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DT CAPITAL LIMITED

鼎立資本有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 356)

SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

THE SUBSCRIPTION

On 19 November 2021 (after the trading hours), the Company and the Subscriber entered into the Subscription Agreement, pursuant to which the Subscriber has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, an aggregate of 455,880,000 Subscription Shares at the Subscription Price of HK\$0.035 per Subscription Share. The Subscription Shares represent approximately 20% of the existing number of issued shares of the Company as at the date of this announcement and approximately 16.67% of the total number of issued shares of the Company as enlarged by the Subscription.

Shareholders and potential investors of the Company should note that Subscription Completion is conditional upon the Listing Committee of the Stock Exchange granting approval for the listing of and permission to deal in the Subscription Shares, and is subject to fulfillment of other conditions under the Subscription Agreement. As the Subscription may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

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The Subscription Agreement

Principal terms of the Subscription Agreement are set out as follows:

| | |
|--------------------|--|
| Date: | 19 November 2021 (after trading hours) |
| Issuer: | the Company |
| Subscriber: | Mass Trade Global Limited, a company incorporated in the the British Virgin Islands with limited liability |

The Subscriber is a company incorporated in the British Virgin Islands with limited liability and is primarily engaged in investment holding. It is ultimately wholly-owned by Mr. Liu Junda who has obtained the qualification of 基金從業人員 (Fund Practitioner) in the PRC and has extensive experience in fund investment. Mr. Liu Junda is currently the executive director of an assets management company located in Shenzhen. To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, the Subscriber and its ultimate beneficial owner are Independent Third Parties. The Subscriber is introduced and referred by Bonus Eventus Securities Limited, a licensed corporation to carry on business in Type 1 regulated activity (dealing in securities) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Subscription Shares

Pursuant to the Subscription Agreement, the Company has conditionally agreed to allot and issue, and the Subscriber has conditionally agreed to subscribe for, the Subscription Shares. The 455,880,000 Subscription Shares to be allotted and issued under the Subscription represent (i) approximately 20% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares (assuming that there is no change in the issued share capital of the Company from the date of this announcement and up to Subscription Completion other than as a result of the allotment and issue of the Subscription Shares).

The aggregate nominal value of the Subscription Shares is HK\$4,558,800.

Subscription Price

The Subscription Price of HK\$0.035 per Subscription Share represents:

- (i) a discount of approximately 10.26% to the closing price of \$0.039 per Share as quoted on the Stock Exchange on 19 November 2021, being the date of the Subscription Agreement;
- (ii) a discount of approximately 10.26% to the average of the closing prices of approximately HK\$0.039 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Subscription Agreement; and
- (iii) a discount of approximately 10.26% to the average of the closing prices of approximately HK\$0.039 per Share as quoted on the Stock Exchange for the last ten consecutive trading days immediately prior to the date of the Subscription Agreement.

The Subscription Price was determined after arm's length negotiations between the Company and the Subscriber with reference to the recent trading prices of the Shares. The Directors consider that the terms and conditions of the Subscription Agreement (including the Subscription Price) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The aggregate Subscription Price will be payable by the Subscriber in cash upon Subscription Completion.

Conditions Precedent

Subscription Completion shall be subject to the following conditions being satisfied:

- (a) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, the Subscription Shares (and such listing and permission not subsequently revoked prior to the delivery of definitive share certificate(s) representing the Subscription Shares pursuant to the Subscription Agreement);
- (b) all the representations, warranties and undertakings given by the Company in the Subscription Agreement remaining true, accurate and not misleading in all respects;
- (c) all necessary consents and approvals as may be required to be obtained on the part of the Company in respect of the Subscription and the transactions contemplated hereunder having been obtained by the Company;
- (d) there having been no material breach by the Company of the terms and conditions of the Subscription Agreement before the Completion Date; and

The Subscriber has the right to waive all of the above conditions in part or in full, except for conditions (a) and none of the conditions above is waivable by the Company.

