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## **PU'ER LANCANG ANCIENT TEA CO., LTD.**

### **普 洱 瀾 滄 古 茶 股 份 有 限 公 司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 6911)**

## **(1) ISSUANCE OF H SHARES UNDER THE GENERAL MANDATE; AND (2) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

### **ISSUANCE OF H SHARES UNDER THE GENERAL MANDATE**

#### **Subscription**

The Board is pleased to announce that on 25 July 2025 (after trading hours), the Company entered into the Subscription Agreements with each of the subscribers. Pursuant to each of the Subscription Agreements, the Company has agreed to issue the Subscription Shares to each of the subscribers on a conditional basis, and each of the subscribers has agreed to subscribe for the Subscription Shares in accordance with the terms and conditions set forth in the Agreements at the Subscription Price of HKD2.46 per Subscription Share. The Subscription Shares will be allotted and issued under the General Mandate. The principal terms of the Subscription Agreements are set out below:

#### **Subscription Agreement A**

##### ***Date***

25 July 2025

##### ***Parties***

- (1) the Company (as the issuer); and
- (2) Subscriber A (as the subscriber)

Pursuant to the terms of Subscription Agreement A, Subscriber A will subscribe for 4,000,000 Subscription Shares at the Subscription Price.

#### **Subscription Agreement B**

##### ***Date***

25 July 2025

### ***Parties***

- (1) the Company (as the issuer); and
- (2) Subscriber B (as the subscriber)

Pursuant to the terms of Subscription Agreement B, Subscriber B will subscribe for 2,500,000 Subscription Shares at the Subscription Price.

### **Subscription Agreement C**

#### ***Date***

25 July 2025

### ***Parties***

- (1) the Company (as the issuer); and
- (2) Subscriber C (as the subscriber)

Pursuant to the terms of Subscription Agreement C, Subscriber C will subscribe for 4,500,000 Subscription Shares at the Subscription Price.

### **Subscription Agreement D**

#### ***Date***

25 July 2025

### ***Parties***

- (1) the Company (as the issuer); and
- (2) Subscriber D (as the subscriber)

Pursuant to the terms of Subscription Agreement D, Subscriber D will subscribe for 13,000,000 Subscription Shares at the Subscription Price.

### **Subscription Shares**

The total number of the Subscription Shares is 24,000,000 Shares, which represents (i) approximately 76.19% of H Shares and approximately 19.05% of the total issued Shares as at the date of this announcement; and (ii) approximately 43.24% of the H Shares and approximately 16.00% of the total issued Shares as enlarged by the allotment and issue of Subscription Shares (assuming there is no other change to the number of Shares from the date of this announcement up to the Closing). The number of the Subscription Shares may be adjusted based on the final approval, authorization or registration by the regulatory authorities, but shall not exceed the maximum limit of the General Mandate, i.e., not exceeding 25,200,000 Shares.

The Subscription Shares, when issued and fully paid, will rank *pari passu* in all respects among themselves and with all other H Shares in issue at the time of allotment and issue of the Subscription Shares.

### **Subscription Price**

The Subscription Price of HKD2.4600 per Subscription Share represents:

- (1) a discount of approximately 16.61% to the closing price of HKD2.9500 per H Share as quoted on the Stock Exchange on the date of the Subscription Agreements; and
- (2) a discount of approximately 17.00% to the average closing price of HKD2.9640 per H Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Subscription Agreements.

The Subscription Price was arrived at after arm's length negotiations between the Company and each of the subscribers with reference to the prevailing market prices of the H Shares and current market conditions.

The Subscription Shares have an aggregate nominal value of RMB24,000,000 based on a nominal value of RMB1 per H Share. The gross proceeds from the Subscription amount to HKD59.04 million, and the net proceeds from the Subscription are expected to be approximately HKD58.04 million, after deducting the relevant fees and expenses payable by the Company. The net proceeds per Subscription Share are expected to be approximately HKD2.4183.

The Company intends to use the net proceeds from the Subscription for the general working capital.

