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HATCHER GROUP LIMITED

**亦辰集團有限公司\****(Incorporated in Cayman Islands with limited liability)*

# (Stock Code: 8365)

**SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE**

# SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that on 23 February 2024 (after trading hours of the Stock Exchange), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Subscriber has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue an aggregate of 7,136,000 Subscription Shares at the Subscription Price of HK$1.40 per Subscription Share. The Subscription is subject to various conditions set out below under the paragraph headed “Conditions of the Subscription” of this announcement.

The Subscription Shares represent (i) approximately 20.0% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.7% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares immediately after completion of the Subscription, assuming that there will be no change in the total number of Shares in issue (other than the issue of the Subscription Shares) between the date of this announcement and the date of Completion. The aggregate nominal value of the Subscription Shares will be HK$1,784,000.

The Subscription Price is fixed at HK$1.40 per Subscription Share, which represent (i) a premium of approximately 47.4% to the closing price of HK$0.95 per Share as quoted on the Stock Exchange as at the date of the Subscription Agreement; and (ii) a premium of approximately 35.9% to the average closing price of approximately HK$1.03 per Share as quoted on the Stock Exchange for the last five trading days immediately preceding the date of the Subscription Agreement.

The Subscription Shares will be issued and allotted pursuant to the General Mandate.

The proceeds from the Subscription will be HK$9,990,400. The Company intends to apply the proceeds from the Subscription as general working capital of the Group.

**Completion of the Subscription is subject to fulfilment of the conditions under the Subscription Agreement. As the Subscription may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

The Board is pleased to announce that on 23 February 2024 (after trading hours of the Stock Exchange), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Subscriber has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue an aggregate of 7,136,000 Subscription Shares at the Subscription Price of HK$1.40 per Subscription Share. The Subscription is subject to various conditions set out below under the paragraph headed “Conditions of the Subscription” of this announcement. Principal terms of the Subscription Agreement are set out below:

# THE SUBSCRIPTION AGREEMENT

**Date:** 23 February 2024 (after trading hours of the Stock Exchange)

**Parties:** (1) the Company (as the issuer); and

(2) the Subscriber.

|  |  |  |
| --- | --- | --- |
|  |  |  |

The Subscriber, Mr. Gan Fanglun is a business owner and investor in the capital markets of Hong Kong and the PRC. Following the Completion, Mr. Gan will be appointed as a member of senior management of the Company, acting as a consultant in the expansion of business operations of the Group.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, the Subscriber is an Independent Third Party. Immediately before entering into of the Subscription Agreement, the Subscriber is interested in 280,000 Shares, representing approximately 0.78% of the total issued share capital of the Company as at the date of this announcement.

# The Subscription Shares

The Subscription Shares represent (i) approximately 20.0% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.7% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares immediately after completion of the Subscription, assuming that there will be no change in the total number of Shares in issue (other than the issue of the Subscription Shares) between the date of this announcement and the date of Completion.

The aggregate nominal value of the Subscription Shares will be HK$1,784,000.

# Subscription Price

The Subscription Price of HK$1.40 per Subscription Share represents:

1. a premium of approximately 47.4% to the closing price of HK$0.95 per Share as quoted on the Stock Exchange as at the date of the Subscription Agreement; and
2. a premium of approximately 35.9% to the average closing price of HK$1.03 per Share as quoted on the Stock Exchange for the last five trading days immediately preceding the date of the Subscription Agreement.

The Subscription Price was arrived at after arm’s length negotiations between the Company and the Subscriber with reference to the recent market prices of the Shares and current market conditions. The Directors consider that the Subscription Price and the terms of the Subscription Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

**Ranking of the Subscription Shares**

The Subscription Shares will rank, upon issue, *pari passu* in all respect with the Shares in issue on the date of the allotment and issue of the Subscription Shares.

# Conditions of the Subscription

Completion is conditional upon the fulfilment or waiver (as the case may be) of the following conditions:

1. the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the Subscription Shares and such approval has not been revoked prior to Completion;
2. the necessary consents and approvals in relation to the Subscription Agreement and the transactions contemplated thereunder having been obtained; and
3. the representation and warranties of the Company remaining true and accurate in all material respects and are not misleading as at the date of the Subscription Agreement and the date of Completion.

The Subscriber may waive any conditions, except the condition referred to in (a) above which may not be waived by any party to the Subscription Agreement. If the above conditions are not fulfilled or waived (as the case may be) by 30 June 2024 (or such other date as the parties may agree in writing), the Subscription Agreement will be automatically terminated and lapsed and none of the parties to the Subscription Agreement shall have any claim against the other in respect of the Subscription, save for any antecedent breaches thereof.

# Completion

Completion of the Subscription will take place within ten Business Days after the conditions precedent to the Subscription had been satisfied after the approval of listing (or such other date as may be agreed between the Company and the Subscriber in writing).

# Completion is subject to fulfillment of the conditions precedent in the Subscription Agreement and the Subscription may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

# General Mandate

The Subscription Shares will be allotted and issued pursuant to the General Mandate. Pursuant to the General Mandate, the total number of new Shares that the Company is authorised to issue is 7,136,272 Shares, representing 20% of the issued share capital of the Company as at the date of the AGM. As no new Shares have been allotted and issued by the Company under the General Mandate and the Subscription Shares fall within the limit as authorised under the General Mandate, the issue of the Subscription Shares is

not subject to the approval by the Shareholders.

# APPLICATION FOR LISTING

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

# INFORMATION OF THE GROUP

The Company and its subsidiaries principally engage in the provision of (i) licensed business on corporate finance advisory services, placing and underwriting services and asset management services; and (ii) non-licensed business on ESG advisory services, business consultancy services, corporate secretarial services, accounting and taxation services, risk management and internal control advisory services and human resources services in Hong Kong.

