
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **True Partner Capital Holding Limited** (the “**Company**”), you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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This circular is for information purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company.

True Partner
Capital Holding

TRUE PARTNER CAPITAL HOLDING LIMITED

(Incorporated under the laws of the Cayman Islands with limited liability)

(Stock Code: 8657)

(1) CONNECTED TRANSACTION INVOLVING SUBSCRIPTION OF NEW SHARES BY SUBSTANTIAL SHAREHOLDER UNDER SPECIFIC MANDATE; AND (2) NOTICE OF EGM

**Independent Financial Adviser to the Independent Board Committee and
the Independent Shareholders**



A letter from the Board is set out from pages 4 to 16 of this circular and a letter from the Independent Board Committee to the Independent Shareholders is set out on pages 17 to 18 of this circular. A letter from Gram Capital, the Independent Financial Adviser, containing its advice to the Independent Board Committee and Independent Shareholders is set out from pages 19 to 31 of this circular.

A notice convening the EGM to be held on Thursday, 13 February 2025 at 3:00 p.m. at 9/F Henley Building, 5 Queen’s Road Central, Central, Hong Kong or any adjournment thereof is set out from pages EGM-1 to EGM-3 of this circular. A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.truepartnercapital.com. Whether or not you intend to attend the EGM in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the office of the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible, but in any event not less than 48 hours before the time of the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjournment thereof (as the case may be) should you subsequently so wish.

Note: References to time and dates in this circular are to Hong Kong time and dates.

21 January 2025

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

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

“Announcement”	the announcement of the Company dated 29 December 2024 in relation to the Subscription
“associate(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day (excluding Saturday, Sunday, public holiday or any day on which a tropical cyclone warning no. 8 or above or a “black” rainstorm warning is hoisted between 9:00 a.m. and 5:00 p.m. in Hong Kong) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“Company”	True Partner Capital Holding Limited, a company incorporated in Cayman Islands with limited liability, the Shares of which are listed on the GEM (Stock Code: 8657)
“Completion”	completion of the Subscription
“Conditions Precedent”	the conditions precedent set out under the paragraphs headed “Conditions Precedent under the Subscription Agreement”
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened to approve, among other things, the allotment and issue of the Subscription Shares to the Subscriber and the grant of the Specific Mandate to the Directors for the allotment and issue of the Subscription Shares to the Subscriber
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM, as amended, supplemented and/or otherwise modified from time to time
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Independent Board Committee”	a committee comprised of Mr. Jeronimus Mattheus Tielman, Ms. Wan Ting Pai and Mr. Ming Tak Ngai, all of whom are independent non-executive Directors, formed to advise the Independent Shareholders in connection with the transactions contemplated under Subscription Agreement
“Independent Financial Adviser” or “Gram Capital”	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the Subscription
“Independent Shareholders”	Shareholders other than the connected person(s) who is/are interested in the relevant transactions
“Last Trading Day”	27 December 2024, being the last trading day prior to the signing of the Subscription Agreement, which took place after trading hours
“Latest Practicable Date”	17 January 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Mr. Chan”	Mr. Chan Heng Fai Ambrose, a substantial shareholder of the Company
“SFC”	Securities and Futures Commission of Hong Kong
“SFO”	Securities and Futures Ordinance (cap 571 of the laws of Hong Kong), as amended, supplemented and/or otherwise modified from time to time
“Share(s)”	the ordinary share(s) of par value of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Specific Mandate”	the specific mandate to be granted by the Independent Shareholders to the Directors at the EGM for the allotment and issue of the Subscription Shares to the Subscriber
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Subscriber”	True Partner International Limited, a substantial shareholder of the Company and a wholly owned subsidiary of DSS Financial Management, Inc., which in turn is wholly owned by DSS Securities, Inc., which is wholly owned by DSS, Inc., which in turn is 58.79% owned by Mr. Chan
“Subscription”	the subscription of the Subscription Shares by the Subscriber pursuant to the terms of the Subscription Agreement
“Subscription Agreement”	the conditional subscription agreement dated 27 December 2024 entered into between the Company as issuer and the Subscriber for the subscription of the Subscription Shares at the Subscription Price
“Subscription Price”	HK\$0.400 per Subscription Share
“Subscription Shares”	an aggregate of 19,500,000 Shares to be subscribed by the Subscriber pursuant to the Subscription Agreement
“substantial shareholder”	has the meaning ascribed to it under the GEM Listing Rules
“%”	per cent

LETTER FROM THE BOARD

True Partner
Capital Holding

TRUE PARTNER CAPITAL HOLDING LIMITED

(Incorporated under the laws of the Cayman Islands with limited liability)

(Stock Code: 8657)

Executive Directors:

Mr. Ralph Paul Johan van Put
(Chairman and Chief Executive Officer)
Mr. Godefriedus Jelte Heijboer
Mr. Tobias Benjamin Hekster
Mr. Roy van Bakel

Registered Office:

P.O. Box 31119 Grand Pavilion
Hibiscus Way
802 West Bay Road
Grand Cayman KY1-1205
Cayman Islands

Independent Non-executive Directors:

Mr. Jeronimus Mattheus Tielman
Ms. Wan Ting Pai
Mr. Ming Tak Ngai

*Head Office and Principal Place of Business
in Hong Kong:*

Suites 2902-3, 29/F Tower 2
The Gateway, Harbour City
Kowloon, Hong Kong

21 January 2025

To the Shareholders

Dear Sirs or Madams,

**(1) CONNECTED TRANSACTION INVOLVING SUBSCRIPTION OF
NEW SHARES BY SUBSTANTIAL SHAREHOLDER
UNDER SPECIFIC MANDATE;
AND
(2) NOTICE OF EGM**

INTRODUCTION

Reference is made to the Announcement in relation to, among others, the Subscription.

The circular sets out, among other things, (i) further details of the Subscription Agreement, and the transactions contemplated thereunder (including without limitation, the allotment and issue of the Subscription Shares to the Subscriber and the grant of the Specific Mandate to the Directors for the allotment and issue of the Subscription Shares to the Subscriber); (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Subscription; (iv) a letter of advice from Gram Capital to the Independent Board Committee and the Independent Shareholders on the Subscription; (v) a notice convening the EGM; and (vi) other information required under the GEM Listing Rules.

LETTER FROM THE BOARD

PRINCIPAL TERMS OF THE SUBSCRIPTION AGREEMENT

Date: 27 December 2024 (after trading hours of the Stock Exchange)

Parties: (i) the Company, as issuer; and
(ii) the Subscriber

Subscription Shares: 19,500,000 Subscription Shares

Subscription Price: HK\$0.400 per Subscription Share

As at the Latest Practicable Date, the Subscriber is a substantial shareholder of the Company who beneficially owns 62,336,908 Shares, representing approximately 15.58% of the existing issued Shares of 400,000,000 Shares, and hence a connected person of the Company under the GEM Listing Rules.

SUBSCRIPTION SHARES

Pursuant to the Subscription Agreement, the Subscriber have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, an aggregate of 19,500,000 Subscription Shares, representing approximately 4.88% of the existing issued Shares of 400,000,000 Shares as at the Latest Practicable Date and approximately 4.65% of the enlarged issued Shares of 419,500,000 Shares immediately following Completion, assuming that there will be no change in the total number of issued Shares (other than the issue of the Subscription Shares) between the Latest Practicable Date and Completion.

SUBSCRIPTION PRICE

The Subscription Price of HK\$0.400 per Subscription Share represents:

- (a) a discount of approximately 13% to the closing price of HK\$0.46 per Share as quoted on the Stock Exchange on 27 December 2024, being the Last Trading Day;
- (b) a discount of approximately 13% to the average closing price of approximately HK\$0.46 per Share as quoted on the Stock Exchange for the last five (5) trading days up to and including the Last Trading Day;
- (c) a discount of approximately 13% to the average closing price of approximately HK\$0.46 per Share as quoted on the Stock Exchange for the last ten (10) trading days up to and including the Last Trading Day.

LETTER FROM THE BOARD

The Subscription Price was determined after arm's length negotiation between the Company and the Subscriber after taking into account the prevailing market price of the Shares, the trading volume of the Shares and existing capital market conditions generally. In view of (i) the Subscription Price represents a slight discount over the average closing prices of the Shares of approximately HK\$0.422 for the period from 27 December 2023 (being the 12-month period prior to the Last Trading Day) and up to the Latest Practicable Date (the "**Review Period**") as a benchmark and (ii) the low trading volume of the Shares during the Review Period with average daily trading volume amounted approximately 0.01% to the total issued Shares as at the Latest Practicable Date with more than half of the number of days (163 days out of 247 days) during the Review Period recording zero daily transactions, and if removing such zero daily trading days would mean the average closing prices of Shares becoming approximately HK\$0.407; (iii) it is in the interests of the Company to strengthen its liquidity position by issuing Subscribed Shares under Specific Mandate as existing debt and equity capital markets are unfavorable to smaller cap companies; and (iv) the Directors considered that the Subscription Price has to be set at a reasonable discount to the recent share price in order to attract the Subscriber to subscribe the Subscription Shares and ensure the Subscription to be completed in short time, while duly taking into account the lack of availability for the Subscriber to purchase the intended number of Subscription Shares on the market without impacting the share price. The Directors (including the independent non-executive Directors, whose view has been included in the section headed "Letter from the Independent Board Committee" in this circular), are of the view that the terms of the Subscription Agreement (including the Subscription Price) are fair and reasonable, on normal commercial terms, and in the interests of the Company and the Shareholders as a whole.

The Subscription Shares have an aggregate nominal value of HK\$195,000 and market value of HK\$8,970,000 based on the closing price of HK\$0.46 per Share on the Last Trading Day. The net proceeds from the Subscription, after deduction of relevant costs and expenses, is estimated to be approximately HK\$7,300,000. The net Subscription Price per Subscription Share, after deduction of relevant costs and expenses, is estimated to be approximately HK\$0.374.