### **Conditions Precedent**

The Closing under Subscription Agreement A is subject to the satisfaction of all of the following conditions precedent or the waiver thereof by Subscriber A and/or the Company:

- (1) the Board has considered and approved the issuance authorization, issuance plan and transaction documents for the Subscription, and has obtained the approval and consent of other applicable internal decision-making bodies. With regard to the Subscription, the Company has secured third-party consents if required, and such approvals have not been withdrawn or revoked prior to the Closing. Furthermore, the Company is not required to obtain approval from its general meeting for the Subscription;
- (2) Subscriber A has obtained all necessary consents under the Agreement required to consummate the transactions contemplated thereby, including any third-party consents (if necessary), and such consents have not been revoked or cancelled prior to the Closing;
- (3) the Listing Committee of the Stock Exchange has granted the approval for the listing of, and permission to deal in the Subscription Shares, and such approval has not been revoked or cancelled prior to the Closing;

- (4) at the Closing, there is no valid order, writ, injunction, judgment or award made by any court, governmental agency or regulatory authority of competent jurisdiction, nor is there any valid statute, rule, regulation or other provision enacted or made to restrict, prohibit or invalidate the Subscription Agreement and the transactions contemplated thereunder;
- (5) the representations and warranties made by the Company and Subscriber A in the Agreement and other transaction documents are true, accurate, complete and not misleading as at the Agreement execution date and the closing date;

The above subscription conditions precedent (5) may be waived in whole or in part by the parties and subscription conditions precedent (1) to (4) shall not be waived.

The Closing under each of Subscription Agreement B, Subscription Agreement C and Subscription Agreement D is subject to the following conditions precedent being satisfied in full or waived by each of the Subscribers and/or the Company:

- (1) the Board has considered and approved the issuance mandate, the issuance plan and the transaction documents of the Subscription, and has obtained the approval and consent from other applicable internal decision-making bodies. The Company has obtained the consents from the third party (if required) in respect of the Subscription and such approvals have not been revoked or cancelled prior to the Closing; and the Company is not required to obtain the approval at its general meeting in respect of the Subscription;
- (2) the Subscriber has obtained approval and consent from internal decision-making bodies and the consent from the third party (if necessary), and such approval has not been revoked or cancelled prior to the Closing;
- (3) the Listing Committee of the Stock Exchange has granted approval for the listing of, and permission to deal in the Subscription Shares, and such approval has not been revoked or cancelled prior to the Closing;
- (4) at the Closing, there is no valid order, writ, injunction, judgment or award made by any court, governmental authority or regulatory body of competent jurisdiction, nor is there any statute, rule, regulation or other provision enacted or made in effect that restricts, prohibits or invalidates the Subscription Agreement and the transactions contemplated thereunder;
- (5) the representations and warranties of the Company and the Subscriber in the Agreement and other transaction documents are true, accurate, complete and not misleading as at the Agreement execution date and the closing date;

The above subscription conditions precedent (5) may be waived in whole or in part by the parties and subscription conditions precedent (1) to (4) shall not be waived.

## **Closing**

The Closing under each of the Subscription Agreements shall take place on the 10th business day from the date on which all the conditions precedent are fulfilled or satisfied (or waived, as the case may be), or such other date as may be agreed in writing by the parties thereto, subject to the conditions precedent thereunder continuing to be satisfied and not being revoked or withdrawn. At the Closing, each subscriber shall have remitted the full amount of its respective subscription monies into the designated account of the Company. The date on which each subscriber remits its subscription monies into the Company's account and completes the Closing shall be the closing date under the Subscription Agreements.

If any of the conditions precedent set forth in the Subscription Agreements cannot be fulfilled within 12 months after the execution of the Agreements (if applicable), such Subscription Agreements shall automatically terminate immediately.

## **General Mandate**

The Subscription Shares shall be allotted and issued under the General Mandate. Under the General Mandate, the Board shall allot, issue and deal with no more than 20% of the issued Shares as at the date of the EGM, i.e., 25,200,000 H Shares and/or Domestic Shares. Accordingly, each of the Subscription shall not be subject to the approval of the Shareholders.

As of the date of this announcement, no Shares have been issued by the Company under the General Mandate.

## **Application for Listing**

The Company will apply to the Listing Committee for the listing of, and permission to deal in, the Subscription Shares on the Stock Exchange.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE SUBSCRIPTION AGREEMENTS**

The principal business of the Company is the development, manufacturing and sale of tea products. Based on the core brand of Lan Cang Gu Cha, we have developed and structured three product lines, namely 1966, Tea Mama (茶媽媽) and Iland Tea (岩冷) to satisfy diversified consumption demands. As stated in the annual report of the Company for the year ended 31 December 2024, for the year ended 31 December 2024, the Group incurred a net loss of approximately RMB308,585,000, and the Group's current liabilities included approximately RMB33,267,000 of lease liabilities and approximately RMB230,900,000 of bank and other borrowings.

