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**UNION ASIA
ENTERPRISE HOLDINGS LTD
萬亞企業控股有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8173)

**(I) PROPOSED SHARE CONSOLIDATION;
(II) PROPOSED CHANGE IN BOARD LOT SIZE; AND
(III) PROPOSED CHANGE OF COMPANY NAME**

PROPOSED SHARE CONSOLIDATION AND PROPOSED CHANGE IN BOARD LOT SIZE

The Board proposes to implement the Share Consolidation on the basis that every five (5) issued and unissued Existing Shares of HK\$0.0001 each in the share capital of the Company be consolidated into one (1) Consolidated Share of HK\$0.0005 and to round down the number of Consolidated Shares in the issued share capital of the Company to the nearest whole number by disregarding each and every fractional Consolidated Share which would otherwise arise therefrom.

The Board also proposes to change the board lot size for trading from 40,000 Existing Shares to 20,000 Consolidated Shares upon the Share Consolidation becoming effective.

PROPOSED CHANGE OF COMPANY NAME

The Board proposes to change the English name of the Company from “Union Asia Enterprise Holdings Limited” to “Hephaestus Holdings Limited”, and to adopt and register the Chinese name of “客思控股有限公司” as the dual foreign name of the Company in place of its existing Chinese name of “萬亞企業控股有限公司”.

GENERAL

Each of the Share Consolidation and the Change of Company Name is conditional upon, among other things, the approval of Shareholders at the EGM.

The EGM will be convened and held to consider, and if thought fit, to approve, among other things, the Share Consolidation and the Change of Company Name. 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 resolutions in relation to the Share Consolidation and the Change of Company Name.

The Circular to be published by the Company will contain, among other things, (i) details of the Share Consolidation and the Change in Board Lot Size; (ii) details of the Change of Company Name; and (iii) a notice convening the EGM, is expected to be despatched to Shareholders on or before 13 August 2021.

PROPOSED SHARE CONSOLIDATION AND PROPOSED CHANGE IN BOARD LOT SIZE

The Board proposes to implement the Share Consolidation on the basis that every five (5) issued and unissued Existing Shares of HK\$0.0001 each in the share capital of the Company be consolidated into one (1) Consolidated Share of HK\$0.0005 and to round down the number of Consolidated Shares in the issued share capital of the Company to the nearest whole number by disregarding each and every fractional Consolidated Share which would otherwise arise therefrom.

The Board also proposes to change the board lot size for trading from 40,000 Existing Shares to 20,000 Consolidated Shares upon the Share Consolidation becoming effective.

Effects of the Share Consolidation

As at the date of this announcement, the authorised share capital of the Company is HK\$10,000,000 divided into 100,000,000,000 Existing Shares of HK\$0.0001 each, of which 1,112,252,631 Existing Shares have been issued and are fully paid or credited as fully paid.

Immediately upon the Share Consolidation becoming effective and assuming there will be no change in the issued share capital of the Company from the date of this announcement up to the effective date of the Share Consolidation, the authorised share capital of the Company shall remain at HK\$10,000,000 divided into 20,000,000,000 Consolidated Shares of HK\$0.0005 each (of which 222,450,526 Consolidated Shares will be in issue).

Conditions of the Share Consolidation

The Share Consolidation is conditional upon:

- (a) the passing by the Shareholders of an ordinary resolution to approve the Share Consolidation at the EGM; and

- (b) 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.

Subject to the fulfilment of the conditions of the Share Consolidation, the Share Consolidation will become effective on the second Business Day after the EGM.

Status of the Consolidated Shares

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other in the same class in accordance with the Articles of Association. The Share Consolidation will not result in any change in the relative rights or proportionate interests of the holders of shares of the same class. Other than the expenses to be incurred in relation to the Share Consolidation (including without limitation professional fees and printing fees), the implementation thereof will not, of itself, alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the holders of shares of the same class, save for any fractional Consolidated Shares which may arise.

Application for listing of the Consolidated Shares

An application will be made to the Stock Exchange for the listing of, and permission to deal in, the Consolidated Shares to be issued upon the Share Consolidation becoming effective.