Based on a benchmarked price of HK\$0.46 per Shares which is the higher of: (i) the closing price on the date of the agreement involving the Subscription; and (ii) the average closing price in the 5 trading days immediately prior to the earlier of: (1) the date of announcement of the Subscription; (2) the date of the agreement involving the Subscription; and (3) the date on which the Subscription Price was fixed, the Subscription Price of HK\$0.40 per Share represent a theoretical dilution effect of approximately 0.61% for the purposes of Rule 10.44A of the GEM Listing Rules.

RANKING

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

LETTER FROM THE BOARD

CONDITIONS PRECEDENT UNDER THE SUBSCRIPTION AGREEMENT

Completion of the Subscription is conditional upon the satisfaction of the following conditions precedent:

- (a) the passing of resolution(s) by the Independent Shareholders at the EGM approving the Subscription Agreement and the transactions contemplated thereunder;
- (b) the Listing Committee of the Stock Exchange having granted the approval for the listing of, and permission to deal in, the Subscription Shares and such approval not having been revoked, withdrawn or cancelled;
- (c) the current listing of the Shares on the Stock Exchange not having been cancelled or withdrawn; and
- (d) all consents, approvals or waivers (as the case may be) that the Company and the Subscriber reasonably considers necessary pursuant to applicable laws, regulations or rules (including but not limited to the GEM Listing Rules) for its execution, implementation and completion of the Subscription Agreement having been obtained.

In the event the above conditions are not fulfilled by 28 February 2025, the Subscription Agreement shall terminate and all rights, obligations and liabilities of the parties under the Subscription Agreement in relation to the Subscription shall cease and determine and none of the parties shall have any claim against the others in respect of the Subscription save for any antecedent breach. As at the Latest Practicable Date, the Conditions Precedent are not fulfilled yet.

TERMINATION

If any Conditions Precedent has not been satisfied by 5:00 p.m. (Hong Kong time) on 28 February 2025 (the “**Long Stop Date**”), the Subscription Agreement shall be automatically terminated with immediate effect.

COMPLETION

Completion will take place at 5:00 p.m. (Hong Kong time) on the third Business Day after the date (not being later than the Long Stop Date) the last condition has been satisfied, or such other date as the parties may agree in writing. At Completion, the Company will allot and issue 19,500,000 Subscription Shares to the Subscriber, and the Subscriber will make payments by electronic funds transfer.

SPECIFIC MANDATE

In respect of the Subscription by the Subscriber, the Subscription Shares will be allotted and issued under the Specific Mandate to be sought from the Independent Shareholders at the EGM.

LETTER FROM THE BOARD

INFORMATION OF THE GROUP

The Company is a Hong Kong, Europe and US based fund management group with a focus on volatility trading in liquid markets. The Group principally manage funds and managed accounts on a discretionary basis using a global relative value volatility strategy and other volatility strategies developed by the Group. The Company may also engage in limited trading of proprietary capital, principally via derivatives, as part of its research into new strategies and markets that may be appropriate for inclusion in the mandates it runs for external clients. The Group's roots in Hong Kong in combination with its current global footprint allow the Group to capitalize on market opportunities in the Asia Pacific markets and particularly those in Hong Kong and the People's Republic of China.

INFORMATION OF THE SUBSCRIBER

As at the Latest Practicable Date, the Subscriber is entitled to exercise control over approximately 15.58% of the total issued share capital of the Company. Therefore, the Subscriber is a substantial shareholder of the Company and a connected person of the Company under the GEM Listing Rules. Accordingly, Mr. Chan, through his control cover the Subscriber and other controlled corporations, is interested approximately 19.27% of the issued share capital of the Company as at the Latest Practicable Date and approximately 23.03% immediately after Completion.

Based on publicly available information, the Subscriber is wholly owned by DSS Financial Management, Inc., which in turn is fully owned by DSS Securities, Inc., which is wholly owned by DSS, Inc. ("DSS"). DSS is listed on the NYSE American Stock Exchange under ticker symbol DSS. DSS, Inc. is a multinational company that operates business segments in blockchain security, direct marketing, funds management, healthcare, consumer packaging, real estate, renewable energy and securitized digital assets. DSS is 58.79% owned by Mr. Chan. Mr. Chan is an accomplished business veteran with over 45 years of experience and has served as executive director, substantial shareholder or non-executive director of a portfolio of companies around the world, including companies listed on the Australian Securities Exchange, Singapore Exchange, Hong Kong Stock Exchange, Nasdaq and the New York Stock Exchange.

LETTER FROM THE BOARD

Mr. Chan has served as a director and the chairman of the Board of Alset Inc., a Nasdaq listed company, since March 2018. Mr Chan has served as a director of Alset International Limited, a multinational holding company listed on SGX since May 2013, as its chief executive officer since March 2014 and as its executive chairman of the board since June 2017. Mr. Chan has served as director of DSS, Inc., a NYSE listed company, since January 2017, as its chairman of the board since March 2019. Mr. Chan has served as an executive director and executive chairman of the board of HWH International Inc. (formerly known as Alset Capital Acquisition Corp), a Nasdaq listed company, since October 2021 and served as its chief executive officer from October 2021 to January 2024. Mr. Chan has served as a director of Value Exchange International Inc., a company listed on OTC Markets, since December 2021. Mr. Chan has served as an executive director of Hapi Metaverse Inc. (formerly known as GigWorld Inc.), a public company reporting to SEC since October 2014 and as its chairman of the board since December 2017. Mr. Chan has served as an executive director of LiquidValue Development Inc., a public company reporting to SEC, since January 2017, as its chairman of the board and chief executive officer since December 2017. Mr. Chan has serviced as a Director of Sharing Services Global Corporation since April 2020 and its Chairman of the Board since July 2021.

Mr. Chan served as a director of OptimumBank Holdings, Inc., a Nasdaq listed company from June 2018 to April 2022. Mr. Chan served as a director of RSI International Systems, Inc.. a Toronto Stock Exchange listed company, from June 2014 to February 2019. Mr. Chan served as a director of Holista Colltech Limited, an ASX listed company, from July 2013 to June 2021. Mr. Chan served as a director of Global Medical REIT Inc., a NYSE listed company, from December 2013 to July 2015. Mr. Chan served as Executive Chairman of the Board of China Gas Holdings Limited, a HKSE listed company, from 1997 to November 2002. Mr. Chan served as a Managing Chairman of Zensun Enterprises Limited (formerly known as ZH International Holdings Limited and Heng Fai Enterprises Limited), a HKSE listed company, from 1992 to July 2015. Mr. Chan served as a Managing Director of SingHaiyi Group Limited (now known as SingHaiyi Group Pte. Ltd.), a property development company in Singapore which was listed on SGX, from March 2003 to September 2013.

Mr. Chan has taken a keen interest in the Group as its fund management business, including its trading strategies had manifested philosophies and strategies befitting his own.

LETTER FROM THE BOARD

RECENT DEVELOPMENT

The Directors noted there is notably improved trading environment for the Company and its relative value volatility trading strategies. As announced on 15 October 2024, the Company's flagship True Partner Fund had a positive net return of +2.99% over September, bringing gains over the third quarter of 2024 to +6.24% net of fees. Not only was the performance of the True Partner Fund well ahead of most peers, this current year has so far also marked a possible end to what has been periodically referenced in the Company's Management Letters as a relatively challenging trading environment.

Over the period since the month-end October return of +6.2%, the S&P 500 index has risen by +4.2% while implied volatilities have globally declined, as reflected in the -30% decline of the VIX index. Therefore, the performance of the flagship True Partner Fund during these final months of the year has further underscored the resilience of the Company's relative value volatility strategies, both on a stand-alone basis and when seen in comparison to its peers. One other recent development has been the launch of a new volatility strategy in conjunction with one of our large investors. The account which went 'live' on 9 December 2024 is further proof of the improved business environment for the Company.

Furthermore, the recent developments in Mainland China pose further potential business opportunities for the Company. From 26 September 2024 onwards (when the Politburo confirmed the aggressive stimulus measures which would also include fiscal stimulus) announcements and actions from various government entities (including the People's Bank of China, the China Securities Regulatory Commission and the Politburo) have reflected their desire to not only support the Chinese economy in general, but also the stock market. This has been noticed across the globe and it is our impression that sentiment outside of China with regards to Chinese equities (and by proxy those in Hong Kong) is improving. The Company is well placed to benefit from this development, both through the introduction of China-focused strategies and by its position as an Asia-based asset manager who are also represented in Europe and the US.

Overall, the Directors believe the more favorable operating environment as reflected in the above developments has the effect of improving the prospects for the funds and managed accounts under management of the Company as well as for the Company itself. As referenced in the Prospectus and subsequent reports, the Company's primary source of revenues is its fund management business. Fund management revenues are derived both from management fees and from performance fees. From that perspective, an increase in assets under management by the Company (either in the form of new investment into the existing funds and managed accounts, or in the form of investments in newly introduced strategies) could translate into an increase of management fee revenue. Similarly, improved investment performance could translate into an increase of performance fee revenue.

The Directors believe that these improved prospects have been a factor for the Subscriber to intend an additional investment in the Company.

LETTER FROM THE BOARD

REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS

The Company is always open to opportunities to strengthen its liquidity position in a cost-effective way. This position is known to the Subscriber, who has been the Company's shareholder before its IPO, and to other potential investors.

The Company understands that the Subscriber has noted the Company's improved trading environment as set out in the paragraph headed "Recent Development" and therefore willing to transact the Subscription to strengthen the liquidity position of the Company in a cost effective manner.

From the perspective of the Company, the Directors consider that the Subscription offers a good opportunity to strengthen its liquidity and broaden the capital base of the Group so as to facilitate its future development.

The Directors has also considered other alternative methods to strengthen its liquidity such as debt financing, rights issue or open offer. The Board has considered that debt financing may incur financial costs on the Group, while rights issue or open offer will incur additional costs including but not limited to underwriting commission and other professional fee and require relatively longer time when compared to the Subscription. As such, the Directors consider that the Subscription represents a cost-effective mean to strengthen its liquidity comparing with the debt financing, rights issue or open offer.