The Board believes that, the Subscription can supplement the working capital of the Group and strengthen the financial position of the Group on the basis of the capital requirements and business development needs of the Group. The Subscription will broaden the financing channels of the Group. The Subscription Agreements and the Subscription (including the subscription price and quantity) were entered into after arm's length negotiations between the parties, are fair and reasonable, and 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 has not conducted any fund-raising activity in the twelve months preceding the date of this announcement.

## IMPACT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The table below illustrated the shareholding structure of the Company as at the date of this announcement and immediately after the Closing (assuming no other changes in the number of Shares from the date of this announcement to the Closing):

		Immediately following the Closing (assuming no other changes in the number of Shares from the date of this announcement to the Closing)			
Share class	As at the date of this announcement				
	<i>Approximate percentage in the issued share capital of the Company</i>	<i>Approximate percentage in the issued share capital of the Company</i>			
Controlling shareholder group		<i>Number of Shares</i>	<i>Number of Shares</i>	<i>Number of Shares</i>	<i>Number of Shares</i>
Ms. Du Chunyi	Domestic Shares	17,075,490	13.55%	17,075,490	11.38%
Ms. Wang Juan	Domestic Shares	12,492,899	9.91%	12,492,899	8.33%
Mr. Shi Yue	Domestic Shares	2,516,640	2.00%	2,516,640	1.68%
Ms. Shi Ailing	Domestic Shares	5,786,306	4.59%	5,786,306	3.86%
Guangzhou Tiansu	Domestic Shares	7,452,000	5.91%	7,452,000	4.97%
Other existing Shareholders (not counted towards public float)	Domestic Shares	49,176,665	39.03%	49,176,665	32.78%
Total		94,500,000	75.00%	94,500,000	63.00%
Other existing Shareholders (counted towards public float)					
Subscriber A	H Shares	–	–	4,000,000	2.67%
Subscriber B	H Shares	–	–	2,500,000	1.67%
Subscriber C	H Shares	–	–	4,500,000	3.00%
Subscriber D	H Shares	–	–	13,000,000	8.67%
Other H Shareholders	H Shares	31,500,000	25.00%	31,500,000	21.00%
Total		31,500,000	25.00%	55,500,000	37.00%
Total H Shares		31,500,000	25.00%	55,500,000	37.00%
Total Domestic Shares		94,500,000	75.00%	94,500,000	63.00%
Total issued Shares of the Company		126,000,000	100.00%	150,000,000	100.00%

## INFORMATION ON THE PARTIES

### *The Group*

The Company is a joint stock company incorporated in the PRC with limited liability, mainly engaged in the development, manufacturing and sale of tea products (mainly Pu'er tea products) in the PRC.

### *Subscriber A*

Subscriber A is Mr. Yang Xuanming (楊軒銘).

### *Subscriber B*

Subscriber B is DY CAPITAL PTE. LTD., a limited liability company incorporated in Singapore and mainly engaged in investment.

### *Subscriber C*

Subscriber C is ONE TREASURE LIMITED, a limited liability company incorporated in British Virgin Islands, mainly engaged in investment.

### *Subscriber D*

Subscriber D is FY GROUP LTD, a limited liability company incorporated in British Virgin Islands, mainly engaged in investment.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquires, each of Subscriber A, Subscriber B, Subscriber C and Subscriber D, and their respective ultimate beneficial owners (if applicable) are third parties independent of the Company and its connected persons and not connected with the Company. Immediately following completion of the Subscription, each of the subscribers will not become the substantial shareholders of the Company, and the Shares they subscribed for will be counted towards the public float of the Company.

## PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In view of that the completion of the Subscription will result in an increase in the registered capital of the Company, pursuant to the regulatory rules and taking into account the actual circumstances of the Company, the Board proposed to amend the Articles of Association accordingly. The details of the proposed amendments are as follows:

No.	Original articles	Amended articles
1	Article 6 Registered capital: RMB126,000,000.	Article 6 Registered capital: RMB150,000,000.
2	Article 20 The total number of share capital of the Company is 126,000,000 shares, all of which are ordinary shares.	Article 20 The total number of share capital of the Company is 150,000,000 shares, all of which are ordinary shares.

The proposed amendments to the Articles of Association will take effect subject to, among other things, the completion of the Subscription. Save as stated above, other articles under the Articles of Association will remain unchanged. The English version of the proposed amendments to the Articles of Association is an unofficial translation of its Chinese version. In case of discrepancies, the Chinese version shall prevail.