Subject to the granting of the approval 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, under contingent situation, 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 securities 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.

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 40,000 Existing Shares. It is proposed that, following the Share Consolidation becoming effective, the Consolidated Shares will be traded in board lot size of 20,000 Consolidated Shares.

Based on the closing price of HK\$0.058 per Existing Share (equivalent to HK\$0.29 per Consolidated Share) as quoted on the Stock Exchange as at the date of this announcement, the board lot value of the existing board lot of 40,000 Existing Shares each is HK\$2,320; and the board lot value of the proposed board lot of 20,000 Consolidated Shares each is HK\$5,800. The Change in Board Lot Size will not, by itself, affect any of the rights of Shareholders.

Exchange of share certificates

Subject to the Share Consolidation becoming effective, which is expected to be on Thursday, 2 September 2021, the Shareholders may, during a period between Thursday, 2 September 2021 and Tuesday, 12 October 2021 (both dates inclusive), submit existing share certificates for the Existing Shares, which is in light brown colour, to the Hong Kong Share Registrar, to exchange, at the expense of the Company, for new share certificates for the Consolidated Shares, which will be in light purple colour. It is expected that new share certificates for the Consolidated Shares will be available for collection within 10 Business Days from the date of submission for the exchange. Thereafter, the existing share certificates 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 for the Consolidated Shares to be issued or each existing share certificate for the Existing Shares cancelled, whichever the number of certificates issued or cancelled is higher.

Subject to the Share Consolidation becoming effective, the existing share certificate will only be valid for delivery, trading and settlement purposes for the period up to 4:10 p.m. on Friday, 8 October 2021, and thereafter will not be accepted for delivery, trading and settlement purposes. However, the existing share certificate will continue to be good evidence of title to the Consolidated Shares on the basis of five (5) Existing Shares for one (1) Consolidated Share. Nevertheless, the existing 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 Consolidated Shares at any time at the expense of the Shareholders but will not be accepted for delivery, trading and settlement purposes.

Arrangement on odd lot trading

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 securities firm to provide matching service, 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.

Fractional Consolidated Shares

Fractional Consolidated Shares (if any) arising from the Share Consolidation will not be issued to the Shareholders otherwise entitled thereto but will be aggregated and sold if possible, 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.

Adjustments in relation to other securities of the Company

As at the date of this announcement, the Company has no outstanding options, warrants or other securities in issue which are convertible into or giving rights to subscribe for, convert or exchange into, any Existing Shares or Consolidated Shares, as the case may be.

Reasons for the Share Consolidation and the Change in Board Lot Size

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, 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 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 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 prices of the Existing Shares, the Board proposes to implement the Share Consolidation which will increase the nominal value of the Shares. It is expected that the Share Consolidation will bring about a corresponding increase in the trading price of the Consolidated Shares on the Stock Exchange. Further, the Share Consolidation will also make 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, including its per share price and per board lot value. By aligning the Share price level and board lot value of the Company with its major industry peers, it is expected that such parameters of the Shares will achieve a level playing field with its major industry peers when being assessed by different types of investors who are considering investment in the industry as part of their portfolios.

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 broader range of institutional and professional investors, which is also expected that the corporate image and profile of the Company would be uplifted.

With a higher trading price in respect of the Consolidated Shares after the Share Consolidation having become effective, the Company considers that the Change in Board Lot Size would achieve a reasonable level of overall transaction and handling costs of dealings in each board lot of the Consolidated Shares for members of the investing public and would improve the liquidity of the Consolidated Shares.

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

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 plan to conduct any equity fundraising activities in the next 12 months.

