

香港中央結算有限公司  
(香港交易及結算所有限公司全資附屬公司)

**HONG KONG SECURITIES CLEARING COMPANY LIMITED**  
(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

## 通告 CIRCULAR

Subject: Huaxi Holdings Company Limited (Stock Code: 1689)  
- Proposal of Share Subdivision

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Pursuant to the share subdivision proposal of Huaxi Holdings Company Limited ("HUAXIHOLDINGS"), every existing share of HK\$0.01 each ("Existing Share") will be subdivided into 2 shares of HK\$0.005 each ("Subdivided Share"). Dealings in the Subdivided Shares are expected to commence on 25 January 2018.

For the convenience of CCASS participants, HKSCC will carry out the conversions of actual holdings, transactions (including Settlement Instruction Transaction ("SI Transaction"), Investor Settlement Instruction Transaction ("ISI Transaction") and Compulsory Stock Borrowing Transaction ("CSB Transaction") and/or unsettled stock positions (including Continuous Net Settlement Position ("CNS Position") and Isolated Trade Position ("IT Position")) of participants in CCASS to facilitate settlement of both Subdivided Shares and Existing Shares in HUAXIHOLDINGS. A stock conversion schedule is attached herewith as per Appendix I.

The aforesaid conversion process would be carried out in the Depository and Common Nominees System ("DNS") automatically on the scheduled dates. However, for stock positions that remain unsettled between 9 February 2018 and 13 March 2018, the CCASS Participants concerned who need to effect the relevant conversion of their holdings for the purpose of settling their short positions should submit the Parallel Trading Conversion Instruction through CCASS Terminals during the above-mentioned period.

CCASS Participants who wish to deposit shares to or withdraw shares from the CCASS Depository are requested to note the following: -

### (A) Deposit Arrangement

1. From 29 January 2018 until 13 March 2018, Existing Share certificates representing shares of HK\$0.01 each (purple in colour) will be accepted for deposit under stock code: 2924 (Temp). Effective from 14 March 2018, Existing Share certificates representing shares of HK\$0.01 each will only be accepted for deposit for custody purpose under stock code: 1689 (New).

Effective from 8 February 2018, the CCASS Depository will accept deposit of Subdivided Share certificates representing shares of HK\$0.005 each (blue in colour) under stock code: 1689 (New).

2. For deposits of both Existing and Subdivided Share certificates of HUAXIHOLDINGS under the same stock code, CCASS Participants are requested to use separate Transfer Deeds and Stock Deposit Forms to cover the Existing and Subdivided Share certificates respectively.
3. An example on how to complete the Stock Deposit Form in respect of deposits of Existing Shares is given as per Appendix III.

### **(B) Withdrawal Arrangement**

1. With effect from 29 January 2018 until 9 February 2018, the CCASS Depository will only accept withdrawal of shares under the temporary stock code: 2924. If participants' holdings are recorded under stock code: 1689, they should apply in writing to the CCASS Depository to convert their holdings to the temporary stock code: 2924 for the purpose of withdrawal.

Upon acceptance of the withdrawal order, the CCASS Depository will effect delivery of either Existing Share certificates representing shares of HK\$0.01 each or Subdivided Share certificates representing shares of HK\$0.005 each subject to availability of the two types of share certificates.

2. With effect from 12 February 2018, the CCASS Depository will only accept withdrawal of Subdivided Shares under the new stock code: 1689. If participants' holdings are recorded under temporary stock code: 2924, they should submit the Parallel Trading Conversion Instruction through CCASS Terminals to convert their holdings to the new stock code: 1689 for the purpose of withdrawal.

Detailed schedule for accepting deposits and withdrawals under stock code: 1689 or the temporary stock code: 2924 is given as per Appendix II.

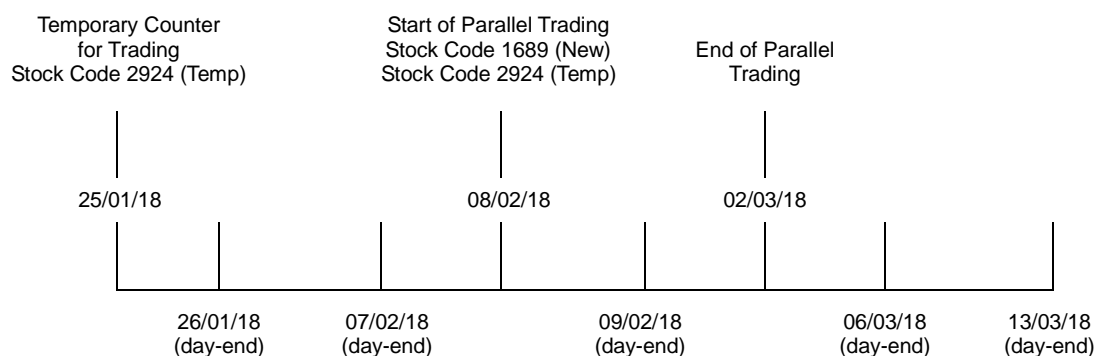
Wil Tang  
Vice President  
Depository and Nominee Services

