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Ev Dynamics (Holdings) Limited
科軒動力(控股)有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 476)

ISSUE OF NEW SHARES UNDER SPECIFIC MANDATE

THE SUBSCRIPTION

The Board is pleased to announce that on 18 July 2025 (after trading hours), the Company, as the issuer, entered into the Subscription Agreement with the Subscriber, pursuant to which the Company has conditionally agreed to issue and allot, and the Subscriber has conditionally agreed to subscribe for, 60,000,000 Subscription Shares at the Subscription Price of HK$0.45 per Subscription Share.

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the date of Completion, the 60,000,000 Subscription Shares represent (i) approximately 26.4% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 20.9% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

The Subscription Shares will be allotted and issued under the Specific Mandate to be approved by the Independent Shareholders at the SGM. The Subscription Shares, when allotted and issued, will rank *pari passu* in all respects among themselves and with the Shares in issue. An application will be made by the Company to the Stock Exchange for the approval for the listing of, and permission to deal in, the Subscription Shares.

LISTING RULES IMPLICATIONS

As the Subscription Shares will be issued and allotted under the Specific Mandate to be obtained at the SGM, the Subscription and the Special Mandate are subject to the Independent Shareholders' approval.

The resolution approving the Subscription Agreement and the Subscription contemplated thereunder was approved at a Board meeting of the Company. No Directors was required to abstain from voting at the Board meeting relating to the approval of the Subscription Agreement and the Subscription contemplated thereunder.

GENERAL

The SGM will be convened to consider and, if thought fit, to pass the resolutions to approve, among other things, (i) the Subscription Agreement and the Subscription contemplated thereunder; and (ii) the issue of the Subscription Shares under the Specific Mandate.

As at the date of this announcement, (i) the Subscriber is wholly-owned by Mr. Xu David Hua, who directly holds 8,380,000 Shares and is deemed to be interested in the 13,000,000 Shares held by Prosperity Investment Management Limited, representing an aggregate interest of 21,380,000 Shares or approximately 9.42% of the issued Shares as at the date of this announcement. As such, Mr. Xu David Hua has a material interest in the Subscription. Accordingly, he and his associates (i.e., Prosperity Investment Management Limited) are required to abstain from voting at the SGM on the resolution(s) approving the same.

Save for the abovementioned and to the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, no other Shareholder has a material interest in the Subscription and is required to abstain from voting on the resolution(s) approving (i) the Subscription Agreement and the Subscription contemplated thereunder; and (ii) the issue of the Subscription Shares under the Specific Mandate at the SGM.

DESPATCH OF CIRCULAR

A circular containing, among other things, (i) further details of the Subscription Agreement and the Subscription contemplated thereunder and the issue of the Subscription Shares under the Specific Mandate, (ii) other information required under the Listing Rules; and (iii) a notice of the SGM, is expected to be despatched to the Shareholders on or before 13 August 2025.

WARNING

Shareholders and potential investors should note that the Subscription is subject to the fulfillment of the conditions precedents under the Subscription Agreement. As the Subscription may or may not proceed, shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

THE SUBSCRIPTION

On 18 July 2025 (after trading hours), the Company, as the issuer, entered into the Subscription Agreement with the Subscriber, pursuant to which the Company has conditionally agreed to issue and allot, and the Subscriber has conditionally agreed to subscribe for, 60,000,000 Subscription Shares at the Subscription Price of HK$0.45 per Subscription Share.

THE SUBSCRIPTION AGREEMENT

The principal terms of the Subscription Agreement are set out as below:

Date	:	18 July 2025
Parties	:	(1) The Company, as issuer;
		(2) The Subscriber
Subscription Shares	:	60,000,000 Subscription Shares
Subscription Price	:	HK$0.45 per Subscription Share

Subscription Shares

The 60,000,000 Subscription Shares will be issued and allotted under the Specific Mandate, which is subject to Independent Shareholders' approval at the SGM.

Assuming there will be no change in the issued share capital of the Company from the date of this announcement up to the date of Completion, the Subscription Shares represent:

(i) approximately 26.4% of the existing issued share capital of the Company as at the date of this announcement; and

(ii) approximately 20.9% of the issued share capital of the Company as enlarged by the issue and allotment of the Subscription Shares.