Expected Timetable

Set out below is the expected timetable in relation to the Share Consolidation and the Change in Board Lot Size:

Events	Hong Kong Date and Time
Despatch of Circular and proxy form for the EGM	On or before Friday, 13 August 2021
Latest date and time for lodging transfers of the Existing Shares in order to qualify for attending and voting at the EGM	4:00 p.m. on Wednesday, 25 August 2021
Closure of register of members for the entitlements to attend and vote at the EGM	Thursday, 26 August 2021 to Tuesday, 31 August 2021 (both dates inclusive)
Latest date and time for lodging the proxy form for the EGM (not less than 48 hours prior to time of the EGM)	11:00 a.m. on Sunday, 29 August 2021
Record date for attendance and voting at the EGM	Tuesday, 31 August 2021

Events	Hong Kong Date and Time
Date and time of the EGM	11:00 a.m. on Tuesday, 31 August 2021
Publication of the announcement of poll results of the EGM	Tuesday, 31 August 2021

The following events are conditional on the fulfillment of the conditions for the implementation of the Share Consolidation:

Events	Hong Kong Date and Time
Effective date of the Share Consolidation	Thursday, 2 September 2021
First day of free exchange of existing share certificates for the Existing Shares for new share certificates for the Consolidated Shares	Thursday, 2 September 2021
Dealings in Consolidated Shares commence	9:00 a.m. on Thursday, 2 September 2021
Original counter for trading in Existing Shares in board lot of 40,000 Existing Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Thursday, 2 September 2021
Temporary counter for trading in Consolidated Shares in board lot of 8,000 Consolidated Shares (in the form of existing share certificates) opens	9:00 a.m. on Thursday, 2 September 2021
Original counter for trading in Consolidated Shares in new board lot of 20,000 Consolidated Shares (in the form of new share certificates) re-opens	9:00 a.m. on Thursday, 16 September 2021
Parallel trading in Consolidated Shares (in the form of existing share certificates and new share certificates) commences	9:00 a.m. on Thursday, 16 September 2021
Designated broker starts to stand in the market to provide matching services for the sale and purchase of odd lot of Consolidated Shares	9:00 a.m. on Thursday, 16 September 2021
Designated broker ceases to stand in the market to provide matching services for the sale and purchase of odd lot of Consolidated Shares	4:00 p.m. on Friday, 8 October 2021

Events	Hong Kong Date and Time
Temporary counter for trading in Consolidated Shares in board lot of 8,000 Consolidated Shares (in the form of existing share certificates) closes	4:10 p.m. on Friday, 8 October 2021
Parallel trading in Consolidated Shares (in the form of new share certificates and existing share certificates) ends	4:10 p.m. on Friday, 8 October 2021
Last day for free exchange of existing share certificates for the Existing Shares for new share certificates for the Consolidated Shares	4:00 p.m. on Tuesday, 12 October 2021

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.

PROPOSED CHANGE OF COMPANY NAME

The Board proposes to change the English name of the Company from “Union Asia Enterprise Holdings Limited” to “Hephaestus Holdings Limited”, and to adopt and register the Chinese name of “客思控股有限公司” as the dual foreign name of the Company in place of its existing Chinese name of “萬亞企業控股有限公司”.

Conditions of the Change of Company Name

The Change of Company Name is subject to the following conditions:

- (i) the passing of the necessary special resolutions by the Shareholders at the EGM to approve, among others, the Change of Company Name; and
- (ii) the Registrar of Companies in the Cayman Islands approving the Change of Company Name.

Subject to the satisfaction of the conditions set out above, the Change of Company Name will take effect from the date on which the Registrar of Companies in the Cayman Islands issues the certificate of incorporation on change of name confirming the new names have been registered. The Company will then carry out all necessary filing procedures with the Companies Registry in Hong Kong.

Effect of the Change of Company Name

The Change of Company Name will not affect any rights of the holders of securities of the Company or the Company’s daily business operation and its financial position.

All existing share certificates in issue bearing the present name of the Company shall, after the Change of Company Name becoming effective, continue to be evidence of title to such Shares and the existing share certificates will continue to be valid for trading, settlement, registration and delivery purposes. There will not be any arrangement for exchange of the existing share certificates. Once the Change of Company Name becomes effective, the Board intends to change the English and Chinese stock short names of the Company accordingly and new share certificates will be issued only in the new name of the Company.

