shareholders.

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

Free exchange of certificates for Consolidated Shares

Subject to the Share Consolidation becoming effective, which is currently expected to be Tuesday, 15 January 2019, being the Business Day immediately after the date of the EGM, Shareholders may on or after Tuesday, 15 January 2019 and until Monday, 25 February 2019 (both days inclusive), submit their existing share certificates for the Shares in gold colour to the Company's branch share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong to exchange for new share certificates for the Consolidated Shares in blue colour at the expense of the Company.

Thereafter, existing share certificates for the Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may from time to time be specified by the Stock Exchange) by the Shareholders for each new share certificate for the Consolidated Shares issued or each existing share certificate for the Shares submitted for cancellation, whichever is higher.

The existing share certificates will only be valid for delivery, trading and settlement purposes for the period up to 4:00 p.m. on Thursday, 21 February 2019 and thereafter will not be accepted for delivery, trading and settlement purposes. However, the existing share certificates will continue to be good evidence of title to the Consolidated Shares on the basis of ten (10) Shares for one (1) Consolidated Share.

Adjustments in relation to other securities of the Company

As at the date of this announcement, there are outstanding Share Options for subscription of an aggregate of 486,709,400 Shares under the Share Option Scheme. The Share Consolidation may lead to adjustments to the exercise price and/or the number of Consolidated Shares falling to be issued upon exercise of the outstanding Share Options pursuant to the terms and conditions of the Share Option Scheme and the GEM Listing Rules. The Company will make further announcement(s) on such adjustments as and when appropriate.

Save for the aforesaid, the Company has no other outstanding options, warrants or securities in issue which are convertible or exchangeable into Shares as at the date of this announcement.

REASONS FOR THE SHARE CONSOLIDATION

Pursuant to 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. 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 3 July 2018 has further 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 17.76 of the GEM 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.

In view of the recent trading price of the Shares at a level less than HK\$0.1 and the value per board lot being less than HK\$2,000, the Board proposes to implement the Share Consolidation in order to comply with the trading requirements under the GEM Listing Rules. The Share Consolidation will increase the nominal value of the Shares, and is expected to bring about a corresponding upward adjustment in the trading price per board lot of the Consolidated Shares. The Board considers that the Share Consolidation would maintain the trading amount for each board lot at a reasonable level in order to attract more investors.

Save for the professional fees and printing charges for the implementation of the Share Consolidation, 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.

The Company has taken into account the effect of the Company’s potential equity issuing in the coming 12 months when determining the basis of the Share Consolidation. Subject to prevailing market conditions, the Group may consider fund raising activities to replenish its general working capital and/or to finance any potential business opportunities after completion of the Share Consolidation. As at the date of this announcement, there is not any understanding, agreement or arrangement, for any such fund raising activity in the coming 12 months nor is there any plan or conclusion for the format of any such corporate actions or arrangements for such fund raising. As at the date of this announcement, save for the aforesaid and the Share Consolidation, the Company does not have any intention to carry

out other corporate actions or arrangements that may affect the trading in the Shares (including share consolidation, share subdivision and change in board lot size) in the coming 12 months.

In view of the above, the Directors are of the view that the Share Consolidation is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

EXPECTED TIMETABLE

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

Event

Latest time for lodging share transfer in order to
qualify for EGM voting entitlement 4:30 p.m. on
Tuesday, 8 January 2019

Closure of the register of members for the
purpose of determining members who are
entitled to attend the EGM Wednesday, 9 January 2019
to Monday, 14 January 2019
(both day inclusive)

Latest date and time for lodging the proxy
form for the EGM 11:00 a.m. on
Saturday, 12 January 2019

Date and time of the EGM 11:00 a.m. on
Monday, 14 January 2019

Announcement of results of the EGM Monday, 14 January 2019

The following events are conditional upon the fulfilment of the conditions for the implementation of the Share Consolidation as set out in this announcement.