Notwithstanding the potential dilution effect to the existing Shareholders which will arise from the Subscription, having considered (i) the potential business opportunities in line with the improved trading environment of the Company as stated in the paragraph headed "Recent Development"; (ii) the prevailing market price of the Shares recently and during the Review Period and the most recent unaudited net asset value per Share of the Company of approximately HK\$0.14; (iii) the terms of the Subscription Agreement being fair and reasonable so far as the Independent Shareholders are concerned; and (iv) the Subscription represents an appropriate mean of fund raising for the Company as (a) it is less costly with no underwriting commission to be incurred for the Subscription; (b) the Subscription is relatively less time consuming compared to around 2 to 3 months of rights issue and open offer; and (c) there is material uncertainty on whether possible rights issue and open offer can be fully subscribed, the Directors (including the independent non-executive Directors, whose view has been included in the section headed "Letter from the Independent Board Committee" in this circular), are of the view that the Subscription is in the interests of the Company and the Shareholders as a whole.

MISCELLANEOUS

The Subscription was contemplated mutually between the Company and the Subscriber. The Company is always open to approach or approached by other shareholders or investors if the liquidity position of the Company can be further strengthened in a cost-effective manner. As at the Latest Practicable Date, saved for the Subscription, the Company does not have any concrete plans to carry out other fund-raising activities to strengthen its liquidity position. Should circumstances change, the Company will make further announcement in this regard in accordance with the GEM Listing Rules as and when appropriate.

LETTER FROM THE BOARD

The aggregate gross proceeds of the Subscription will be approximately HK\$7,800,000. The aggregate net proceeds of the Subscription, after the deduction of related fees and expenses, will be approximately HK\$7,300,000. The bank balance of the Company is approximately HK\$32,700,000 as at the Latest Practicable Date.

Based on the level of expenses the Company incurred for the year ended 31 December 2024, the Company expects the net proceeds of HK\$7,300,000 will be used to cover expenses such as salaries (approximately 58%), office administrative expenses (approximately 16%), professional fees such as audit and legal fees and financial printing fees (approximately 9%), and promotion, marketing, travelling and other general expenses (approximately 17%). The actual utilisation of the net proceeds will be reported in the reports of the Company. The Company expects that the net proceeds will be fully utilised by the end of 2025.

The Directors (other than the independent non-executive Directors who will give their opinion after considering the advice from Gram Capital), are of the view that the terms of the Subscription Agreement (including the Subscription Price) are fair and reasonable, on normal commercial terms, and in the interests of the Company and the Shareholders as a whole.

EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not conducted equity fundraising activity in the past 12 months immediately preceding the Latest Practicable Date.

LISTING APPLICATION

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

LETTER FROM THE BOARD

EFFECTS OF THE SUBSCRIPTION ON SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) as at the Latest Practicable Date and (ii) immediately after Completion, assuming that there will be no change in the issued Shares (other than the issue of the Subscription Shares) between the Latest Practicable Date and Completion:

	As at the Latest Practicable Date		Immediately after the Completion	
	<i>No. of Shares</i>	<i>Approximately</i>	<i>No. of Shares</i>	<i>Approximately</i>
Substantial Shareholders				
The Subscriber (<i>Note</i>)	62,336,908	15.58%	81,836,908	19.51%
Tobias Benjamin Hekster	59,049,018	14.76%	59,049,018	14.08%
Godefriedus Jelte Heijboer	56,055,644	14.01%	56,055,644	13.36%
True Partner Participation Limited	58,337,399	14.58%	58,337,399	13.91%
Mr. Chan (<i>Note</i>)	8,132,000	2.03%	8,132,000	1.94%
Alset International Limited (<i>Note</i>)	6,614,000	1.66%	6,614,000	1.57%
Other Shareholder				
Roy van Bakel	27,686,280	6.92%	27,686,280	6.60%
Public Shareholders				
Other public Shareholders	121,788,751	30.46%	121,788,751	29.03%
Total:	400,000,000	100.00%	419,500,000	100.00%

Note: The Subscriber is True Partner International Limited which is a wholly owned subsidiary of DSS Financial Management, Inc. DSS Financial Management, Inc. is wholly owned by DSS Securities, Inc., which is wholly owned by DSS, Inc. DSS, Inc. is 58.79% owned by Mr. Chan. The Subscriber holds 15.58% in the Company.

Alset International Limited is 85.35% held by Alset Business Development Pte Ltd. Alset Business Development Pte Ltd. is wholly owned by Alset Global Pte Ltd, which is wholly owned by Alset, Inc. Alset, Inc. is 53.52% owned by Mr. Chan. Alset International Limited holds 1.66% in the Company.

In addition, Mr. Chan beneficially holds 2.03% in the Company.

Accordingly, Mr. Chan, through his control cover the Subscriber and other controlled corporations, is interested approximately 19.27% of the issued share capital of the Company and approximately 23.03% immediately after Completion.

As at the Latest Practicable Date, the Company had a total number of 400,000,000 Shares. The total number of the Shares will become 419,500,000 after the Completion. As the shareholding interest of the Subscriber in the Company will increase, and the shareholding interests of public Shareholders in the Company will be diluted accordingly by approximately 1.43 percentage points immediately after the Completion of the Subscription.

LETTER FROM THE BOARD

IMPLICATIONS UNDER THE GEM LISTING RULES

As at the Latest Practicable Date, the Subscriber is entitled to exercise control over approximately 15.58% of the total issued share capital of the Company. Therefore, the Subscriber is a substantial shareholder of the Company and a connected person of the Company under the GEM Listing Rules. Accordingly, the Subscription Agreement and the transactions contemplated thereunder constitute a connected transaction of the Company and is subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules. As the Subscription Shares to be allotted and issued to the Subscriber will be allotted and issued under the Specific Mandate to be obtained at the EGM, the Subscription by the Subscriber is subject to the Independent Shareholders' approval.

EGM

The EGM will be convened for the purpose of considering and, if thought fit, approving, among other things, the Subscription.

The Subscription

The Subscriber and its associate(s) including Mr. Chan and Alset International Limited will abstain from voting on the ordinary resolutions for approving the Subscription and the transactions contemplated thereunder at the EGM. As at the Latest Practicable Date, to the extent that the Directors are aware having made all reasonable enquiries, the Subscriber holds 62,336,908 Shares (representing approximately 15.58% of the total issued share capital of the Company), and it controls or is entitled to exercise control over the voting rights in respect of such Shares. Accordingly, Mr. Chan, through his control cover the Subscriber and other controlled corporations, including Alset International Limited, is interested approximately 19.27% of the issued share capital of the Company as at the Latest Practicable Date. There is (i) no voting trust or other agreement or arrangement or understanding entered into by or binding upon the Subscriber; and (ii) no obligation or entitlement of the Subscriber as at the Latest Practicable Date, whereby it has or may have temporarily or permanently passed control over the exercise of the voting right in respect of its Shares to a third party, either generally or on a case by-case basis. Save as disclosed and to the best of the knowledge, information and belief of the Directors, no other Shareholder has a material interest in the Subscription Agreement and the transactions contemplated thereunder (including without limitation, the allotment and issue of the Subscription Shares to the Subscriber and the grant of the Specific Mandate to the Directors for the allotment and issue of the Subscription Shares to the Subscriber), and is required to abstain from voting on the resolutions to approve the aforesaid matters at the EGM.

To the best of the knowledge and belief of the Directors, none of the Directors has any interest in the resolution(s) of the Board to consider and approve the Subscription Agreement and the transactions contemplated thereunder (including without limitation, the allotment and issue of the Subscription Shares to the Subscriber and the grant of the Specific Mandate to the Directors for the allotment and issue of the Subscription Shares to the Subscriber) or is otherwise required to abstain from voting on the relevant resolution(s) of the Board.

LETTER FROM THE BOARD

A notice convening the EGM to be held on Thursday, 13 February 2025 at 3:00 p.m. at 9/F Henley Building, 5 Queen's Road Central, Central, Hong Kong or any adjournment thereof is set out from pages EGM-1 to EGM-3 of this circular. A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.truepartnercapital.com. Whether or not you intend to attend the EGM in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the office of the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible, but in any event not less than 48 hours before the time of the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjournment thereof (as the case may be) should you subsequently so wish.

FORMATION OF THE INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising Mr. Jeronimus Mattheus Tielman, Ms. Wan Ting Pai and Mr. Ming Tak Ngai, being all the independent non-executive Directors, has been formed to advise the Independent Shareholders in respect of the Subscription. Gram Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

RECOMMENDATIONS

The Directors (including the independent non-executive Directors, whose view has been included in the section headed "Letter from the Independent Board Committee" in this circular) consider the terms of the Subscription Agreement (including the Subscription Price) and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole, despite the entering into of the Subscription Agreement not being in the ordinary and usual course of business of the Company. Accordingly, the Directors (including the independent non-executive Directors, whose view has been included in the section headed "Letter from the Independent Board Committee" in this circular) recommend the Shareholders and the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM to approve the Subscription.

RESPONSIBILITY STATEMENT

This circular, 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 circular 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 circular misleading.

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS

For determining the Shareholders who are entitled to attend and vote at the EGM, the register of members of the Company will be closed from Monday, 10 February 2025 to Thursday, 13 February 2025, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for the entitlement to attend and vote at the EGM, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. (Hong Kong time) on Thursday, 6 February 2025.

ADDITIONAL INFORMATION

Your attention is drawn to (i) the letter from the Independent Board Committee set out on pages 17 to 18 of this circular, which contains its recommendation to the Independent Shareholders in respect of the Subscription; (ii) the letter from Gram Capital set out on pages 19 to 31 of this circular, which contains its advice to the Independent Board Committee and the Independent Shareholders in respect of the Subscription; and (iii) the general information set out in the Appendix to this circular.

WARNING OF THE RISKS OF DEALING IN THE SHARES

Completion of the issue of the Subscription Shares are conditional upon the fulfilment of the conditions precedent set out under the paragraphs headed "Conditions Precedent under the Subscription Agreement" in this circular, which may or may not be fulfilled. Accordingly, the Subscription may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

Yours faithfully,
For and on behalf of the Board
True Partner Capital Holding Limited
Ralph Paul Johan van Put
Chairman and Chief Executive Officer

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The logo for True Partner Capital Holding is a blue square with white text. The text is arranged in two lines: "True Partner" on the top line and "Capital Holding" on the bottom line. There are thin white horizontal lines above and below the text.