If the conditions set out above have not been satisfied and/or waived (where applicable) (other than as a result of the default of the Company and/or, as the case may be, the Subscriber) at or before 31 December 2021, 5:00 p.m., the Subscription Agreement shall cease and determine (save and except for the provisions governing the confidentiality obligations and other miscellaneous provisions which shall continue to have full force and effect) and thereafter neither party shall have any obligations and liabilities towards each other thereunder save for any antecedent breaches of the terms of the Subscription Agreement.

Completion Date

Subscription Completion shall take place on the fifth Business Day after the satisfaction of, amongst others, all of the conditions precedent referred to above in accordance with the Subscription Agreement (or such other date as may be agreed by the Company and the Subscriber in writing).

Ranking

The Subscription Shares, when fully paid and allotted and issued, will rank pari passu in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Subscription Shares.

Application for Listing

The Company will make application to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

General Mandate

The Subscription Shares will be allotted and issued pursuant to the General Mandate granted to the Directors at the annual general meeting of the Company held on 28 May 2021 to allot, issue and otherwise deal with a maximum of 455,880,000 Shares by the Directors. As at the date of this announcement, no Shares have been allotted and issued under the General Mandate. As a result, the General Mandate is sufficient for the allotment and issue of the Subscription Shares. Accordingly, no separate approval of Shareholders is required for the Subscription.

Effect on Shareholding Structure of the Company

The following table illustrates the shareholding structure of the Company as at the date of this announcement and immediately upon issue of the Subscription Shares (assuming that there is no change in the issued share capital of the Company from the date of this announcement and up to Subscription Completion other than as a result of the allotment and issue of the Subscription Shares):

| | As at the date of this announcement | | Immediately upon Subscription Completion | |
|--|--|-------------|---|-------------|
| | No. of Shares | Approx. % | No. of Shares | Approx. % |
| Shareholders | | | | |
| P.B. Global Asset Management Limited (<i>Note 1</i>) | 504,410,000 | 22.13% | 504,410,000 | 18.44% |
| Vibrant Noble Limited (<i>Note 2</i>) | 379,900,000 | 16.67% | 379,900,000 | 13.89% |
| Sharp Years Limited (<i>Note 3</i>) | 254,500,000 | 11.16% | 254,500,000 | 9.30% |
| Long Surplus International Limited (<i>Note 3</i>) | 254,500,000 | 11.16% | 254,500,000 | 9.30% |
| Fame Image Limited (<i>Note 3</i>) | 254,500,000 | 11.16% | 254,500,000 | 9.30% |
| Ho Hoi Yee, Wisery (<i>Note 3</i>) | 254,500,000 | 11.16% | 254,500,000 | 9.30% |
| Lai Tsui Har (<i>Note 3</i>) | 254,500,000 | 11.16% | 254,500,000 | 9.30% |
| Wu Weihong, Tony (<i>Note 3</i>) | 254,500,000 | 11.16% | 254,500,000 | 9.30% |
| The Subscriber | – | – | 455,880,000 | 16.67% |
| Other public Shareholders | 1,140,590,000 | 50.04% | 1,140,590,000 | 41.70% |
| Total | <u>2,279,400,000</u> | <u>100%</u> | <u>2,735,280,000</u> | <u>100%</u> |

Notes:

1. P.B. Global Asset Management Limited is an investment manager. P.B. Capital Advanced Fund SPC – P.B. Capital Advanced Fund 2 Segregated Portfolio beneficially owned the Shares.
2. Vibrant Noble Limited is wholly owned by Mr. Qian Jun.
3. Sharp Years Limited is owned as to 50% by Long Surplus International Limited and 50% by Fame Image Limited respectively. Long Surplus International Limited is beneficially and ultimately owned as to 66.67% by Ms. Ho Hoi Yee, Wisery and 33.33% by Ms. Lai Tsui Har. Fame Image Limited is beneficially and ultimately owned as to 70% by Ms. Chan Pui Kwan, a non-executive Director and 30% by Mr. Wu Weihong, Tony.

