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Top Standard Corporation

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8510)

(1) PROPOSED SHARE CONSOLIDATION; AND (2) PROPOSED CHANGE IN BOARD LOT SIZE

PROPOSED SHARE CONSOLIDATION

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

The Share Consolidation is conditional upon, among other things, the approval of Shareholders at the EGM. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholder will be required to abstain from voting on the resolution in relation to the Share Consolidation.

PROPOSED CHANGE IN BOARD LOT SIZE

As at the date of this announcement, the Existing Shares are traded on the Stock Exchange in board lot size of 8,000 Existing Shares. The Board proposes to change the board lot size for trading on the Stock Exchange from 8,000 Existing Shares to 20,000 Consolidated Shares conditional upon the Share Consolidation becoming effective.

GENERAL

The circular containing, among other things, further details of the Share Consolidation and a notice of the EGM will be despatched to the Shareholders on or before 29 December 2023.

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

Shareholders and potential investors 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 pursuant to which every ten (10) issued and unissued Existing Shares of HK\$0.01 each in the share capital of the Company will be consolidated into one (1) Consolidated Share of HK\$0.10 each.

Conditions of the proposed Share Consolidation

The Share Consolidation is conditional upon the following conditions:

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

Subject to the satisfaction of all the above conditions, it is expected that the Share Consolidation will become effective on the Effective Date, i.e. being the second Business Day immediately after the date of passing of the ordinary resolution approving the Share Consolidation at the EGM.

Effects of the proposed Share Consolidation

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 Existing Shares with par value of HK\$0.01 each.

Upon the Share Consolidation becoming effective and assuming that no changes on the authorized share capital of the Company from the date hereof until the Effective Date, the authorised share capital of the Company will become HK\$20,000,000 divided into 200,000,000 Consolidated Shares with par value of HK\$0.10 each.

As at the date of this announcement, 1,382,400,000 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 new Existing Shares will be issued or repurchased from the date hereof until the Effective Date, 138,240,000 Consolidated Shares will be in issue.

The Company has no other outstanding options, warrants or securities in issue which are convertible or exchangeable into the Shares.

Status of the Consolidated Shares

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other and the Share Consolidation will not result in any change in the relative rights of the Shareholders.

Listing Application

An application will be made by the Company to the GEM Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Consolidated Shares 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, as well as compliance with the stock admission requirements of the HKSCC, upon the Share Consolidation becoming 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.

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, 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 of the Consolidated Shares arising from the Share Consolidation, the Company will appoint a securities firm to provide a 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. Details of the odd lot arrangement will be set out in the circular of the Company.

Holders 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.

Exchange of share certificates

Subject to the Share Consolidation having become effective, Shareholders may, during the period from 9:00 a.m. on 18 January 2024 to 4:30 p.m. on 23 February 2024 (both days inclusive), submit the existing share certificates in purple colour for the Existing Shares to the Registrar in Hong Kong, Boardroom Share Registrars (HK) Limited at 2103B, 21st Floor, 148 Electric Road, North

Point, Hong Kong, to exchange, at the expense of the Company, for new share certificates for the Consolidated Shares in white colour. Thereafter, existing share certificates for Existing Shares will continue to be good evidence of legal title and may be exchanged for new share certificates for Consolidated Shares at the expense of the Shareholders on payment of a fee of HK\$2.50 (or such higher amount as may be allowed by the Stock Exchange from time to time) for each existing share certificate cancelled or each new share certificate issued for Consolidated Shares (whichever is higher) but are not acceptable for delivery, trading and settlement purposes.

PROPOSED 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 8,000 Existing Shares. The Board proposes to change the board lot size for trading on the Stock Exchange from 8,000 Existing Shares to 20,000 Consolidated Shares per board lot, conditional upon the Share Consolidation becoming effective.

Based on the closing price of HK\$0.022 per Existing Share (equivalent to the theoretical closing price of HK\$0.22 per Consolidated Share) as at the date of this announcement, (i) the value of each existing board lot of Existing Shares is HK\$176; (ii) the value of each board lot of 8,000 Consolidated Shares would be HK\$1,760 on the assumption that the Share Consolidation becoming effective; and (iii) the value of each board lot of 20,000 Consolidated Shares would be HK\$4,400 on the assumption that the Change in Board Lot Size has also become effective.