# INFORMATION OF THE SUBSCRIBER

The Subscriber, Mr. Gan Fanglun is a business owner and investor in the capital markets of Hong Kong and the PRC.

# REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS

The proceeds from the Subscription will be HK$9,990,400. The Company intends to apply the proceeds from the Subscription as general working capital of the Group.

The Directors are of the view that the terms of the Subscription Agreement are on normal commercial terms and are fair and reasonable so far as the Company and the Shareholders are concerned and is in the interests of the Company and the Shareholders as a whole.

# EFFECT OF THE SUBSCRIPTION ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, the Company has 35,681,360 Shares in issue. The following is a table illustrating the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after Completion, assuming that there will be no change in the total number of Shares in issue (other than the issue of the Subscription Shares) between the date of this announcement and the date of Completion:

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | |  | **As at the date of this announcement** | | |  | **Immediately after Completion** | | | |  | |  | |  | | **Substantial Shareholders and Directors** | *Number of shares held* |  | *Approximate % of Shares in issue* |  | *Number of shares held* |  | *Approximate % of Shares in issue* | |  |  |  | |  |  |  | | Mr. Li Man Keung Edwin *(Note 1)* | 6,598,800 |  | 18.49% |  | 6,598,800 |  | 15.41% | | Mr. Yeung Chun Yue David  *(Note 2)* | 1,520,000 |  | 4.26% |  | 1,520,000 |  | 3.55% | | Mr. Hui Ringo Wing Kun  *(Note 3)* | 900,000 |  | 2.52% |  | 900,000 |  | 2.10% | | Subscriber | 280,000 |  | 0.78% |  | 7,416,000 |  | 17.32% | | **Other public Shareholders** | 26,382,560 |  | 73.94% |  | 26,382,560 |  | 61.61% | | **Total** | 35,681,360 |  | 100.00% |  | 42,817,360 |  | 100.00% | |  | |  | |
| *Notes:*   1. 4,549,200 Shares are held by Tanner Enterprises Group Limited which is wholly owned by Mr. Li Man Keung Edwin, an executive Director. Mr. Li Man Keung Edwin also directly holds 2,049,600 Shares. The aggregate Shares beneficially owned by Mr. Li Man Keung Edwin is 6,598,800 Shares. 2. 1,520,000 Shares are held by Great Win Global Limited, which is wholly owned by Mr. Yeung Chun Yue David, an executive Director. 3. 900,000 Shares are held by Bright Music Limited, which is wholly owned by Mr. Hui Ringo Wing Kun, an executive Director. |  |  |  |  |

# FUND RAISING ACTIVITY OF THE COMPANY IN THE PAST TWELVE MONTHS

The Company has not carried out any equity fund raising activities during the 12 months immediately preceding the date of this announcement.

**GENERAL**

**Completion of the Subscription is subject to fulfilment of the conditions under the Subscription Agreement. As the Subscription may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

# DEFINITIONS

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

|  |  |
| --- | --- |
| “AGM” | the annual general meeting of the Company held on 23 February 2024 |
| “Board” | the board of Directors |
| “Business Day(s)” | a day (other than Saturday, Sunday and a public holiday) on which banks are open for business in Hong Kong |
| “Company” | Hatcher Group Limited (Stock code: 8365), a company incorporated in Cayman Islands with limited liability, the Shares of which are listed on GEM |
| “Completion” | completion of the Subscription in accordance with the terms and conditions of the Subscription Agreement |
| “connected person(s)” | has the meaning ascribed to it under the GEM Listing Rules |
| “Director(s)” | director(s) of the Company |
| “GEM” | GEM operated by the Stock Exchange |
| “GEM Listing Rules” | the Rules Governing the Listing of Securities on GEM |
| “General Mandate” | the mandate granted to the Directors by the Shareholders at the AGM to issue, allot and deal with up to 20% of the then issued share capital of the Company as at the date of the AGM |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “HK$” | Hong Kong dollars, the lawful currency of Hong Kong |
|  |  |
| “Independent Third Party” | third party(ies) independent of the Company and its connected persons |

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| --- | --- |
| “Mr. Gan” | Mr. Gan Fanglun |
| “PRC” | The People’s Republic of China |
|  |  |
| “Share(s)” | ordinary share(s) with a nominal value of HK$0.25 each in the share capital of the Company |
| “Shareholder(s)” | holder(s) of the Share(s) |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Subscriber” | Mr. Gan Fanglun |
| “Subscription” | the subscription of the Subscription Shares by the Subscriber pursuant to the Subscription Agreement |
| “Subscription Agreement” | the subscription agreement dated 23 February 2024 entered into between the Company and the Subscriber in relation to the Subscription |
| “Subscription Price” | HK$1.40 per Subscription Share |
| “Subscription Shares” | an aggregate of 7,136,000 Shares to be allotted and issued by the Company to the Subscriber pursuant to the Subscription Agreement |
| “%” | per cent |

By Order of the Board

# Hatcher Group Limited

# Hui Ringo Wing Kun

*Executive Director*

Hong Kong, 23 February 2024

As at the date of this announcement, the Directors are:

Executive Directors:

Mr. Li Man Keung Edwin *(Executive Chairman)*

Mr. Hui Ringo Wing Kun

Mr. Yeung Chun Yue David *(Vice Chairman)*

Independent Non-executive Directors:

Mr. William Robert Majcher

Mr. Ho Lik Kwan Luke

Mr. Lau Pak Kin Patric

*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 Stock Exchange’s website at www.hkexnews.hk on the “Latest Listed Company Information” page for at least 7 days from the date of its posting. This announcement will also be published and remains on the Company’s website at* [*www.hatcher-group.com*](http://www.hatcher-group.com)*.*

*\* for identification purpose only*