Reasons for and Benefits of the Subscription and Use of Proceeds

The Group is principally engaged in investment.

The gross proceeds of the Subscription will be HK\$15.96 million and the net proceeds of the Subscription, after deduction of expenses, are estimated to be approximately HK\$15.72 million, representing a net issue price of approximately HK\$0.034 per Subscription Share.

The Company intends to apply the net proceeds from the Subscription for investment in potential projects relating to biological technology business or other potential projects identified by the Company. The Directors consider that the Subscription represents an opportunity to raise additional funding for the business operations of the Group and will strengthen the Group's financial position, and enlarge shareholders' base of the Company which may in turn enhance the liquidity of the Shares, and to finance the above mentioned potential projects.

The Directors consider that the Subscription Agreement are entered into upon normal commercial terms following arm's length negotiations between the Company and the Subscriber and the terms of the Subscription Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS

The Company had not conducted any fund raising activities involving the issue of its equity securities in the 12 months immediately preceding the date of this announcement.

Shareholders and potential investors of the Company should note that Subscription Completion is conditional upon the Listing Committee of the Stock Exchange granting approval for the listing of and permission to deal in the Subscription Shares, and is subject to fulfillment of other conditions under the Subscription Agreement. As the Subscription may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

| | |
|--------------------------------|---|
| “Business Day” | a day (other than a Saturday, Sunday and public holiday) on which licensed banks in Hong Kong are open for business throughout their normal business hours |
| “Board” | the board of Directors |
| “Company” | DT Capital 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 (stock code: 356) |
| “Completion Date” | the date on which the Completion shall take place and such day shall fall on the fifth Business Day after the satisfaction of all the conditions precedent as set out in the Subscription Agreement (or such other date as may be agreed by the Company and the Subscriber in writing) |
| “connected person(s)” | has the meaning as ascribed to it in the Listing Rules |
| “Director(s)” | director(s) of the Company |
| “General Mandate” | the general mandate granted to the Directors pursuant to an ordinary resolution of the Company passed at the annual general meeting of the Company held on 28 May 2021 to allot, issue and deal with new Shares not exceeding 20% of the issued share capital of the Company as at the date of passing of such resolution, pursuant to which a maximum of 455,880,000 new Shares may fall to be allotted and issued as at the date of this announcement |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | Hong Kong Special Administrative Region of the People’s Republic of China |
| “Independent Third Party(ies)” | any person or company and their respective ultimate beneficial owner(s) (if applicable) who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |

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|---------------------------|---|
| “PRC” | the People’s Republic of China |
| “Share(s)” | ordinary share(s) of HK\$0.01 each in the share capital of the Company |
| “Shareholder(s)” | holder(s) of the issued Share(s) |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Subscriber” | Mass Trade Global Limited, a company incorporated in the the British Virgin Islands with limited liability |
| “Subscription” | the subscription of the Subscription Shares by the Subscriber pursuant to the Subscription Agreement |
| “Subscription Agreement” | the subscription agreement dated 19 November 2021 entered into between the Company and the Subscriber in relation to the Subscription |
| “Subscription Completion” | the completion of the Subscription upon satisfaction of, amongst others, the conditions precedent under the Subscription Agreement |
| “Subscription Price” | the subscription price of HK\$0.035 per Subscription Share |
| “Subscription Share(s)” | 455,880,000 new Shares to be allotted and issued under the Subscription Agreement to the Subscriber upon Completion |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “%” | per cent. |

By order of the Board
DT Capital Limited
Chan Pui Kwan
Chairman

Hong Kong, 19 November 2021

As at the date of this announcement, the Board comprises Mr. Leong Chi Wai, Mr. Lewis Chan and Mr. Su Chunxiang as Executive Directors; Ms. Chan Pui Kwan and Ms. Li Peng as Non-executive Directors; Mr. Chen Yeung Tak, Mr. Ruan Zhi and Mr. Jochum Siebren Haakma as Independent Non-executive Directors.