The Change in Board Lot Size will not result in any change in relative rights of the Shareholders.

REASONS FOR THE PROPOSED SHARE CONSOLIDATION AND THE CHANGE IN BOARD LOT SIZE

It is intended that the Share Consolidation and Change in Board Lot Size will bring a corresponding increase in the trading price per board lot of the Shares, which is expected to reduce the overall transaction and handling costs of dealing in the Shares.

Further, the Group has been actively reviewing from different levels and ways to enrich the development strategy of corporate sustainability and optimisation to create value. The Board believes that the Share Consolidation and Change in Board Lot Size will bring about a corresponding upward adjustment in the trading price of the Shares and increase in the transaction value of each board lot of Shares, thereby making investing in the Consolidated Shares more attractive to a broader range of institutional and professional investors in order to optimise the Shareholder base and improve the value of the Shares in the long run. When deciding to invest in any particular company, institutional and professional investors tend to consider, among other factors, the stability of the share price performance and how it compares with its peers in a particular sector. By aligning the Share price level of the Company with its industry peers, it is expected that such upward adjustment will achieve a positive image in comparison to its peers when being assessed by potential investors. Therefore, the Company believes that an upward adjustment in the trading price of the Consolidated Shares will make investing in the Consolidated Shares more attractive to a boarder range of institutional and professional investors, and that the corporate image and profile of the Company would be uplifted.

The Board believes the Share Consolidation and Change in Board Lot Size will not have any material adverse effect on the financial position of the Company nor result in change in the relative rights of the Shareholders and are in the interests of the Company and the Shareholders as a whole.

On 6 December 2023, the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, a maximum of 276,480,000 Placing Shares at the Placing Price of HK\$0.013 per Placing Share to not less than six Placees who and whose beneficial owners shall be Independent Third Parties. Assuming the maximum 276,480,000 Placing Shares are fully placed, the gross proceeds and net proceeds (after deducting the placing commission and other related expenses) are estimated to be approximately HK\$3.6 million and HK\$3.5 million respectively. The Company intends to apply the net proceeds from the Placing for the general working capital of the Group.

Save for the aforesaid above, as at the date of this announcement, (i) 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 (ii) the Company currently does not have any other plans to conduct any equity fundraising activities in the next 12 months.

EXPECTED TIMETABLE

Event	Time and Date
Despatch date of circular with notice of the EGM.on or before Friday, 29 December 2023
Latest date and time for lodging transfer documents in order to qualify for attending and voting at the EGM	4:30 p.m. on Thursday, 11 January 2024
Closure of the register of members for the entitlement to attend and vote at the EGM	Friday, 12 January 2024 to Tuesday, 16 January 2024 (both dates inclusive)
Latest date and time for lodging the proxy forms for the EGM	11:00 a.m. on Sunday, 14 January 2024
Record date for attendance and voting at the EGM	Tuesday, 16 January 2024
Expected date and time of the EGM	11:00 a.m. on Tuesday, 16 January 2024
Publication of announcement of voting results of the EGM	Tuesday, 16 January 2024
Register of members of the Company re-opens	Wednesday, 17 January 2024

The following events are conditional upon the fulfilment of the conditions for implementation of the Share Consolidation as set out in the section headed “Conditions of the Share Consolidation” above.

Event	Time and Date
Effective date of the Share Consolidation	Thursday, 18 January 2024
First day of free exchange of existing share certificates for new share certificates for the Consolidated Shares	Thursday, 18 January 2024
Dealing in the Consolidated Shares commences	9:00 a.m. on Thursday, 18 January 2024
Original counter for trading in the Existing Shares in board lots of 8,000 Existing Shares temporarily closes	9:00 a.m. on Thursday, 18 January 2024
Temporary counter for trading in the Consolidated Shares in board lots of 800 Consolidated Shares (in the form of existing share certificates) opens	9:00 a.m. on Thursday, 18 January 2024
Original counter for trading in the Consolidated Shares in board lots of 20,000 Consolidated Shares (in the form of new share certificates) re-opens	9:00 a.m. on Thursday, 1 February 2024
Parallel trading in the Consolidated Shares (in the form of new share certificates and existing share certificates) commences	9:00 a.m. on Thursday, 1 February 2024
Designated broker starts to stand in the market to provide matching services for odd lots of the Consolidated Shares	9:00 a.m. on Thursday, 1 February 2024
Designated broker ceases to stand in the market to provide matching services for odd lots of the Consolidated Shares	4:00 p.m. on Friday, 23 February 2024
Temporary counter for trading in the Consolidated Shares in board lots of 800 Consolidated Shares (in the form of existing share certificates) closes	4:10 p.m. on Friday, 23 February 2024

