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True Partner
Capital Holding

TRUE PARTNER CAPITAL HOLDING LIMITED

(the “Company”)

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

(Stock Code: 8657)

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

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



SUBSCRIPTION OF NEW SHARES BY SUBSTANTIAL SHAREHOLDER UNDER SPECIFIC MANDATE

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 Company has conditionally agreed to allot and issue, and the Subscriber has conditionally agreed to subscribe for, 19,500,000 Subscription Shares at the Subscription Price of HK\$0.400 per Subscription Share pursuant to the terms of the Subscription Agreement. The Subscription is subject to various conditions set forth in the paragraphs headed “Conditions Precedent under the Subscription Agreement”.

The Subscription Shares represent approximately 4.88% of the existing issued Shares of 400,000,000 Shares as at the date of this announcement 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 date of this announcement and Completion.

IMPLICATIONS UNDER THE GEM LISTING RULES

As at the date of this announcement, the Subscriber is a substantial shareholder of the Company who beneficially owns 62,336,908 Shares representing approximately 15.58% of the issued share capital of the Company, and hence 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 Subscriber and its associate(s) including Mr. Chan and Alset International Limited will abstain from voting on the ordinary resolutions to consider and approve the Subscription, the Subscription Agreement and the transactions contemplated thereunder at the EGM. 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, 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.

A circular containing, 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; (iii) a letter of advice from Gram Capital to the Independent Board Committee and the Independent Shareholders; (iv) a notice convening the EGM; and (v) other information required under the GEM Listing Rules, will be despatched to the Shareholders as soon as practicable in accordance with the GEM Listing Rules. It is expected that the circular will be despatched to the Shareholders on or before 20 January 2025.

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 announcement, 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.

SUBSCRIPTION OF NEW SHARES BY SUBSTANTIAL SHAREHOLDER UNDER SPECIFIC MANDATE

On 27 December 2024, the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Company has conditionally agreed to allot and issue, and the Subscriber has conditionally agreed to subscribe for 19,500,000 Subscription Shares at the Subscription Price of HK\$0.400 per Subscription Share pursuant to the terms of the Subscription Agreement.

Set out below is a summary of the principal terms of the Subscription Agreement:

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 date of this announcement, the Subscriber is a substantial shareholder of the Company which beneficially owns 62,336,908 Shares which represent approximately 15.58% of the issued share capital of the Company, 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 date of this announcement 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 date of this announcement and Completion.

As at the date of this announcement, the Company has no treasury shares.

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 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.

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 the existing capital market conditions. 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.

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.

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.

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.

TERMINATION

In the event the above conditions are not fulfilled by 28 February 2025 (or such other date as the parties may agree), the Subscription Agreement may 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. The Conditions Precedent are not fulfilled yet at this stage.

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.

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.

EFFECTS OF THE SUBSCRIPTION ON SHAREHOLDING STRUCTURE OF THE COMPANY

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

Substantial Shareholders	As at the date of this announcement		Immediately after the Completion	
	No. of Shares	Approximately	No. of Shares	Approximately
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%
Nardinc Beheer B.V.	36,196,000	9.04%	36,196,000	8.63%
Edo Bordoni	29,839,153	7.46%	29,839,153	7.11%
Roy van Bakel	27,686,280	6.92%	27,686,280	6.60%
Mr. Chan	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 public Shareholders	55,753,598	13.96%	55,753,598	13.29%
Total:	<u>400,000,000</u>	<u>100.00%</u>	<u>419,500,000</u>	<u>100.00%</u>

Note: The Subscriber is True Partner International Limited, 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 as at the date of this announcement.

In addition, Mr. Chan beneficially holds 2.03% in the Company as at the date of this announcement.

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 as at the date of this announcement.

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

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 date of this announcement.

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. The Directors believe improved prospects for the Company have had the effect of generating interest from existing and potential shareholders in the Company.

REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS

From the perspective of the Company, the Board consider that the Subscription offers a good opportunity to raise additional funds to strengthen the financial position and broaden the capital base of the Group so as to facilitate its future development.

The Board has also considered other alternative fundraising methods 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 fees and require relatively longer time when compared to the Subscription. As such, the Directors consider that the Subscription represents a cost-effective mean of obtaining additional financing to the Group 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; (ii) the various valuation metrics for the Company including metrics based on the share price of the Company and referencing the most recent unaudited net asset value of the Company; (iii) the terms of the Subscription Agreement being fair and reasonable so far as the Company is 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 as compared to 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 (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.

As at the date of this announcement, saved for the Subscription, the Company does not have any concrete plans to carry out other fund-raising activities. Should circumstances change, the Company will make further announcement in this regard in accordance with the GEM Listing Rules as and when appropriate.

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.

In light of the Subscription originating from the desire of Mr. Chan to increase his participation in the shares of the Company, the Company intends to apply the net proceeds from the Subscription predominantly to enhance the Group's general working capital which will be used to cover the general operational expenses included general office administrative expenses, salaries and for the maintenance of the existing business, and to settle professional fees such as audit fees, legal costs, fees of financial advisers and financial printing fees.

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 manages 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.

INFORMATION OF THE SUBSCRIBER

As at the date of this announcement, 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 over the Subscriber and other controlled corporations, is interested in approximately 19.27% of the issued share capital of the Company as of the date of this announcement and approximately 23.03% immediately after Completion. The Subscriber is an investment holding vehicle.

IMPLICATIONS UNDER THE GEM LISTING RULES

As at the date of this announcement, the Subscriber is a substantial shareholder of the Company who beneficially owns 62,336,908 Shares representing approximately 15.58% of the issued share capital of the Company, and hence 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.

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.

EGM

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

The Subscriber and its associate(s) including Mr. Chan and Alset International Limited will abstain from voting on the ordinary resolutions to consider and approve the Subscription, the Subscription Agreement and the transactions contemplated thereunder at the EGM. 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, 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.

A circular containing, 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; (iii) a letter of advice from Gram Capital to the Independent Board Committee and the Independent Shareholders; (iv) a notice convening the EGM; and (v) other information required under the GEM Listing Rules, will be despatched to the Shareholders as soon as practicable in accordance with the GEM Listing Rules. It is expected that the circular will be despatched to the Shareholders on or before 20 January 2025.

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 announcement, 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.

DEFINITIONS

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

- “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
- “connected person(s)” has the meaning ascribed to it under the GEM Listing Rules

“Conditions Precedent”	the conditions precedent set out under the paragraphs headed “Conditions Precedent under the Subscription Agreement”
“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 from time to time
“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
“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 of the Company, 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

“Mr. Chan”	Mr. Chan Heng Fai Ambrose, a substantial shareholder of the Company
“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
“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 agreements dated 27 December 2024 entered into between the Company as issuer and the Subscriber for the subscription of 19,500,000 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
“%”	per cent

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

Hong Kong, 29 December 2024

As at the date of this announcement, the Board comprises Mr. Ralph Paul Johan van Put, Mr. Godefriedus Jelte Heijboer, Mr. Tobias Benjamin Hekster and Mr. Roy van Bakel, each as an executive Director and Mr. Jeronimus Mattheus Tielman, Ms. Wan Ting Pai and Mr. Ming Tak Ngai, each as an independent non-executive Director.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Listed Company Information” page of the Stock Exchange of Hong Kong Limited website at www.hkexnews.hk for a minimum period of seven days from the date of its publication. This announcement will also be published on the Company’s website at www.truepartnercapital.com.