True Partner
Capital Holding

TRUE PARTNER CAPITAL HOLDING LIMITED

(Incorporated under the laws of the Cayman Islands with limited liability)

(Stock Code: 8657)

21 January 2025

To the Independent Shareholders:

Dear Sirs or Madams,

CONNECTED TRANSACTION INVOLVING SUBSCRIPTION OF NEW SHARES BY SUBSTANTIAL SHAREHOLDER UNDER SPECIFIC MANDATE

We refer to the circular dated 21 January 2025 (the “**Circular**”) issued by the Company of which this letter forms part. Unless the context otherwise specified, capitalized terms used herein shall have the same meanings as those defined in the Circular.

We have been appointed by the Board as members of the Independent Board Committee to advise the Independent Shareholders on the fairness and the reasonableness of the terms of the Subscription Agreement and the transactions contemplated thereunder, including but not limited to the granting of the Specific Mandate for the issuance and allotment of the Subscription Shares. Gram Capital Limited has been appointed by the Company as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard. Details of its advice, together with the principal factors and reasons it has taken into consideration in giving such advice, are set out on pages 19 to 31 of the Circular and the additional information is set out in the appendices thereto.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

After taking account of the factors and reasons considered by Gram Capital and its conclusion and advice, we concur with its views and consider that the terms of the Subscription Agreement and the transactions contemplated thereunder, including but not limited to the granting of the Specific Mandate for the issuance and allotment of the Subscription Shares, are on normal commercial terms and fair and reasonable so far as the Company and the Independent Shareholders are concerned and in the interest of the Company and the Independent Shareholders as a whole, despite the entering into of the Subscription Agreement not being in the ordinary and usual course of business of the Company. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Subscription Agreement and the transactions contemplated thereunder, including but not limited to the granting of the Specific Mandate for the issuance and allotment of the Subscription Shares at the EGM.

Yours faithfully

For and on behalf of the
Independent Board Committee of
True Partner Capital Holding Limited

Jeronimus Mattheus Tielman

Wan Ting Pai

Ming Tak Ngai

Independent non-executive Directors

LETTER FROM GRAM CAPITAL

Set out below is the text of a letter received from Gram Capital, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Subscription for the purpose of inclusion in this circular.



Room 1209, 12/F.
Nan Fung Tower
88 Connaught Road Central/
173 Des Voeux Road Central
Hong Kong

21 January 2025

*To: The independent board committee and the independent shareholders
of True Partner Capital Holding Limited*

Dear Sir/Madam,

CONNECTED TRANSACTION IN RELATION TO SUBSCRIPTION OF NEW SHARES BY SUBSTANTIAL SHAREHOLDER UNDER SPECIFIC MANDATE

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Subscription, details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the circular dated 21 January 2025 issued by the Company to the Shareholders (the “**Circular**”), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

On 27 December 2024 (after trading hours of the Stock Exchange), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Subscriber conditionally agreed to subscribe for and the Company conditionally agreed to allot and issue 19,500,000 Subscription Shares at the Subscription Price of HK\$0.40 per Subscription Share to the Subscriber.

With reference to the Board Letter, the Subscription constitutes a connected transaction of the Company and is subject to reporting, announcement and Independent Shareholders’ approval requirements under Chapter 20 of the GEM Listing Rules.

The Independent Board Committee comprising Mr. Jeronimus Mattheus Tielman, Ms. Wan Ting Pai and Mr. Ming Tak Ngai (being all independent non-executive Directors) has been formed to advise the Independent Shareholders on (i) whether the terms of the Subscription are on normal commercial terms and are fair and reasonable; (ii) whether the Subscription is in the interests of the Company and the Shareholders as a whole and is conducted in the ordinary and usual course of business of the Group; and (iii) how the Independent Shareholders should vote in respect of the resolutions to approve the Subscription at the EGM. We, Gram Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

LETTER FROM GRAM CAPITAL

INDEPENDENCE

We were not aware of any relationships or interests between Gram Capital and the Company; nor any services provided by Gram Capital to the Company, during the past two years immediately preceding the Latest Practicable Date, or any other parties that could be reasonably regarded as hindrance to Gram Capital's independence to act as the Independent Financial Adviser.

BASIS OF OPINION

In formulating our opinion to the Independent Board Committee and the Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors. We have assumed that all information and representations that have been provided by the Directors, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. Our opinion is based on the Directors' representation and confirmation that there is no undisclosed private agreement/arrangement or implied understanding with anyone concerning the Subscription. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 17.96 of the GEM Listing Rules.

The Circular, 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 the Circular 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 therein or the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company, the Subscriber or their respective subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the Subscription. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

LETTER FROM GRAM CAPITAL

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, it is the responsibility of Gram Capital to ensure that such information has been correctly extracted from the relevant sources and such sources are reliable.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Subscription, we have taken into consideration the following principal factors and reasons:

Information on the Group

With reference to the Board Letter, the Company is a Hong Kong, Europe and US based fund management group with a focus on volatility trading in liquid markets. The Group principally manage funds and managed accounts on a discretionary basis using a global relative value volatility strategy and other volatility strategies developed by the Group. The Company may also engage in limited trading of proprietary capital, principally via derivatives, as part of its research into new strategies and markets that may be appropriate for inclusion in the mandates it runs for external clients. The Group's roots in Hong Kong in combination with its current global footprint allow the Group to capitalize on market opportunities in the Asia Pacific markets and particularly those in Hong Kong and the PRC.

Set out below is the consolidated financial information of the Group for the two years ended 31 December 2023 and for the six months ended 30 June 2024 (together with comparative figures) as extracted from the Company's annual report for the year ended 31 December 2023 (the "2023 Annual Report") and the Company's interim report for the six months 30 June 2024 (the "2024 Interim Report"):

	For the six months ended 30 June 2024 ("1H2024") <i>HK\$'000</i> <i>(unaudited)</i>	For the six months ended 30 June 2023 ("1H2023") <i>HK\$'000</i> <i>(unaudited)</i>	Year- on-year change <i>%</i>	For the year ended 31 December 2023 ("FY2023") <i>HK\$'000</i> <i>(audited)</i>	For the year ended 31 December 2022 ("FY2022") <i>HK\$'000</i> <i>(audited)</i>	Year- on-year change <i>%</i>
Revenue	5,026	8,690	(42.16)	13,289	44,793	(70.33)
– Fee income from funds and managed accounts	3,534	8,372	(57.79)	12,398	44,106	(71.89)
– Consultancy services	840	318	164.15	873	687	27.07
– Net gain on derivatives	652	Nil	N/A	18	Nil	N/A
Loss for the year/period	(26,871)	(29,704)	(9.54)	(67,001)	(33,508)	99.96

LETTER FROM GRAM CAPITAL

As illustrated in the above table, the Group's fee income from funds and managed accounts (comprised of management fees and performance fees) accounted for approximately 98.47% and 93.30% for FY2022 and FY2023 respectively. The Group's revenue decreased from approximately HK\$44.8 million for FY2022 to approximately HK\$13.3 million for FY2023, representing a decrease of approximately HK\$31.5 million or 70.33%. With reference to the 2023 Annual Report, such decrease was mainly due to shifts in product mix and a decrease in assets under management. The Group's assets under management were approximately US\$885 million as at 31 December 2023, representing a decrease of approximately US\$631 million or 41.62% as compared to that as at 31 December 2022, primarily driven by the investment portfolio adjustments of some investors in the Group's products.

Along with the significant decrease in revenue as aforementioned, the Group's loss for FY2023 increased by approximately HK\$33.5 million or 99.96% as compared to that for FY2022.

The Group's revenue for 1H2024 was approximately HK\$5.0 million, representing a decrease of approximately HK\$3.7 million or 42.16% as compared to that for 1H2023. With reference to the 2024 Interim Report, such decrease was primarily due to the decrease of the Group's revenue from funds and managed accounts that caused by the shifts in product mix over the period, which had the result of a decrease in the average revenue per unit of assets under management for 1H2024.

Notwithstanding the aforesaid significant decrease in the Group's revenue, the Group's loss for 1H2024 decreased by approximately 9.54% as compared to that for 1H2023. With reference to the 2024 Interim Report, the aforesaid decrease in the Group's loss was mainly due to the decrease in the Group's general and administrative expenses.

With reference to the 2023 Annual Report and 2024 Interim Report, the Group's assets under management decreased from approximately US\$1,516 million as at 31 December 2022 to approximately US\$885 million as at 31 December 2023, and further decreased to approximately US\$512 million as at 30 June 2024, primarily driven by the investment portfolio adjustments of some investors in the Group's products. As further noted from the Company's announcement dated 15 January 2025, the Group's assets under management was approximately US\$501 million as at 31 December 2024.

Information on the Subscriber

With reference to the Board Letter, as at the Latest Practicable Date, the Subscriber is entitled to exercise control over approximately 15.58% of the total issued share capital of the Company. Therefore, the Subscriber is a substantial shareholder and a connected person of the Company under the GEM Listing Rules. Mr. Chan, through his control cover the Subscriber and other controlled corporations, is interested approximately 19.27% of the issued share capital of the Company as at the Latest Practicable Date and approximately 23.03% immediately after Completion. The Subscriber is an investment holding vehicle.

LETTER FROM GRAM CAPITAL

Reasons for and benefits of the Subscription

With reference to the Board Letter, the Board considers that the Subscription offers a good opportunity to strengthen the Shares' liquidity and broaden the capital base of the Group so as to facilitate its future development.

Financing alternative

As noted from the Board Letter, the Board considered other alternative methods to strengthen the Shares' liquidity such as debt financing, rights issue or open offer, before resolving with the Subscription. The Board has considered that debt financing may incur financial costs on the Group, while rights issue or open offer will incur additional costs including but not limited to underwriting commission and other professional fee and require relatively longer time when compared to the Subscription. The Subscription represents a cost-effective mean to strengthen the Shares' liquidity comparing with debt financing and other equity financing.

With reference to the 2024 Interim Report, the Group did not have any borrowings during 1H2024 and the Group had no borrowings outstanding as at 30 June 2024. As further advised by the Directors, the Group intends to maintain a debt-free position to avoid incurring financial costs.