Subscription Price

The Subscription Price of HK$0.45 per Subscription Share represents:

(i) a discount of approximately 33.8% to the closing price of HK$0.680 per Share as quoted on the Stock Exchange on the date of the Subscription Agreement;

(ii) a discount of approximately 36.3% to the average closing price of approximately HK$0.706 per Share as quoted on the Stock Exchange for the last five (5) trading days up to and including the date of the Subscription Agreement; and

(iii) a discount of approximately 12.7% to the average closing price of approximately HK$0.515 per Share as quoted on the Stock Exchange for the last twenty (20) trading days up to and including the date of the Subscription Agreement.

The Subscription Price was determined with reference to the prevailing market price of the Shares and was negotiated on an arm's length basis between the Company and the Subscriber.

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

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

(i) the Independent Shareholders having passed the resolution at the SGM to approve (a) the Subscription Agreement and the Subscription contemplated thereunder; and (b) the issue and allotment of the Subscription Shares under the Specific Mandate;

(ii) the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the Subscription Shares by and the permission to deal in them under the Subscription Agreement; and

(iii) any other necessary waivers, consents and approvals (if required) from the relevant governmental or regulatory authorities in Hong Kong and Bermuda for the Subscription Agreement and the Subscription contemplated hereunder having been obtained and fulfilled.

All the above conditions precedent are not waivable. In the event the above conditions precedent have not been satisfied by the Long Stop Date, all rights, obligations and liabilities of the Company and the Subscriber shall cease and determine and neither party shall have any claim against the other, save for any antecedent breaches of the Subscription Agreement.

Completion

Completion of the Subscription shall take place on the Completion Date, or at such other date, time and venue as the Company and the Subscriber may agree in writing.

LISTING APPLICATION

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.

INFORMATION OF THE COMPANY AND THE GROUP

The principal activity of the Company is investment holding. The principal activities of the subsidiaries of the Company consist of investment holding, development of new energy business and trading of metals and minerals. The Group also owns the Glauberite Mine located in the Guangxi Zhuang Autonomous Region of the PRC.

INFORMATION OF THE SUBSCRIBER

The Subscriber is a company incorporated in Hong Kong with limited liability and principally engaged in investment holding. The ultimate beneficial owner of the Subscriber is Mr. Xu David Hua, who is interested in 21,380,000 Shares, representing approximately 9.42% of the total issued share capital of the Company as at the date of this announcement, including 8,380,000 Shares directly held by Mr. Xu David Hua and 13,000,000 Shares held by Prosperity Investment Management Limited, which is wholly-owned by Mr. Xu David Hua.

Mr. Xu David Hua was one of the placees under the placing of new Shares conducted by the Company which was completed on 9 May 2025. Mr. Xu David Hua is the legal representative of one of the subsidiaries of the Company in the PRC.

Mr. Xu David Hua has extensive management experience, including around 20 years in the renewable energy sector. He was president and chief operating officer of Shenzhen Jiawei Industrial Co., Ltd. (a company listed in the PRC, stock code: 300317), which was principally engaged in the application of renewable energy. He was also the founder and chief executive officer of Shanghai Guxin Asset Management Co., Ltd., chairman and chief executive officer of China Smarter Energy Group Holdings Limited (stock code: 1004); and a director of Lingda Group Co., Ltd. (a company listed in the PRC, stock code: 300125).

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION

As disclosed in the announcement in relation to annual result of the Company for the year ended 31 March 2025 (the "**Annual Result**"), as at 31 March 2025, the balance of the cash and cash equivalent of the Group amounted to approximately HK$8.4 million.

As further disclosed in the Annual Result, the Group continued to receive purchase orders for its purpose-built electric transport solutions. In addition to the orders on hand, the Group is currently negotiating with a number of potential customers for collaboration opportunities for the Company's purpose-built electric transport solutions in the PRC. As such, the Company is of the view that the Subscription may provide additional general working capital to for completing the purchase orders on hand and the development of the purpose-built electric transport solutions business.

The gross proceeds from the Subscription will be HK$27.0 million and the net proceeds (after deduction of professional fees and all relevant expenses of the Subscription) from the Subscription are estimated to be approximately HK$26.8 million.

Th Company intends to apply the net proceeds from the Subscription for (i) HK$20 million for working capital for the completion of existing purchase orders and the development of the purpose-built electric transport solutions business; and (ii) the remaining HK$6.8 million for general working capital of the Group.

Alternative financing

The Board has considered various fund-raising methods apart from the Subscription.

With regard to debt financing, the Company had difficulties in sourcing debt financing from financial institutions due to the lack of security as the Company does not have material tangible assets in Hong Kong. In respect of equity fund raising, given the latest financial results of the Group, the Company had difficulties in (i) sourcing placing agents for equity investments with terms acceptable to the Company and amounts sufficient in meeting the working capital needs of the Company; and (ii) sourcing underwriter with reasonable underwriting fee and subscription price of reasonable discount for open offer and rights issue. In addition, the Company considers that the process of the placing, rights issue, or open offer would be relatively time-consuming.

