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## **GRAND T G GOLD HOLDINGS LIMITED**

**大唐潼金控股有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 8299)**

### **SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE**

#### **SUBSCRIPTION AGREEMENT**

On 22 March 2024, 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 a total of 310,638,298 new Shares at the Subscription Price of HK\$0.141 per Subscription Share.

The Subscription Shares represent approximately 5.19% of the existing issued share capital of the Company and approximately 4.93% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares. The aggregate nominal value of the Subscription Shares is HK\$0.31 million.

#### **Subscription Price**

The Subscription Price represents (i) a discount of approximately 19.89% to the closing price of HK\$0.176 per Share as quoted on the Stock Exchange on the date of the Subscription Agreement; and (ii) a discount of approximately 18.50% to the average closing price of HK\$0.173 per Share as quoted on the Stock Exchange for the last five trading days up to and including the Last Trading Day.

### **Condition of the Subscriptions**

Completion of the Subscription is conditional upon, *inter alia*, the Listing Committee granting the listing of, and permission to deal in, the Subscription Shares. In the event that the conditions shall not have been fulfilled on or before 20 April 2024 (or such other day as the Company and the Subscriber may agree), the rights and obligations of the Subscriber and the Company in respect of the Subscription shall forthwith terminate and cease to have any effect, and the Company shall refund the deposit received (without interest) to the Subscriber.

### **Completion**

Subject to the fulfillment of the conditions, completion of the Subscription shall take place on the third Business Day after fulfillment of the conditions and receipt of all Consideration.

### **GROSS AND NET PROCEEDS FROM THE SUBSCRIPTION**

The gross proceeds from the Subscription will be HK\$43.8 million and the net proceeds of the Subscription will be approximately HK\$41.1 million. The net proceeds raised per Subscription Share upon completion of the Subscription will be approximately HK\$0.133.

The Company intends to apply the net proceeds to be raised from the Subscription as to (i) HK\$26.1 million, representing 63.56% of the net proceeds for the Group's current technical renovation projects to improve production capacity and/or production efficiency; and (ii) HK\$15.0 million, representing 36.44% of the net proceeds as general working capital.

## **SUBSCRIPTION AGREEMENT**

### **Date**

22 March 2024

### **Parties**

- (a) The Company
- (b) Subscriber

To the best of the Directors' its knowledge, information and belief, having made all reasonable enquires, the Subscriber, its managers and its ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons. As at the date of this announcement, the Subscriber do not hold any Shares.

### **Subscription Shares**

The Subscription Shares represent approximately 5.19% of the existing issued share capital of the Company and approximately 4.93% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares. The aggregate nominal value of the Subscription Shares is HK\$0.31 million.

### **Ranking of Subscription Shares**

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

### **Subscription Price**

The Subscription Price is HK\$0.141 per Subscription Share, which represents:

- (i) a discount of approximately 19.89% to the closing price of HK\$0.176 per Share as quoted on the Stock Exchange on the date of the Subscription Agreement; and
- (ii) a discount of approximately 18.50% to the average closing price of HK\$0.173 per Share as quoted on the Stock Exchange for the last five trading days up to and including the Last Trading Day.

### **Consideration**

The Consideration in the sum of approximately HK\$43.8 million is payable in cash by the Subscriber to the Company in the following manner:

- (i) HK\$20 million be paid by the Subscriber as deposit and towards part payment of the Consideration (the "**Deposit**") upon signing of the Subscription Agreement; and
- (ii) the balance in the sum of approximately HK\$23.8 million shall be paid by the Subscriber upon the Completion.

The Subscription Price was arrived at after arm's length negotiations between the Company and the Subscriber with reference to (i) the recent market price of the Shares; (ii) the recent trading volume of the Shares; and (iii) the market condition. The Directors consider that the Subscription Price and the terms of the Subscription Agreement are fair and reasonable, on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

## **Condition of the Subscriptions**

Completion of the Subscription is conditional upon, *inter alia*, the Listing Committee granting the listing of, and permission to deal in, the Subscription Shares (the “**Condition**”).

In the event that the conditions shall not have been fulfilled on or before 20 April 2024 (or such other day as the Company and the Subscriber may agree), the rights and obligations of the Subscriber and the Company in respect of the Subscription shall forthwith terminate and cease to have any effect, and the Company shall refund the deposit received (without interest) to the Subscriber.

Application will be made by the Company to the Listing Committee for the grant of the listing of, and permission to deal in, the Subscription Shares.

## **Completion**

Subject to the fulfillment of the conditions, completion of the Subscription will take place on the Completion Date, being the third Business Day after fulfillment of the conditions (or such other date as the Company and the Subscriber may agree) and receipt of all Consideration.

## **REASONS FOR THE SUBSCRIPTIONS AND USE OF PROCEEDS**

The gross proceeds from the Subscription will be approximately HK\$43.8 million and the net proceeds of the Subscription will be approximately HK\$41.1 million. The net proceeds raised per Subscription Share upon completion of the Subscription will be approximately HK\$0.133 per Subscription Share.