In respect of equity financing, we noted that rights issue and open offer may (i) incur additional costs and other professional fees as compared to the Subscription; and (ii) require relatively longer time as compared to the Subscription.

Based on the above, we concur with the Directors that the Subscription is an appropriate fundraising mean.

Use of proceeds

With reference to the Board Letter, the aggregate gross proceeds of the Subscription will be approximately HK\$7.8 million; the aggregate net proceeds of the Subscription, after the deduction of related fees and expenses, will be approximately HK\$7.3 million. Based on the level of expenses the Company incurred for the year ended 31 December 2024, the Company expects the net proceeds from the Subscription will be used to cover expenses such as salaries (approximately 58%), office administrative expenses (approximately 16%), professional fees such as audit and legal fees and financial printing fees (approximately 9%), and promotion, marketing, travelling and other general expenses (approximately 17%).

As noted from the 2023 Annual Report and 2024 Interim Report, the Group recorded general and administrative expenses of approximately HK\$74.1 million, HK\$78.3 million and HK\$31.7 million for FY2022, FY2023 and 1H2024, respectively, primarily consist of staff costs.

Based on our findings as detailed in the sub-section headed "Comparable transactions" under the section headed "Subscription price" below, 8 out of 11 of the underlying issuers of the Comparable Transactions (as defined below) intended to apply certain percentage of their net proceeds towards general working capital, particularly, 3 of which intended to apply all of their net proceeds from the Comparable Transactions towards general working capital.

LETTER FROM GRAM CAPITAL

Given the above, we do not doubt the reasonableness of applying net proceeds from the Subscription for the Group's general working capital.

In light of the above, we consider that although the Subscription is not conducted in the ordinary and usual course of business of the Group, it is in the interests of the Company and the Shareholders as a whole.

Principal terms of the Subscription

Set out below is the principal terms of the Subscription under the Subscription Agreement, details of which are set out under the section headed "Principal Terms of the Subscription Agreement" of the Board Letter.

Date	27 December 2024 (after trading hours of the Stock Exchange)
Parties	(i) the Company, as issuer; and (ii) the Subscriber

Subscription Shares

With reference to the Board Letter, the Subscription Shares represented approximately 4.88% of the existing issued Shares of 400,000,000 Shares as at the Latest Practicable Date; and approximately 4.65% of the enlarged issued Shares of 419,500,000 Shares immediately following the Completion, assuming that there will be no change in the total number of issued Shares (other than the issue of the Subscription Shares) between the Latest Practicable Date and Completion.

Subscription price

With reference to the Board Letter, the Subscription Price of HK\$0.40 per Subscription Share represents:

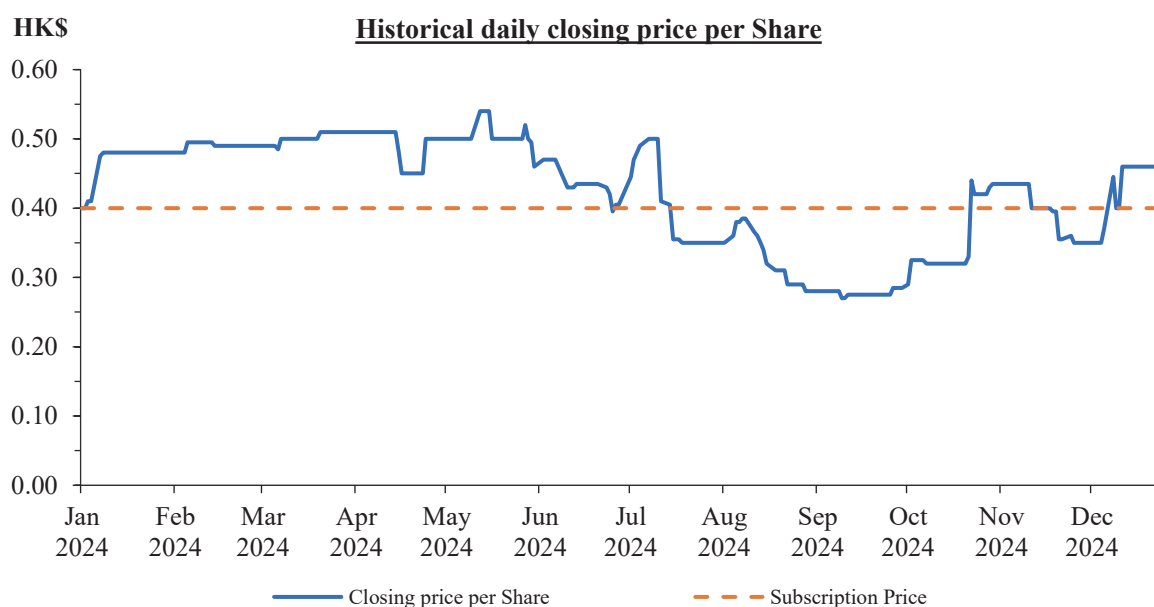
- (i) a discount of approximately 10.11% to the closing price of HK\$0.445 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 13.04% to the closing price of HK\$0.46 per Share as quoted on the Stock Exchange on 27 December 2024, being the Last Trading Day (the "**LTD Discount**");
- (iii) a discount of approximately 13.04% to the average closing price of approximately HK\$0.46 per Share for the last five trading days up to and including the Last Trading Day (the "**5 Days Discount**"); and
- (iv) a discount of approximately 13.04% to the average closing price of approximately HK\$0.46 per Share for the last 10 trading days up to and including the Last Trading Day (the "**10 Days Discount**").

LETTER FROM GRAM CAPITAL

With reference to the Board Letter, the Subscription Price was determined after arm's length negotiations between the Company and Subscriber after taking into account the prevailing market price of the Shares, the trading volume of the Shares, the existing capital market conditions and the funding needs.

Share price performance

Set out below is a chart showing the movement of the closing prices of Shares during the period from 2 January 2024 up to and including the Last Trading Day (the “**Review Period**”), being approximately one-year period prior to the Last Trading Day, which as a commonly adopted period for analysis and we consider to be fair and representative on the basis that the duration of such period is sufficient for us to perform a thorough analysis on the historical closing price of Shares. The comparison of the daily closing price of Shares and the Subscription Price is illustrated as follows:



Source: the Stock Exchange's website

During the Review Period, the lowest closing price of Shares as quoted on the Stock Exchange was HK\$0.27 per Share as quoted on 10 September 2024 and 11 September 2024; and the highest closing price of Shares as quoted on the Stock Exchange were HK\$0.54 per Share as quoted on 13 May 2024, 14 May 2024 and 16 May 2024. The Subscription Price of HK\$0.40 per Share is within the range of the lowest and highest closing price of Shares.

From the start of the Review Period to 8 January 2024, the closing prices of Share increased sharply from HK\$0.40 to HK\$0.48. During the period from 8 January 2024 up to 16 April 2024, the closing prices of Shares remained relatively stable between the closing price range of HK\$0.48 per Share to HK\$0.51 per Share. On 17 April 2024, the closing price of Shares dropped to HK\$0.45 per Share and remained unchanged up to 24 April 2024 before it rebounded and reached the highest closing price of Shares during the Review Period of HK\$0.54 per Share on 13 May 2024, 14 May 2024 and 16 May 2024.

LETTER FROM GRAM CAPITAL

From 17 May 2024 to 26 June 2024, the closing price of Shares formed a decreasing trend and reached HK\$0.40 per Share on 26 June 2024 before it spikes and reached HK\$0.50 on 8 July 2024, 9 July 2024, 10 July 2024 and 11 July 2024. Thereafter, the closing price of Shares decreased sharply and reached the lowest closing price of Shares during the Review Period of HK\$0.27 per Share on 10 September 2024 and 11 September 2024. From 2 October 2024, the closing price of Shares recovered and reached HK\$0.46 per Share as recorded on the Last Trading Day.

Comparable transactions

As part of our analysis, we also identified connected transactions in relation to subscription of new ordinary shares under specific mandate for cash consideration (i.e. excluding loan capitalisation and set-off of debt in whole or in part) during the six-month period from 28 June 2024 up to and including the Last Trading Day, with the following criteria: (i) the subscription transactions were not lapsed or terminated up to the Latest Practicable Date; and (ii) the subscription transactions do not involve the issuance of A shares, H shares or domestic shares, as announced by companies listed on the Stock Exchange (the “**Comparable Transactions**”). We consider the selection criteria and the sampling period adopted enable us to identify sufficient samples of recently announced subscription transactions that are of similar nature as that of the Subscription. We found 11 transactions which met the said criteria and they are exhaustive. Shareholders should note that although the businesses, operations, market capitalisation and prospects of the Company are not the same as the subject companies of the Comparable Transactions, the Comparable Transactions can demonstrate the recent market practices of subscription transactions conducted by Hong Kong listed companies.