**APPENDIX I**

**HUAXI HOLDINGS COMPANY LIMITED**

**Corporate Events**

**Schedule of Stock Conversion**



Conversion Cycle	1 <sup>st</sup> CA	2 <sup>nd</sup> CA	3 <sup>rd</sup> CA	4 <sup>th</sup> CA	5 <sup>th</sup> CA
Stock Conversion	1689 (Old) → 2924	1689 (Old) → 2924	2924 → 1689 (New)	2924 → 1689 (New)	2924 → 1689 (New)
Holding	Yes	Yes	Yes	Yes	Yes
Position	No	Yes (CNS and IT)	No	No	No
Transaction	Yes (SI, ISI & CSB)	Yes (SI, ISI & CSB)	Yes (SI, ISI & CSB)	Yes (SI, ISI & CSB)	Yes (SI, ISI & CSB)
Conversion Ratio	1 → 2	1 → 2	1 → 1	1 → 1	1 → 1

- Note:
- 1689 (Old) - Existing Shares of HK\$0.01 each trading in board lots of 2,000 shares
  - 2924 (Temp) - Temporary counter for trading in board lots of 4,000 Subdivided Shares
  - 1689 (New) - Subdivided Shares of HK\$0.005 each trading in board lots of 2,000 shares
  - CA - Corporate Action
  - CNS - CNS Position
  - IT - IT Position
  - SI - SI Transaction
  - ISI - ISI Transaction
  - CSB - CSB Transaction

**APPENDIX II**

**HUAXI HOLDINGS COMPANY LIMITED**

Schedule for accepting deposit and withdrawal under stock codes 1689 or 2924 during the conversion cycle

Acceptance period for	25/01/18 to 26/01/18	29/01/18 to 07/02/18	08/02/18 to 09/02/18	12/02/18 to 06/03/18	07/03/18 to 13/03/18	From 14/03/18 Onwards
Deposit under stock code 1689	Yes  (Existing Share quantity)	No	Yes (Subdivided Share certificate representing shares of HK\$0.005 each)	Yes (Subdivided Share certificate representing shares of HK\$0.005 each)	Yes (Subdivided Share certificate representing shares of HK\$0.005 each)	Yes
Deposit under stock code 2924	No	Yes	Yes	Yes	Yes	No
Withdrawal under stock code 1689	Yes	No	No	Yes	Yes	Yes
Withdrawal under stock code 2924	No	Yes	Yes	No	No	No

**APPENDIX III**

Example on how to complete a Stock Deposit Form in respect of deposits of Existing Shares of HK\$0.01 each of Huaxi Holdings Company Limited on and after the effective date of share subdivision:

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A CCASS Participant presents the following Existing Shares of HK\$0.01 each of Huaxi Holdings Company Limited to the CCASS Depository for deposit on or after 29 January 2018.

<u>Certificate Number</u>	<u>Existing Share quantity printed on each certificate</u>	<u>Existing Share quantity (HK\$0.01 each)</u>	<u>Subdivided Share quantity (HK\$0.005 each)</u>
1101 - 1102	2,000	4,000	8,000
	<b>TOTAL:</b>	<u>4,000</u>	<u>8,000</u>

**樣本**  
**SAMPLE**

**STOCK DEPOSIT FORM**

CCASS Depository Services

Participant ID <b>B99999</b>		Name of Participant <b>ABC &amp; CO</b>				Stock Account Number				
Stock Code <b>1689/2924</b>		Stock Name <b>Huaxi Holdings Company Limited</b>				For Office Use Only				
Certificate Number <i>(Please group only consecutively numbered certificates with the same share denominations.)</i>		Number of Shares/Warrants	Date of Issue				Counter	CCASS Pasted		
Prefix	From		To	D	D	M			M	Y
	<b>1 1 0 1</b>	<b>1 1 0 2</b>	<b>8,000</b>					Override By		
								Checked By		
							Certificate Processing	Certificates Checked		
								Certificates Posted		
							Transfer	T/D Prepared By		
								Checked By		
							Vault	Filed By		
		Total ▶	<b>8,000</b>							
Remarks						NOTES:				
<p>The above printed validation represents descriptions of stock as presented by the CCASS participant under this form and shall in no event constitute or be treated as an official Receipt for deposit of said stock.</p>						<p>1. Pursuant to the CCASS Rules and Operational Procedures, Hong Kong Securities Clearing Company Limited (HKSCC) reserves the right to reject a deposit and/or reverse deposit entries if the above required information is incomplete or incorrect, or if registration of any or all of the shares are subsequently rejected by the relevant share registrar(s).</p> <p>2. Activities under CCASS are subject to the CCASS Rules and Operational Procedures in effect.</p>				

\_\_\_\_\_  
Authorised Signature of CCASS Participant (with Company Chop)

To be completed if stock deposited in batch <i>(i.e. stock deposited with more than one deposit form)</i>	
Total No. of Share in Batch	Deposit Form:
	_____ of _____

**#Note: Existing Share certificate representing shares of HK\$0.01 each will only be accepted for deposit for custody purpose under stock code: 1689 (New) with effect from 14 March 2018.**