The Directors are of the view that the Subscription represent an opportunity to raise additional capital for the Group, to strengthen the financial position of the Group and to provide additional funding for the development of the Group’s gold mining business. Accordingly, the Directors consider that the Subscription are in the interests of the Company and the Shareholders as a whole.

The Company intends to apply the net proceeds to be raised from the Subscription as to (i) HK\$26.1 million representing 63.56% of the net proceeds for the Group’s current technical renovation projects to improve production capacity and/or production efficiency; and (ii) HK\$15.0 million, representing 36.44% of the net proceeds as general working capital.

## GENERAL MANDATE

The Subscription Shares will be allotted and issued under the 2023 General Mandate. As at the date of this announcement, no Shares have been allotted and issued pursuant to the 2023 General Mandate. The Subscription and the issue of the Subscription Shares are not subject to the Shareholders' approval.

## FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Group has not conducted any fund raising activity in the past twelve months immediately before the date of this announcement.

## EFFECTS ON SHAREHOLDING STRUCTURE

The existing shareholding structure of the Company and the effect on the shareholding structure of the Company upon completion of the Subscription according to the information available to the Directors having made reasonable enquiries are set out below (assuming there is no other change of the share capital structure of the Company prior to the Completion Date other than the Subscription):

	<b>As at the date of this announcement</b>		<b>Immediately following the Completion</b>	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
Ma Qianzhou ("Mr. Ma") (Note 1)	4,029,354,894	67.30	4,029,354,894	63.98
Zhao Yuebing ("Ms. Zhao") (Note 1)	179,613,860	3.00	179,613,860	2.85
Subscriber	–	–	310,638,298	4.93
Other public Shareholders	<u>1,778,159,886</u>	<u>29.70</u>	<u>1,778,159,886</u>	<u>28.23</u>
	<u><u>5,987,128,640</u></u>	<u><u>100.00</u></u>	<u><u>6,297,766,938</u></u>	<u><u>100.00</u></u>

Note:

(1) Mr. Ma and Ms. Zhao are spouse.

## INFORMATION ON THE COMPANY

The Group is principally engaged in gold exploration, mining and mineral processing in the PRC.

## **INFORMATION OF THE SUBSCRIBER**

The Subscriber is an investment fund that invests in various equity securities and other investments.

## **DEFINITIONS**

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

“2023 General Mandate”	the general mandate to allot, issue and deal with the Shares granted to the Directors by resolution of the Shareholders passed at the extraordinary general meeting of Company held on 27 September 2023 subject to the limit of up to 20% of the issued share capital of the Company as at the date of passing the resolution at the extraordinary ordinary meeting (i.e. 1,197,425,728 Shares)
“Board”	the board of Directors
“Business Day(s)”	means a day (excluding Saturday, Sunday and public holiday) on which banks are open for general business in Hong Kong
“Company”	Grand T G Gold Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on GEM
“Completion Date”	means the date being the third Business Day after the fulfillment of the Condition (or such other date as the Company and the Subscriber may agree) and receipt of all Consideration
“connected person(s)”	has the meaning ascribed thereto in the GEM Listing Rules
“Consideration”	means HK\$43.8 million to be paid by the Subscriber to the Company as consideration for the Subscription Shares
“Director(s)”	director(s) of the Company
“Encumbrance”	means any mortgage, charge, encumbrance, lien or any title transfer, claim, third party right or interest or other pre-emptive right or guaranteed interest under any guarantee agreement, arrangement or other rights or interests of any kind, whether relating to the present or future

“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Last Trading Day”	21 March 2024, being the last trading day for the Shares on GEM immediately before the date of the Subscription Agreement
“Listing Committee”	the listing committee of the Stock Exchange
“PRC”	the People’s Republic of China
“Share(s)”	ordinary share(s) of HK\$0.001 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”	King Tower Global Absolute Return Fund SPC, an exempted segregated portfolio company registered in the Cayman Islands, its management shares are owned by King Tower Global Investment Company Limited, a limited liability company registered in the Cayman Islands, which is in turn beneficially owned as to 70% by Cuie Lin and 30% by Li Yingqian
“Subscription”	the subscription of the Subscription Shares pursuant to the terms of the Subscription Agreement
“Subscription Agreement”	the conditional subscription agreement dated 22 March 2024 entered into between the Company and the Subscriber in relation to the Subscription
“Subscription Price”	HK\$0.141 per Subscription Share
“Subscription Shares”	means 310,638,298 new Shares to be subscribed for by the Subscriber on the Completion Date pursuant to the Subscription Agreement

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

“%” per cent

On behalf of the Board of  
**Grand T G Gold Holdings Limited**  
**Li Dahong**  
Chairman

Hong Kong, 22 March 2024

*As at the date of this announcement, the Board comprises of Dr. Li Dahong (executive Director), Ms. Ma Xiaona (executive Director), Mr. Guo Wei (independent non-executive Director), Mr. Lam Albert Man Sum (independent non-executive Director) and Mr. Cheung Wai Hung (independent non-executive Director).*

*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 “Latest Listed Company Information” page of the Stock Exchange’s website at [www.hkexnews.hk](http://www.hkexnews.hk) for at least seven days from the date of its publication and on the website of the Company at <http://www.grandtg.com/>.*

\* For identification purposes only