LETTER FROM GRAM CAPITAL

Company name (stock code)	Date of announcement	Market capitalisation as at the date of announcement (HK\$ million)	Amount of gross proceeds raised (HK\$ million)	Premium/ (discount) of the subscription price over/ to the average closing price per share for the five consecutive trading days prior to and including the last trading day prior to the entering into of the subscription agreement	Premium/ (discount) of the subscription price over/ to the average closing price per share for the 10 consecutive trading days prior to and including the last trading day prior to the entering into of the subscription agreement	Premium/ (discount) of the subscription price over/ to the average closing price per share for the 10 consecutive trading days prior to and including the last trading day prior to the entering into of the subscription agreement	% of proceeds intended to be applied as general working capital
				(%)	(%)	(%)	
Winshine Science Company Limited (209)	8 July 2024	26.9	4.6	(9.09)	(9.09)	(9.09)	100%
Well Link Securities Holdings Limited (8350)	2 September 2024	120.8	40.0	65.56	66.89	64.37	Nil
China Hongguang Holdings Limited (8646)	4 September 2024	229.5	42.9	(42.80)	(38.63)	(27.04)	Unspecified
Sunway International Holdings Limited (58)	27 September 2024	9.2	3.6	96.08 ^(Notes)	96.08 ^(Notes)	89.04	100%
CircuTech International Holdings Limited (8051)	4 October 2024	72.2	7.8	(2.60)	(0.92)	4.68	Nil
			20.3	26.62	28.80	36.08	
Virtual Mind Holding Company Limited (1520)	10 October 2024	219.6	10.0	13.64	29.87	42.05	100%
Honbridge Holdings Limited (8137)	17 October 2024	3,153.5	376.0	(75.00)	(77.01)	(73.47)	Approximately 24%
Zhi Sheng Group Holdings Limited (8370)	21 October 2024	69.0	13.5	(60.53)	(60.73)	(59.18)	Approximately 4%
China Resources Power Holdings Company Limited (836)	23 October 2024	99,816.7	3,311.8	(5.06)	(3.48)	(3.98)	Nil
IDT International Limited (167)	1 November 2024	46.8	234.0	(44.44)	(46.81)	(47.09)	Approximately 22%
DevGreat Group Limited (755)	3 December 2024	238.1	29.8	(18.75)	(17.72)	(20.25)	Approximately 2%
				Maximum (excluding outlier, if any):	65.56	66.89	89.04
				Minimum (excluding outlier, if any):	(75.00)	(77.01)	(73.47)
				Average (excluding outlier, if any):	(13.86)	(11.71)	(0.33)
				Median (excluding outlier, if any):	(9.09)	(9.09)	(6.53)
The Subscription		160.0	7.8	(13.04)	(13.04)	(13.04)	100%

Source: the Stock Exchange's website

Note: We adopted the mean and standard deviation outlier detection method to identify outliers in the sampled data and the premium represented by the subscription price of the relevant transaction were exceptionally high as it is more than two standard deviations away from the mean and were considered as outliers.

LETTER FROM GRAM CAPITAL

According to the above table, we noted that the premium/discount represented by the subscription prices of the Comparable Transactions:

- ranged from a discount of approximately 75.00% to a premium of approximately 65.56% (excluding outlier), with average discount of approximately 13.86% and median discount of approximately 9.09% to the respective closing prices of the shares on the last trading day prior to the entering into of the agreement in relation to the respective subscription.
- ranged from a discount of approximately 77.01% to a premium of approximately 66.89% (excluding outlier), with average discount of approximately 11.71% and median discount of approximately 9.09% to the respective average closing prices of the shares for the five consecutive trading days prior to and including the last trading day prior to the entering into of the agreement in relation to the respective subscription.
- ranged from a discount of approximately 73.47% to a premium of approximately 89.04%, with average discount of approximately 0.33% and median discount of approximately 6.53% to the respective average closing prices of the shares for the 10 consecutive trading days prior to and including the last trading day prior to the entering into of the agreement in relation to the respective subscription.

The LTD Discount, 5 Days Discount and 10 Days Discount are within the respective premium/discount range of the Comparable Transactions; while the LTD Discount represented smaller discount to the average of the Comparable Transactions (excluding outlier) and a slightly deeper discount to the median of the Comparable Transactions (excluding outlier), the 5 Days Discount and the 10 Days Discount represented deeper discount to the average and median of the Comparable Transactions (excluding outlier, if any).

LETTER FROM GRAM CAPITAL

Given the wide premium/discount ranges of the Comparable Transactions despite the exclusion of outlier (if any), we identified the Comparable Transactions with part or whole of its proceeds intended to be applied as general working capital to maintain sufficient sample size for our further analysis (the “**GWC Comparable Transactions**”). Set out below are extracts of the GWC Comparable Transactions based on the above table:

Company name (stock code)	Date of announcement	Market capitalisation as at the date of announcement (HK\$ million)	Amount of gross proceeds raised (HK\$ million)	Premium/ (discount) of the subscription price over/to the average closing price per share for the five consecutive trading days prior to and including the last trading day prior to the entering into of the	Premium/ (discount) of the subscription price over/to the average closing price per share for the five consecutive trading days prior to and including the last trading day prior to the entering into of the	Premium/ (discount) of the subscription price over/to the average closing price per share for the 10 consecutive trading days prior to and including the last trading day prior to the entering into of the	% of proceeds intended to be applied as general working capital
				subscription agreement (%)	subscription agreement (%)	subscription agreement (%)	
Winshine Science Company Limited (209)	8 July 2024	26.9	4.6	(9.09)	(9.09)	(9.09)	100%
China Hongguang Holdings Limited (8646)	4 September 2024	229.5	42.9	(42.80)	(38.63)	(27.04)	Unspecified
Sunway International Holdings Limited (58)	27 September 2024	9.2	3.6	96.08 ^(Note)	96.08 ^(Note)	89.04 ^(Note)	100%
Virtual Mind Holding Company Limited (1520)	10 October 2024	219.6	10.0	13.64	29.87	42.05	100%
Honbridge Holdings Limited (8137)	17 October 2024	3,153.5	376.0	(75.00)	(77.01)	(73.47)	Approximately 24%
Zhi Sheng Group Holdings Limited (8370)	21 October 2024	69.0	13.5	(60.53)	(60.73)	(59.18)	Approximately 4%
IDT International Limited (167)	1 November 2024	46.8	234.0	(44.44)	(46.81)	(47.09)	Approximately 22%
DevGreat Group Limited (755)	3 December 2024	238.1	29.8	(18.75)	(17.72)	(20.25)	Approximately 2%
				Maximum (excluding outlier):	13.64	29.87	42.05
				Minimum (excluding outlier):	(75.00)	(77.01)	(73.47)
				Average (excluding outlier):	(33.85)	(31.45)	(27.73)
				Median (excluding outlier):	(42.80)	(38.63)	(27.04)
The Subscription		160.0	7.8	(13.04)	(13.04)	(13.04)	100%

Note: We adopted the mean and standard deviation outlier detection method to identify outliers in the sampled data and the premium represented by the subscription price of the relevant transaction were exceptionally high as it is more than two standard deviations away from the mean and were considered as outliers.

According to the above table, we noted that the premium/discount represented by subscription prices of the GWC Comparable Transactions:

- ranged from a discount of approximately 75.00% to a premium of approximately 13.64% (excluding outlier), with average discount of approximately 33.85% and median discount of approximately 42.80% to the respective closing prices of the shares on the last trading day prior to the entering into of the agreement in relation to the respective subscription.

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- ranged from a discount of approximately 77.01% to a premium of approximately 29.87% (excluding outlier), with average discount of approximately 31.45% and median discount of approximately 38.63% to the respective average closing prices of the shares for the five consecutive trading days prior to and including the last trading day prior to the entering into of the agreement in relation to the respective subscription.
- ranged from a discount of approximately 73.47% to a premium of approximately 42.05% (excluding outlier), with average discount of approximately 27.73% and median discount of approximately 27.04% to the respective average closing prices of the shares for the 10 consecutive trading days prior to and including the last trading day prior to the entering into of the agreement in relation to the respective subscription.

The LTD Discount, 5 Days Discount and 10 Days Discount are within the respective premium/discount range of the GWC Comparable Transactions and represented smaller discounts than the average and median of the GWC Comparable Transactions (excluding outlier). Furthermore, among the seven GWC Comparable Transactions (excluding outlier), only the subscription price for shares of Virtual Mind Holding Company Limited (stock code: 1520) represented premium over the then recent closing prices of its shares and the discounts represented by five out of six of the remaining GWC Comparable Transactions were deeper than the LTD Discount, 5 Days Discount and 10 Days Discount.

Having considered our analysis on the Comparable Transactions and the GWC Comparable Transactions; and that the Subscription Price is within the closing price range of Shares during the Review Period, we are of the view that the Subscription Price is fair and reasonable.

Completion of the Subscription

Completion will take place at 5:00 p.m. (Hong Kong time) on the third Business Day after the date (not being later than the Long Stop Date) the last condition has been satisfied, or such other date as the parties may agree in writing. At Completion, the Company will allot and issue 19,500,000 Subscription Shares to the Subscriber, and the Subscriber will make payments by electronic funds transfer.

Taking into account the above principal terms of the Subscription (including the Subscription Price), we consider that the terms of the Subscription are fair and reasonable.

Possible dilution effect on the shareholding interests of Independent Shareholders

According to the table set out under the section headed “Effect of the Subscription on Shareholding Structure of the Company” of the Board Letter, assuming there are no other changes in the share capital of the Company between the Latest Practicable Date and the date of the Completions, the shareholding interests held by existing public Shareholders would be diluted by approximately 0.67 percentage points as a result of the Subscription. We consider the said level of dilution to the shareholding interests of public Shareholders as a result of the Subscription to be acceptable.

LETTER FROM GRAM CAPITAL

RECOMMENDATION

Having taken into account the above factors and reasons, we are of the opinion that (i) the terms of the Subscription are on normal commercial terms and are fair and reasonable; and (ii) although the Subscription is not conducted in the ordinary and usual course of business of the Group, it is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Subscription and we recommend the Independent Shareholders to vote in favour of the resolution in this regard.

Yours faithfully,
For and on behalf of
Gram Capital Limited
Graham Lam
Managing Director

Note: Mr. Graham Lam is a licensed person registered with the Securities and Futures Commission and a responsible officer of Gram Capital Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has around 30 years of experience in investment banking industry.

1. RESPONSIBILITY STATEMENT

This circular, 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 Group. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this circular 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 circular misleading.

2. DISCLOSURE OF INTERESTS

A. Directors' interests in Shares

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executive were deemed or taken to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be recorded in the register therein, or were required to be notified to the Company and the Stock Exchange pursuant to the required standards of dealing by Directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules (the “**Required Standard**”) were as follows:

Long Positions in the Shares

Name of Director/ Chief Executives	Capacity/Nature of Interest	Number of Ordinary Shares held	Approximate percentage of interest
Tobias Benjamin Hekster	Beneficial owner	59,049,018	14.76%
Godefriedus Jelte Heijboer	Beneficial owner	56,055,644	14.01%
Ralph Paul Johan van Put ⁽¹⁾	Interest in a controlled corporation	58,337,399	14.58%
Roy van Bakel	Beneficial owner	27,686,280	6.92%

Note:

- (1) The Shares were held by True Partner Participation Limited. True Partner Participation Limited is wholly owned by Mr. Ralph Paul Johan van Put. Mr. Ralph Paul Johan van Put is deemed to be interested in all the Shares held by True Partner Participation Limited under the SFO.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executive were deemed or taken to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be recorded in the register therein, or were required to be notified to the Company and the Stock Exchange pursuant to the Required Standard.