Reasons for the Change of Company Name

The Board considers that the Change of Company Name will better reflect the current status of the Group and its direction of future development. The Board believes that the new English and Chinese names of the Company will provide the Company with a new corporate image which will benefit the Company's future business development. Therefore, the Board considers that the Change of Company Name is in the best interests of the Company and the Shareholders as a whole.

GENERAL

The EGM will be convened and held to consider, and if thought fit, to approve, among other things, the Share Consolidation and the Change of Company Name. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders are required to abstain from voting on the resolutions in relation to the Share Consolidation and the Change of Company Name to be proposed at the EGM.

The Circular to be published by the Company will contain, among other things, (i) details of the Share Consolidation and the Change in Board Lot Size; (ii) details of the Change of Company Name; and (iii) a notice convening the EGM, is expected to be despatched to Shareholders on or before 13 August 2021.

The Company will make further announcement(s) to inform the Shareholders of, among others, the voting results of the EGM, the effective date of the Change of Company Name and the new English and Chinese stock short names of the Company under which the Shares will be traded on the Stock Exchange as and when appropriate.

The Shareholders and potential investors should note that the Share Consolidation and the Change of Company Name are conditional upon of satisfaction of the conditions as set out above and the Change in Board Lot Size is conditional upon the Share Consolidation becoming effective. Accordingly, the Share Consolidation, the Change in Board Lot Size and the Change of Company Name may or may not proceed.

The 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

In this announcement, the following expressions shall have the following meanings unless the context otherwise requires:

“Articles of Association”	the articles of association for the time being adopted by the Company and as amended from time to time
“Board”	the board of Directors
“Business Day(s)”	a day on which the Stock Exchange is open for business of dealing in securities
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Change in Board Lot Size”	the proposed change in board lot size of the issued Shares for trading from 40,000 Existing Shares to 20,000 Consolidated Shares
“Change of Company Name”	the proposed change of the English name of the Company from “Union Asia Enterprise Holdings Limited” to “Hephaestus Holdings Limited”, and to adopt and register the Chinese name of “客思控股有限公司” as the dual foreign name of the Company in place of its existing Chinese name of “萬亞企業控股有限公司”
“Circular”	the circular containing, among other things, further details of (i) the Share Consolidation and the Change in Board Lot Size; (ii) the Change of Company Name; and (iii) a notice convening the EGM, to be despatched to the Shareholders on or around 13 August 2021
“Company”	Union Asia Enterprise Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the GEM of the Stock Exchange (stock code: 8173)
“Consolidated Share(s)”	ordinary share(s) of HK\$0.0005 each in the share capital of the Company immediately 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 and held to consider and, if thought fit, approve, among other matters, (i) the Share Consolidation; and (ii) the Change of Company Name
“Existing Share(s)”	ordinary share(s) of HK\$0.0001 each in the share capital of the Company immediately before the implementation of the Share Consolidation
“GEM Listing Committee”	has the meaning ascribed thereto under the GEM Listing Rules
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM of the Stock Exchange
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Share Registrar”	the Company’s 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
“Share(s)”	the Existing Share(s) or the Consolidated Share(s), as the case may be
“Shareholder(s)”	the holder(s) of the Existing Share(s) or the Consolidated Share(s), as the case may be
“Share Consolidation”	the proposed consolidation of every five (5) issued and unissued Existing Shares of HK\$0.0001 each in the share capital of the Company into one (1) Consolidated Share of HK\$0.0005 each
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong

“%” per cent.

By order of the Board
Union Asia Enterprise Holdings Limited
Chan Norman Enrique
Chairman and Executive Director

Hong Kong, 30 July 2021

As at the date of this announcement, the Board comprised two executive Directors, Mr. Chan Norman Enrique and Mr. Lee Alex Kam-fai and three independent non-executive Directors, Mr. Kwong U Hoi Andrew, Mr. Wong Jonathan and Mr. Chi Chi Hung Kenneth.

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 website of the GEM of The Stock Exchange of Hong Kong Limited at www.hkgem.com on the “Latest Listed Company Information” page for at least 7 days from the date of its posting and on the website of the Company at www.unionasiahk.com.