Effective date of the Share Consolidation Tuesday, 15 January 2019

First day of free exchange of existing
share certificates for new share certificates Tuesday, 15 January 2019

Dealings in Consolidated Shares commences 9:00 a.m. on
Tuesday, 15 January 2019

Original counter for trading in Shares in board lots of
5,000 Shares (in the form of existing share certificates)
temporarily closes 9:00 a.m. on
Tuesday, 15 January 2019

Temporary counter for trading in Shares in board lot of
500 Consolidated Shares (in the form of
existing share certificates) opens 9:00 a.m. on
Tuesday, 15 January 2019

Original counter for trading in Consolidated Shares
in board lot of 5,000 Consolidated Shares
(in the form of new share certificates) re-opens 9:00 a.m. on
Tuesday, 29 January 2019

Parallel trading in the Shares and Consolidated Shares
(in the form of existing share certificates
and new share certificates) commences 9:00 a.m. on
Tuesday, 29 January 2019

Designated broker starts to stand in the market to
provide matching services for odd lots of
Consolidated Shares 9:00 a.m. on
Tuesday, 29 January 2019

Temporary counter for trading in Consolidated Shares
in board lot of 500 Consolidated Shares
(in the form of existing share certificates) closes 4:00 p.m. on
Thursday, 21 February 2019

Parallel trading in Consolidated Shares
(in the form of new share certificates and
existing share certificates) ends 4:00 p.m. on
Thursday, 21 February 2019

Designated broker ceases to stand
in the market to provide matching services
for odd lots of Consolidated Shares 4:00 p.m. on
Thursday, 21 February 2019

Last day for free exchange of existing
share certificates for new share certificates Monday, 25 February 2019

Note: All times and dates in this announcement refer to Hong Kong local times and dates. Dates or deadlines specified in the expected timetable above are indicative only and may be extended or varied by the Company. Any changes to the expected timetable will be published or notified to the Shareholders as and when appropriate.

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DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday and any day on which a tropical cyclone warning no. 8 or above is hoisted or on which a “black” rainstorm warning is hoisted between 9:00 a.m. and 5:00 p.m.) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	GreaterChina Professional Services Limited, a company with limited liability incorporated under the laws of Cayman Islands, the Shares of which are listed on GEM
“Consolidated Share(s)”	ordinary share(s) with a par value of HK\$0.10 each in the share capital of Company upon the Share Consolidation becoming effective
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving, among other things, the Share Consolidation
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	collectively, the Company and its subsidiaries
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China
“HKSCC”	the Hong Kong Securities Clearing Company Limited
“Listing Committee”	has the meaning ascribed thereto under the GEM Listing Rules
“Share(s)”	ordinary share(s) with a par value of HK\$0.01 each in the share capital of the Company before the Share Consolidation becoming effective
“Shareholder(s)”	the holder(s) of the Share(s) and/or the Consolidated Share(s), as the case may be

“Share Consolidation”	the proposed consolidation of every ten (10) issued and unissued Shares of par value of HK\$0.01 each in the share capital of the Company into one (1) Consolidated Share of par value of HK\$0.10 each
“Share Option(s)”	share option(s) granted under the Share Option Scheme entitling the holders thereof to subscribe for Share(s)
“Share Option Scheme”	the share option scheme of the Company adopted on 18 May 2011
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	the lawful currency of Hong Kong

By order of the Board
GreaterChina Professional Services Limited
Ip Kwok Kwong
Executive Director and Managing Director

Hong Kong, 14 December 2018

As at the date of this announcement, the Board comprises Mr. Ip Kwok Kwong (Managing Director) and Mr. Wu Di as executive Directors; and Mr. Cheung Ka Chun, Mr. So Kwok Yun and Mr. Tang Wai Kee as 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 GEM website at www.hkgem.com for at least 7 days from the day of its publication. This announcement will also be published on the Company’s website at www.gca.com.hk.

In case of any inconsistency between the English and Chinese versions, the English text of this announcement shall prevail over the Chinese text.