B. Substantial shareholders' interests in Shares

As at the Latest Practicable Date, the following persons/entities (other than Directors or chief executive of the Company) had, or were deemed to have, interests or short positions (directly or indirectly) in the Shares or underlying Shares of the Company that would fall to be disclosed to the Company and the Stock Exchange under the provision of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO were as follows:

Name of Shareholders	Capacity/Nature of Interest	Number of Ordinary Shares held	Approximate percentage of interest
Franca Kurpershoek-Hekster ⁽¹⁾	Interest of spouse	59,049,018	14.76%
Wong Rosa Maria ⁽²⁾	Interest of spouse	56,055,644	14.01%
True Partner Participation Limited	Beneficial owner	58,337,399	14.58%
Kung Yun Ching ⁽³⁾	Interest of spouse	58,337,399	14.58%
True Partner International Limited ⁽⁴⁾	Beneficial owner	62,336,908	15.58%
DSS Financial Management, Inc. ⁽⁴⁾	Interest in a controlled corporation	62,336,908	15.58%
DSS Securities, Inc. ⁽⁴⁾	Interest in a controlled corporation	62,336,908	15.58%
DSS, Inc. ⁽⁴⁾	Interest in a controlled corporation	62,336,908	15.58%
Chan Heng Fai Ambrose ⁽⁴⁾⁽⁵⁾	Interest in a controlled corporation and Beneficial owner	77,082,908	19.27%
Chan Kong Yoke Keow ⁽⁵⁾	Interest of spouse	77,082,908	19.27%
Edo Bordoni	Beneficial owner	29,839,153	7.46%
Anne Joy Bordoni ⁽⁶⁾	Interest of spouse	29,839,153	7.46%
Maria Victoria Diaz Basilio ⁽⁷⁾	Interest of spouse	27,686,280	6.92%
Nardinc Beheer B.V.	Beneficial owner	36,196,000	9.04%
SomethingEls B.V. ⁽⁸⁾	Interest in a controlled corporation	36,196,000	9.04%
ERMA B.V. ⁽⁸⁾	Interest in a controlled corporation	36,196,000	9.04%
Dasym Managed Accounts B.V. ⁽⁸⁾	Investment manager	36,196,000	9.04%
F. J. Botman Holding B.V. ⁽⁸⁾	Interest in a controlled corporation	36,196,000	9.04%
Franciscus Johannes Botman ⁽⁸⁾	Interest in a controlled corporation	36,196,000	9.04%

Notes:

- (1) Mrs. Franca Kurpershoek-Hekster is the spouse of Mr. Tobias Benjamin Hekster, an executive Director, and Mr. Tobias Benjamin Hekster holds 14.76% in True Partner Capital Holding Limited. By virtue of the SFO, Mrs. Franca Kurpershoek-Hekster is deemed to be interested in the same number of Shares in which Mr. Tobias Benjamin Hekster is deemed to be interested in under the SFO.
- (2) Mrs. Wong Rosa Maria is the spouse of Mr. Godefriedus Jelte Heijboer, an executive Director, and Mr. Godefriedus Jelte Heijboer holds 14.01% in True Partner Capital Holding Limited. By virtue of the SFO, Mrs. Wong Rosa Maria is deemed to be interested in the same number of Shares in which Mr. Godefriedus Jelte Heijboer is deemed to be interested in under the SFO.
- (3) Mrs. Kung Yun Ching is the spouse of Mr. Ralph Paul Johan van Put, the chairman and executive Director and True Partner Participation Limited is wholly owned by Mr. Ralph Paul Johan van Put. True Partner Participation Limited holds 14.58% in True Partner Capital Holding Limited. By virtue of the SFO, Mrs. Kung Yun Ching is deemed to be interested in the same number of Shares in which Mr. Ralph Paul Johan van Put and True Partner Participation Limited are deemed to be interested in under the SFO.
- (4) The Subscriber, True Partner International Limited is a wholly owned subsidiary of DSS Financial Management, Inc. DSS Financial Management, Inc. is wholly owned by DSS Securities, Inc., which is wholly owned by DSS, Inc. DSS, Inc. is 58.79% owned by Mr. Chan Heng Fai Ambrose. True Partner International Limited holds 15.58% in True Partner Capital Holding Limited. By virtue of the SFO, Mr. Chan Heng Fai Ambrose is deemed to be interested in the Shares held by True Partner International Limited under the SFO.
- (5) Alset International Limited is 85.35% held by Alset Business Development Pte Ltd. Alset Business Development Pte Ltd. is wholly owned by Alset Global Pte Ltd, which is wholly owned by Alset, Inc. Alset, Inc. is 53.52% owned by Mr. Chan Heng Fai Ambrose. Alset International Limited holds 1.59% in the Company. By virtue of the SFO, Mr. Chan Heng Fai Ambrose is deemed to be interested in the Shares held by Alset International Limited under the SFO. In addition, Mr. Chan Heng Fai Ambrose beneficially holds 2.03% in the Company and has deemed interest in 15.58% in the Company per note (4) above. Mrs. Chan Kong Yoke Keow is the spouse of Mr. Chan Heng Fai Ambrose and is deemed to be interested in the same number of Shares in which Mr. Chan Heng Fai Ambrose is deemed to be interested in under the SFO.
- (6) Mrs. Anne Joy Bordoni is the spouse of Mr. Edo Bordoni and Mr. Edo Bordoni holds 7.46% in the Company. By virtue of the SFO, Mrs. Anne Joy Bordoni is deemed to be interested in the same number of Shares in which Mr. Edo Bordoni is deemed to be interested in under the SFO.
- (7) Mrs. Maria Victoria Diaz Basilio is the spouse of Mr. Roy van Bakel, an executive Director, and Mr. Roy van Bakel holds 6.92% in the Company. By virtue of the SFO, Mrs. Maria Victoria Diaz Basilio is deemed to be interested in the same number of Shares in which Mr. Roy van Bakel is deemed to be interested in under the SFO.
- (8) Each of SomethingEls B.V. and ERMA B.V. holds 50% interest in Nardinc Beheer B.V. By virtue of the SFO, SomethingEls B.V. and ERMA B.V. are deemed to be interested in the Shares held by Nardinc Beheer B.V. under the SFO. Dasym Managed Accounts B.V., as investment manager, is 90.1% owned by F.J. Botman Holding B.V. which in turn is wholly owned by Mr. Franciscus Johannes Botman. By virtue of the SFO, Dasym Managed Accounts B.V., F.J. Botman Holding B.V. and Mr. Franciscus Johannes Botman are deemed to be interested in the Shares held by Nardinc Beheer B.V. under the SFO.

Other than as disclosed above, as at the Latest Practicable Date, no person (other than Directors and chief executive of the Company) or company had interests or short positions in the Shares or underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of the Company required to be kept under section 336 of the SFO.

3. FURTHER INFORMATION CONCERNING DIRECTORS

A. Competing interests

As at the Latest Practicable Date, none of the Directors or the substantial Shareholders (as defined in the GEM Listing Rules) of the Company (the “**Substantial Shareholders**”) or their respective close associates (as defined in the GEM Listing Rules) has interests in any business apart from the Group’s businesses which competes or is likely to compete, either directly or indirectly, with the businesses of the Group and any other conflicts of interest which any such person has or may have with the Group.

B. Directors’ service contracts

As at the Latest Practicable Date, each of the executive Directors currently in office has entered into a service contract with the Company for an initial fixed term of three years commencing from the listing date of the Company and shall continue unless terminated by not less than three months’ notice in writing or by payment in lieu of notice served by either party on the other. None of the Directors has a service contract with the Company that is not determinable within one year without payment of compensation (other than statutory compensation).

C. Directors’ interest in assets

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been acquired, disposed of by or leased, or which were proposed to be acquired, disposed of by or leased to any member of the Group since 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Group were made up.

D. Directors’ interest in contracts or arrangement

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group and subsisting at the Latest Practicable Date which was significant in relation to the business of the Group.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial position or trading position of the Group since 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Group were made up.

5. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance is known to the Directors to be pending or threatened against any member of the Group.

6. EXPERT AND CONSENTS

The followings are the qualifications of the expert who has provided advice which are contained in this circular:

Name	Qualifications
Gram Capital Limited	A licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO (Chapter 571 of the Laws of Hong Kong)

As at the Latest Practicable Date, Gram Capital:

- (i) has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter of advice and references, as the case may be dated 21 January 2025, and reference to its name, and/or its advice in the form and context in which it appears;
- (ii) did not have any shareholding, directly or indirectly, in any member of the Group, nor did they have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and
- (iii) did not have any direct or indirect interest in any assets which had been acquired, or disposed of by, or leased to any member of the Group, or were proposed to be acquired, or disposed of by, or leased to any member of the Group since 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Group were made up.

7. GENERAL

- (a) The registered office of the Company is located at P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman KY1-1205, Cayman Islands.
- (b) The principal place of business of the Company in Hong Kong is located at Suites 2902-3, 29/F, Tower 2, The Gateway Harbour City, Kowloon, Hong Kong.
- (c) The principal share registrar and transfer office of the Company is Appleby Global Services (Cayman) Limited, 71 Fort Street, PO Box 500, George Town, Grand Cayman KY1-1106, Cayman Islands.
- (d) The branch share registrar and transfer office of the Company in Hong Kong is Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (e) The company secretary of the Company is Ms. Siow Grace Yuet Chew who is an associate member of The Chartered Governance Institute (formerly “**The Institute of Chartered Secretaries and Administrators**”) and The Hong Kong Institute of Company Secretaries.

8. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the Company's website (www.truepartnercapital.com) and the Stock Exchange's website (www.hkexnews.hk) for the period of 14 days commencing from the date of this circular:

- (i) the Subscription Agreement;
- (ii) the letter from the Independent Board Committee, the text of which is set out on pages 17 to 18 to this circular;
- (iii) the letter from Gram Capital to the Independent Board Committee and Independent Shareholders, the text of which is set out on pages 19 to 31 to this circular;
- (iv) the written consent from Gram Capital referred to in the paragraph headed "Expert and Consents" in this appendix;
- (v) the annual report of the Company for the year ended 31 December 2023;
- (vi) the announcement of the Company published on 29 December 2024; and
- (vii) this circular.

9. MISCELLANEOUS

In the event of inconsistency, the English version of this circular shall prevail over the Chinese text.

NOTICE OF EGM

True Partner
Capital Holding

TRUE PARTNER CAPITAL HOLDING LIMITED

(Incorporated under the laws of the Cayman Islands with limited liability)

(Stock Code: 8657)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of True Partner Capital Holding Limited (the “Company”) will be held on Thursday, 13 February 2025 at 3:00 p.m. at 9/F Henley Building, 5 Queen’s Road Central, Central, Hong Kong for the purpose of considering and, if thought fit, passing, without modifications, the following ordinary resolutions of the Company. Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the circular of the Company dated 21 January 2025 of which the notice convening the EGM forms part.

ORDINARY RESOLUTIONS

1. **“THAT**

- (a) (i) the conditional Subscription Agreement dated 27 December 2024 (a copy of which is tabled at the EGM and signed by the chairman of the EGM for identification purpose) entered into between the Company and the Subscriber and the transactions contemplated thereunder, including but not limited to the allotment and issuance of the Subscription Shares under the Specific Mandate, be and are hereby approved, confirmed and ratified;
- (ii) any one Director be and is hereby authorised to, on behalf of the Company, do all such acts and things, to sign and execute such documents or agreements or deeds and take all such actions as he/she/they may in his/her/their absolute discretion consider necessary, appropriate, desirable or expedient for the purposes of giving effect to or in connection with the Subscription Agreement and the transactions contemplated thereunder and agree to such variation, amendment or waiver as are, in the opinion of such Director, in the interest of the Company and the Shareholders as a whole; and

NOTICE OF EGM

- (iii) subject to and conditional upon the Listing Committee of Stock Exchange having granted the listing of, and permission to deal in the Subscription Shares, the Directors be and are hereby granted the Specific Mandate which shall entitle the Directors to exercise all the powers of the Company to allot, issue and credit as fully paid, the Subscription Shares on and subject to the terms and conditions of the Subscription Agreement, providing that the Specific Mandate shall be in addition to, and shall not prejudice nor revoke any general or specific mandates(s) which has/have been granted or may from time to time be granted to the Directors prior to the passing of this resolution.”

By order of the Board
True Partner Capital Holding Limited
Ralph Paul Johan van Put
Chairman and Chief Executive Officer

Hong Kong, 21 January 2025

Notes:

1. The register of members of the Company (the “**Member**”) will be closed from Monday, 10 February 2025 to Thursday, 13 February 2025, both days inclusive. No transfer of shares of the Company will be registered during that period. In order to qualify to attend and vote at the EGM, all instruments of transfer together with the relevant share certificate(s) must be lodged with the Company’s branch share register in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than 4: 30 p.m. on Thursday, 6 February 2025.
2. Any member of the Company entitled to attend and vote at the EGM shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the EGM. A proxy need not be a member of the Company. On a poll, votes may be given either personally or by proxy.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorized in writing or, if the appointer is a corporation, the form of proxy must be under its common seal, or under the hand of an officer or attorney duly authorised on its behalf.
4. Voting at the EGM shall be taken by poll.
5. To be valid, the instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered to the office of the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof.
6. No instrument appointing a proxy shall be valid after expiration of 12 months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at the EGM or any adjournment thereof in cases where the EGM was originally held within 12 months from such date.
7. In order to be valid, a form of proxy must be deposited at the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. The completion and delivery of the form of proxy will not preclude a member from attending and voting at the meeting if he so wishes. In the event that he attends the meeting after having lodged the form of proxy, the form of proxy will be deemed to have been revoked.

NOTICE OF EGM

8. Where there are joint holders of any share, any one of such joint holders may vote at the meeting either personally or by proxy, in respect such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting the votes of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders and, for this purpose, seniority shall be determined by the order in which the names of the joint holders stand in the register of members of the Company in respect of the joint holding.
9.
 - (a) Subject to paragraph (b) below, if a tropical cyclone warning signal No. 8 or above is expected to be hoisted or “extreme conditions” caused by super typhoons or a black rainstorm warning signal is expected to be in force at any time on the date of the EGM, the EGM will be postponed to the next Business Day on which no tropical cyclone warning signal No. 8 or above or “extreme conditions” caused by super typhoons or a black rainstorm warning signal is hoisted or in force in Hong Kong at any time between the hours from 12:00 p.m. to 3:00 p.m. and in such case the EGM shall be held at the same time and venue.
 - (b) If a tropical cyclone warning signal No. 8 or above or “extreme conditions” caused by super typhoons or a black rainstorm warning signal is lowered or cancelled three hours before the time appointed for holding the EGM and where conditions permit, the EGM will be held as scheduled.
 - (c) The EGM will be held as scheduled when a tropical cyclone warning signal No. 3 or below is hoisted or an amber or red rainstorm warning signal is in force.
 - (d) After considering their own situations, Members should decide on their own whether or not they would attend the EGM under any bad weather condition and if they do so, they are advised to exercise care and caution.
10. A form of proxy for use at the EGM is enclosed.

TRUE PARTNER CAPITAL HOLDING LIMITED

(Incorporated under the laws of the Cayman Islands with limited liability)

(Stock Code: 8657)

PROXY FORM FOR THE EXTRAORDINARY GENERAL MEETING TO BE HELD ON THURSDAY, 13 FEBRUARY 2025 AND ANY ADJOURNMENT THEREOF

I/We, ^(Note 1) _____
of _____
being the registered holder(s) of ^(Note 2) _____ ordinary shares
of HK\$0.01 each in the share capital of True Partner Capital Holding Limited (the “Company”), HEREBY APPOINT ^(Note 3) the chairman of
the meeting or _____
of _____

as my/our proxy to attend and vote for me/us and on my/our behalf at the extraordinary general meeting (the “EGM”) of the Company to be held at 9/F Henley Building, 5 Queen’s Road Central, Central, Hong Kong on Thursday, 13 February 2025 at 3:00 p.m. (and at any adjournment thereof) and to vote for me/us and in my/our name(s) in respect of the resolutions set out in the notice convening the EGM (the “Notice”) as hereunder indicated, and, if no such indication is given, as my/our proxy thinks fit. My/Our proxy will also be entitled to vote on any matters properly put to the EGM in such manner as he/she thinks fit.

ORDINARY RESOLUTIONS*		FOR ^(Note 4)	AGAINST ^(Note 4)
1.	To approve and confirm the conditional Subscription Agreement dated 27 December 2024 entered into between the Company and the Subscriber and the transactions contemplated thereunder, including but not limited to the allotment and issuance of the Subscription Shares under the Specific Mandate. To authorise any one director of the Company be and is hereby generally and unconditionally authorised to do all such acts and things, to sign and execute all such documents for and on behalf of the Company as they may consider necessary, appropriate, desirable or expedient to give effect to or in connection with the Subscription Agreement.		

* For the full text of the proposed resolutions, please refer to the Notice as contained in the Company’s circular dated 21 January 2025.

Date: _____ 2025 Signature(s) ^(Note 5) _____

Notes:

- Full name(s) and address(es) shall be inserted in **BLOCK CAPITALS**. The names of all joint holders should be stated.
- Please insert the number of shares registered in your name(s) to which this form of proxy relates. If no number is inserted, this form of proxy will be deemed to relate to all shares in the capital of the Company registered in your name(s).
- If any proxy other than the Chairman of the meeting is preferred, please strike out the words “the chairman of the meeting” and insert the name and address of the proxy desired in the space provided. Any shareholder of the Company entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint a proxy to attend and on a poll, vote instead of him/her. A member who is the holder of two or more shares may appoint more than one proxy. A proxy need not be a shareholder of the Company.
- IMPORTANT: IF YOU WISH TO VOTE FOR A RESOLUTION, PLEASE TICK (“✓”) THE BOX MARKED “FOR”. IF YOU WISH TO VOTE AGAINST A RESOLUTION, PLEASE TICK (“✓”) THE BOX MARKED “AGAINST”.** If no direction is given, your proxy will vote or abstain at his discretion. Your proxy will also be entitled to vote at his discretion on any resolution properly put to the Extraordinary General Meeting other than those referred to in the notice convening the Extraordinary General Meeting).
- This form of proxy must be signed by you or your attorney duly authorised in writing. In case of a corporation, the same must be either under its common seal or under the hand of an officer or attorney so authorised. **ANY ALTERATION MADE TO THIS FORM OF PROXY MUST BE INITIALLED BY THE PERSON WHO SIGNS IT.**
- Where there are joint registered holders of any Share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such Share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members in respect of such Share shall alone be entitled to vote in respect thereof.
- In order to be valid, this form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the Company’s share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for the meeting or the adjourned meeting (as the case may be).
- Completion and delivery of the form of proxy will not preclude you from attending and voting at the Extraordinary General Meeting if you so wish.
- References to time and dates in this form of proxy are to Hong Kong time and dates.

PERSONAL INFORMATION COLLECTION STATEMENT

Your supply of your and your proxy’s (or proxies’) name(s) and address(es) is on a voluntary basis for the purpose of processing your request for the appointment of a proxy (or proxies) and your voting instructions for the Extraordinary General Meeting of the Company (the “Purposes”). We may transfer your and your proxy’s (or proxies’) name(s) and address(es) to our agent, contractor, or third party service provider who provides administrative, computer and other services to us and to such parties who are authorized by law to request the information or are otherwise relevant for the Purposes and need to receive the information. Your and your proxy’s (or proxies’) name(s) and address(es) will be retained for such period as may be necessary to fulfil the Purposes. You/your proxy (or proxies) has/have the right to request access to and/or correction of the relevant personal data in accordance with the provisions of the Personal Data (Privacy) Ordinance and any such request should be in writing by mail to Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.