Event	Time and Date
Parallel trading in the Consolidated Shares (in the form of new share certificates and existing share certificates) ends	4:10 p.m. on Friday, 23 February 2024
Last day for free exchange of existing share certificates for new share certificates for the Consolidated Shares	4:30 p.m. on Tuesday, 27 February 2024

The expected timetable set out above is subject to the result of relevant resolution of the EGM and is therefore for indicative purpose only. All times and dates in this announcement refer to Hong Kong local times and dates. Any changes to the expected timetable will be announced in a separate announcement by the Company as and when appropriate.

GENERAL

The Share Consolidation is conditional upon, among other things, the passing of an ordinary resolution by the Shareholders at the EGM and the GEM Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares.

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve, among other things, the Share Consolidation. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as none of the Shareholders or their associates would have a material interest in the Share Consolidation, no Shareholder is required to abstain from voting on the resolution relating to the proposed Share Consolidation.

A circular containing, among other things, details of the Share Consolidation and the notice convening the EGM is expected to be despatched to the Shareholders on or about 29 December 2023.

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

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

DEFINITIONS

Unless the context requires otherwise, the use of capitalised terms in this announcement shall have the following meanings:

“Board”	the board of Directors
“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 from time to time
“Change in Board Lot Size”	the change in board lot size of the Shares for trading on the Stock Exchange from 8,000 Existing Shares to 20,000 Consolidated Shares
“Company”	Top Standard Corporation, a company incorporated under the laws of the Cayman Islands and the Shares of which are listed on GEM of the Stock Exchange (stock code: 8510)
“Consolidated Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company immediately after the Share Consolidation becoming effective
“Director(s)”	the director(s) of the Company
“Effective Date”	the date on which the Share Consolidation shall become effective, being the business day immediately after the date of the passing of the ordinary resolution approving the Share Consolidation at the EGM
“Existing Shares”	ordinary share(s) of HK\$0.01 each in the share capital of the Company prior to the Share Consolidation having become effective
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Committee”	the GEM listing sub-committee of the board of directors of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM of the Stock Exchange

“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
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Placee(s)”	any individuals, corporate, institutional investors or other investors who are Independent Third Parties, procured by or on behalf of the Placing Agent to subscribe for any of the Placing Shares
“Placing”	the placing of the Placing Shares, on a best effort basis, procured by the Placing Agent to the Placees, on and subject to the terms and conditions set out in the Placing Agreement
“Placing Agent”	Sanston Financial Group Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Agreement”	the conditional placing agreement dated 6 December 2023 entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	the placing price of HK\$0.013 per Placing Share
“Placing Share(s)”	a maximum up to 276,480,000 new Shares to be placed pursuant to the Placing Agreement
“Registrar”	Boardroom Share Registrars (HK) Limited, the Hong Kong Branch Share registrar of the Company, 2103B, 21st Floor, 148 Electric Road, North Point, Hong Kong
“Share(s)”	Existing Share(s) and/or Consolidated Share(s), as the case may be
“Shareholder(s)”	holder(s) of the Share(s) or the Consolidated Share(s), as the case may be

“Share Consolidation” the share consolidation of every ten (10) issued and unissued Existing Shares into one (1) Consolidated Share

“Stock Exchange” The Stock Exchange of Hong Kong Limited

By Order of the Board
Top Standard Corporation
Chuk Stanley
Chairman and Executive Director

Hong Kong, 11 December 2023

As at the date of this announcement, the Directors are Mr. Chuk Stanley and Mr. Ying Kan Man, and the independent non-executive Directors are Mr. Wong Ching Wan, Mr. Tang Chiu Ming, Jeremy and Mr. Yip Ki Chi, Luke.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited 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 Listed Company Information” page of the Stock Exchange’s website at www.hkexnews.hk for at least 7 days from the date of its publication and will be published on the Company’s website at www.topstandard.com.hk.