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DINGYI GROUP INVESTMENT LIMITED

鼎億集團投資有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 508)

SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

On 21 June 2024 (after trading hours), the Company entered into the Subscription Agreements separately with each of the Subscribers for the subscription of an aggregate of 115,000,000 Subscription Shares at the Subscription Price of HK\$0.47 per Subscription Share subject to the terms and conditions set out in the Subscription Agreements.

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and completion of the Subscription, the Subscription Shares represent approximately 16% of the Company's existing issued share capital and approximately 14% of the Company's issued share capital as enlarged by the allotment and issue of the Subscription Shares.

The Subscription Price of HK\$0.47 per Subscription Share represents: (i) a discount of approximately 15% to the closing price of HK\$0.55 per Share as quoted on the Stock Exchange on 21 June 2024, being the date of the Subscription Agreements; and (ii) a discount of approximately 10% to the average closing price of approximately HK\$0.52 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the date of the Subscription Agreements.

The maximum gross proceeds and net proceeds from the Subscription will be approximately HK\$54.1 million and HK\$53.9 million respectively (representing a net issue price of approximately HK\$0.47 per Subscription Share). It is expected that the net proceeds from the Subscription will be used for general working capital of the Group and for funding investment opportunities as may be identified from time to time.

The Subscription Agreements are not inter-conditional upon one another.

The Subscription is conditional upon, among others, the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subscription Shares.

As completion of the Subscription is subject to the satisfaction of a number of conditions under the Subscription Agreements, the Subscription may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

The Board is pleased to announce that on 21 June 2024, the Subscription Agreements were entered into between the Company and the Subscribers. Summarized below are the principal terms of the Subscription Agreements.

THE SUBSCRIPTION AGREEMENTS

Date

21 June 2024 (after trading hours)

Parties

- (1) the Company as the issuer; and
- (2) the Subscribers

Not less than seven Subscribers, all of whom are individual investors. Four of the Subscribers are existing Shareholders holding approximately 0.074%, 0.051%, 0.046% and 0.793%, respectively, of the existing issued share capital of the Company.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, as at the date of this announcement, each of the Subscribers and its ultimate beneficial owners is a third party independent of, not acting in concert (as defined in the Takeovers Code), and not connected with, the Company and its connected persons.

Number of Subscription Shares

An aggregate of 115,000,000 Subscription Shares represents approximately 16% of the Company's existing issued share capital and approximately 14% of the Company's issued share capital as enlarged by the allotment and issue of the Subscription Shares (assuming that there will be no change in the issued share capital of the Company between the date of this announcement and completion of the Subscription). The aggregate nominal value of the Subscription Shares under the Subscription will be HK\$11,500,000.

Subscription Price

The Subscription Price of HK\$0.47 per Subscription Share represents: (i) a discount of approximately 15% to the closing price of HK\$0.55 per Share as quoted on the Stock Exchange on 21 June 2024, being the date of the Subscription Agreements; and (ii) a discount of approximately 10% to the average closing price of approximately HK\$0.52 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the date of the Subscription Agreements.

The Subscription Price was determined after arm's length negotiations between the Company and the Subscribers with reference to the prevailing market price of the Shares and market condition. The Directors consider that the Subscription Price is on normal commercial terms and fair and reasonable and the Subscription is in the interests of the Company and its Shareholders as a whole.

Ranking of Subscription Shares

The Subscription Shares, when issued and fully paid, 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.

General Mandate

The Subscription Shares will be allotted and issued under the General Mandate granted to the Directors by a resolution of the Shareholders passed at the annual general meeting of the Company held on 27 September 2023 pursuant to which the Directors are allowed to allot and issue up to 147,135,660 new Shares. The maximum of 115,000,000 Subscription Shares to be allotted and issued will utilize approximately 78% of the General Mandate.

As at the date of this announcement, no new Shares have been issued and allotted pursuant to the General Mandate. Accordingly, the issue of the Subscription Shares is not subject to the approval of the Shareholders.

Condition of the Subscription

Completion of the Subscription is conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subscription Shares.

If the condition precedent is not fulfilled on or prior to the Long Stop Date, the Subscription Agreements shall terminate and none of the parties shall have any claim against the other for costs, damages, compensation or otherwise save for any antecedent breach of the Subscription Agreements.

The Subscription Agreements are not inter-conditional upon one another.

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

Completion of the Subscription

Completion of the Subscription shall take place on the Completion Date (or such other date as the Company and the Subscribers may agree in writing) immediately after the fulfillment of the condition precedent of the Subscription set out above.

Lock-up Period

Under the terms of the Subscription Agreements, the Subscribers and their respective nominees shall neither (i) dispose of, (ii) enter into any agreement to dispose of, nor (iii) otherwise create any encumbrances in respect of any direct or indirect interest in the Subscription Shares at any time within the period of six (6) months from the date of completion of the Subscription.

As completion of the Subscription is subject to the satisfaction of the condition precedent under the Subscription Agreements, the Subscription may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS

The Group is principally engaged in securities trading, loan financing, property development and other business.