The Board proposed that the general meeting authorize the Board to further authorize the chairlady of the Board or other persons as further authorized by her to handle the relevant filing and registration procedures with competent market supervisory authorities in relation to the Proposed Amendments to the Articles of Association, and deal with other matters.

The resolution is subject to the consideration and approval at the general meeting of the Company. A circular containing, among other things, the details of the resolution together with the notice of the general meeting, will be published in due course.

## **DEFINITION**

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

“Board” or “Board of Directors”	the board of Directors of the Company
“Company” or “we”	Pu’er Lancang Ancient Tea Co., Ltd. (普洱瀾滄古茶股份有限公司), a joint stock company incorporated in the PRC with limited liability, the issued H Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 6911)
“Articles of Association”	the articles of association of the Company currently in force
“Closing”	completion of the Subscription pursuant to the Subscription Agreements
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary share(s) of our Company with a nominal value of RMB1.00 each, which is/are subscribed for and paid up in RMB
“EGM” or “Extraordinary General Meeting”	the 2025 first extraordinary general meeting of the Company held on 17 January 2025, at which, among other things, the General Mandate was considered and approved
“General Mandate”	the general mandate granted to the Directors pursuant to a special resolution of the Company passed at the EGM held on 17 January 2025, to allot, issue and deal with up to 20% of the total issued Shares as at the date of the EGM, i.e., no more than 25,200,000 Shares, including Domestic Share(s) and/or H Share(s)

“Group”	the Company and its subsidiaries
“Guangzhou Tiansu”	Guangzhou Tiansu Information Technology Co., Ltd. (廣州天速信息科技有限公司), a limited liability company established under the laws of the PRC on 4 November 2005 and a member of the controlling shareholder group of the Company
“H Share(s)”	the overseas-listed foreign share(s) of the Company with a nominal value of RMB1.00 each, which is/are listed on the Stock Exchange
“H Shareholder(s)”	the holder(s) of H Shares
“HKD”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China excluding, for the purpose of this announcement, Hong Kong, Macau Special Administrative Region of the PRC and Taiwan region
“public float”	has the same meaning as ascribed to it under the Listing Rules
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the Shares of the Company
“Share(s)”	ordinary share(s) in the capital of the Company with a nominal value of RMB1.00 each, comprising Domestic Share(s) and H Share(s)
“Subscription”	the subscription of the Subscription Shares by the subscribers pursuant to Subscription Agreement(s)
“Subscription Agreements” or the “Agreements”	collectively, the Subscription Agreement A, Subscription Agreement B, Subscription Agreement C and Subscription Agreement D
“Subscription Agreement A”	the share subscription agreement dated 25 July 2025 and entered into between the Company and subscriber A
“Subscription Agreement B”	the share subscription agreement dated 25 July 2025 and entered into between the Company and subscriber B
“Subscription Agreement C”	the share subscription agreement dated 25 July 2025 and entered into between the Company and subscriber C

“Subscription Agreement D”	the share subscription agreement dated 25 July 2025 and entered into between the Company and subscriber D
“Subscription Price”	HKD2.46 per Subscription Share
“Subscription Shares”	a total of 24,000,000 H Shares to be issued by the Company to the Subscribers and to be subscribed by the Subscribers in a private placement of issuers under the conditions and terms as agreed in the Subscription Agreement, or, if applicable, adjusted H Shares as set out in the paragraph headed “Subscription of Shares” above
“substantial shareholder(s)”	has the same meaning as ascribed to it under the Listing Rules
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

**Shareholders and potential investors of the Company should note that the completion is subject to the fulfilment of the conditions set out in the Subscription Agreements. The Subscription may or may not proceed. Shareholders and potential investors of the Company are therefore urged to exercise caution when dealing in the Shares or other securities of the Company.**

By order of the Board  
**Pu'er Lancang Ancient Tea Co., Ltd.**  
 普洱瀾滄古茶股份有限公司  
**Ms. Du Chunyi**  
*Chairlady and Executive Director*

Hong Kong, 25 July 2025

*As at the date of this announcement, the Board of the Company comprises (i) Ms. Du Chunyi, Mr. Zhou Xinzong, Mr. Zhang Muheng, Ms. Shi Yijing, Mr. Fu Gang and Mr. Liu Jiajie as executive Directors; and (ii) Dr. Xie Xiaoyao, Mr. Tang Zhangliang and Dr. Yang Kequan as independent non-executive Directors.*