The maximum gross proceeds and net proceeds from the Subscription will be approximately HK\$54.1 million and HK\$53.9 million respectively (representing a net issue price of approximately HK\$0.47 per Subscription Share). It is expected that the net proceeds from the Subscription will be used for general working capital of the Group and for funding investment opportunities as may be identified from time to time.

The Directors are of the view that the Subscription will enlarge the shareholder base and the capital base of the Company. In addition, the net proceeds of the Subscription will strengthen the Group's financial position for future development of the Group. Accordingly, they consider that the Subscription is in the interests of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITIES DURING THE PAST 12 MONTHS

The Company has not conducted any other fund raising activities in the past twelve months immediately preceding the date of this announcement.

EFFECT ON SHAREHOLDING STRUCTURE

The shareholding structures of the Company (i) as at the date of this announcement and (ii) immediately after completion of the Subscription (assuming there is no change in the share capital of the Company between the date of this announcement and completion of the Subscription) are set out below for illustration purpose:

Name of Shareholders	As at the date of this announcement		Immediately after completion of the Subscription	
	Number of Shares	Approximately %	Number of Shares	Approximately %
Substantial Shareholders				
Mr. Li Kwong Yuk (<i>Note 1</i>)	324,746,540	44.14	324,746,540	38.18
China State Shipbuilding Corporation Limited (<i>Note 2</i>)	90,868,500	12.35	90,868,500	10.68
Director				
Mr. Su Xiaonong (<i>Note 3</i>)	1,465,500	0.20	1,465,500	0.17
Public Shareholders				
Subscribers	7,095,836	0.96	122,095,836	14.35
Others public shareholders	311,501,925	42.35	311,501,925	36.62
	<u>735,678,301</u>	<u>100.00</u>	<u>850,678,301</u>	<u>100.00</u>

Notes:

- Mr. Li Kwong Yuk personally holds 25,432,000 Shares, and also holds 297,967,040 Shares through Wincon Capital Investment Limited (“WCIL”), 1,147,500 Shares through Wincon Asset Management Limited (“WAML”) and 200,000 Shares through Win Master Group Limited (“WMGL”). WCIL, WAML and WMGL are wholly and beneficially owned by Mr. Li. Pursuant to the SFO, Mr. Li is deemed to be interested in the shares held by WCIL, WAML and WMGL.
- These Shares are beneficially held by China Shipbuilding Capital Limited, which is wholly owned by 中國船舶集團有限公司 (China State Shipbuilding Corporation Limited*). By virtue of the SFO, 中國船舶集團有限公司 (China State Shipbuilding Corporation Limited*) is deemed to be interested in the shares of the Company held by China Shipbuilding Capital Limited.
- Mr. Su Xiaonong is the Acting Chairman, an Executive Director and Chief Executive Officer of the Company.

* For identification purpose only

DEFINITIONS

In this announcement, the following terms shall have the meanings ascribed to them below unless the context otherwise requires:

“Board”	the board of Directors
“Business Day”	any day (other than a Saturday, Sunday or public holiday) on which banks are generally open for business in Hong Kong
“Company”	DINGYI GROUP INVESTMENT LIMITED, a company incorporated in Bermuda with limited liability and the securities of which are listed on the main board of the Stock Exchange (stock code: 508)
“Completion Date”	means a day as soon as possible following the satisfaction of all the conditions of the Subscription and in any event not later than two (2) Business Days after the satisfaction of the condition of the Subscription (or such other date as the Company and the Subscribers may agree in writing) and on which completion of the Subscription will take place
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	the director(s) of the Company
“General Mandate”	the mandate granted to the Directors by the Shareholders at the annual general meeting of the Company held on 27 September 2023 to allot, issue and deal with up to 20% of the then issued share capital of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Committee”	has the meaning ascribed to it under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	30 September 2024 or such later date as the Company and the Subscribers shall agree
“PRC”	the People’s Republic of China

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	ordinary share(s) of HK\$0.1 each in the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscribers”	the subscribers who respectively entered into the Subscription Agreements with the Company in respect of the Subscription on 21 June 2024
“Subscription”	Subscription of 115,000,000 new Shares by the Subscribers pursuant to the terms and conditions of the Subscription Agreements
“Subscription Agreements”	the conditional subscription agreements all dated 21 June 2024 entered into between the Company and each of the Subscribers in relation to the Subscription subject to the terms and conditions therein
“Subscription Price”	HK\$0.47 per Subscription Share
“Subscription Shares”	115,000,000 new Shares to be issued by the Company to the Subscribers pursuant to the Subscription Agreements
“Takeovers Code”	the Code on Takeovers and Mergers in Hong Kong
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

By Order of the Board
DINGYI GROUP INVESTMENT LIMITED
SU Xiaonong
Acting Chairman and Chief Executive Officer

Hong Kong, 21 June 2024

As at the date of this announcement, the Board comprises Mr. SU Xiaonong (Acting Chairman and Chief Executive Officer), Mr. WANG Xiaohua and Mr. HO Cheong Hang Edmond as Executive Directors; and Mr. CHOW Shiu Ki, Mr. CAO Kuangyu and Mr. IP Chi Wai as Independent Non-executive Directors.