Directors' view

Taking into account of the above, the Board is of the view that the terms of Subscription Agreement are on normal commercial terms, fair and reasonable and are in the interests of the Company and its shareholders as a whole.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon the Completion, assuming that there is no change in the issued share capital of the Company from the date of this announcement to the Completion Date:

	As at the date of this announcement		**Immediately upon the Completion**	
	Number of Shares	*Approximate % of issued Shares*	*Number of Shares*	*Approximate % of issued Shares*
Mr. Xu David Hua	8,380,000	3.69%	8,380,000	2.92%
Prosperity Investment Management Limited *(Note 1)*	13,000,000	5.73%	13,000,000	4.53%
Subscriber	–	–	60,000,000	20.91%
The Subscriber and his associates	21,380,000	9.42%	81,380,000	28.36%
Entrust Limited *(Note 2)*	19,654,550	8.66%	19,654,550	6.85%
Mr. Cheung Ngan *(Note 3)*	10,720,771	4.72%	10,720,771	3.74%
Faith Profit Holding Limited *(Note 3)*	4,451,728	1.96%	4,451,728	1.55%
Other Shareholders	170,772,060	75.24%	170,772,060	59.50%
Total	226,979,109	100.00%	286,979,109	100.00%

Notes:

1. Mr. Xu David Hua is the ultimate beneficial owner of Prosperity Investment Management Limited, Accordingly, the Subscriber is deemed to be interested in the Shares in which Prosperity Investment Management Limited is interested by virtue of the SFO.

2. Entrust Limited is controlled as to 34% by Mr. Chan Tok Yu, 25% by Ms. Chan Hoi Ying (executive director of the Company), 25% by Mr. Chan Hin Yeung and 16% by Ms. Siu Kwan. Mr. Chan Tok Yu's interest is held by Ms. Siu Kwan as a trustee. Accordingly, Mr. Chan Tok Yu and Ms. Siu Kwan are deemed to be interested in the Shares in which Entrust Limited is interested by virtue of the SFO.

3. Faith Profit Holding Limited is wholly owned by Mr. Cheung Ngan, the Chairman, Chief Executive Officer and executive Director of the Company.

4. The percentage figures have been subject to rounding adjustments. Any discrepancies between totals and sums of amounts listed herein are due to rounding adjustments.

EQUITY FUND RAISING ACTIVITIES BY THE COMPANY IN THE PAST TWELVE MONTHS

The Company has conducted the following fund raising activities in the past twelve months immediately preceding the date of this announcement:

Date of initial announcement	Fund raising activities	Net proceeds	Intended use of proceeds as announced	Actual use of proceeds
17 April 2025	Placing of new Shares under general mandate	Approximately HK$7.8 million	For the general working capital of the Group	Approximately HK$5.2 million utilised as intended, and the remaining of approximately HK$2.6 million will be utilised as intended
2 September 2024	Issue of convertible notes under general mandate	Approximately HK$4.75 million	For the general working capital of the Group	Fully utilised as intended

LISTING RULES IMPLICATIONS

As the Subscription Shares will be issued and allotted under the Specific Mandate to be obtained at the SGM, the Subscription and the Special Mandate are subject to the Independent Shareholders' approval.

The resolution approving the Subscription Agreement and the Subscription contemplated thereunder was approved at a Board meeting of the Company. No Directors was required to abstain from voting at the Board meeting relating to the approval of the Subscription Agreement and the Subscription contemplated thereunder.

GENERAL

The SGM will be convened to consider and, if thought fit, to pass the resolutions to approve, among other things, (i) the Subscription Agreement and the Subscription contemplated thereunder; and (ii) the issue of the Subscription Shares under the Specific Mandate.

As at the date of this announcement, (i) the Subscriber is wholly-owned by Mr. Xu David Hua, who directly holds 8,380,000 Shares and is deemed to be interested in the 13,000,000 Shares held by Prosperity Investment Management Limited, representing an aggregate interest of 21,380,000 Shares or approximately 9.42% of the issued Shares as at the date of this announcement. As such, Mr. Xu David Hua has a material interest in the Subscription. Accordingly, he and his associates (i.e., Prosperity Investment Management Limited) are required to abstain from voting at the SGM on the resolution(s) approving the same.

Save for the abovementioned and to the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, no other Shareholder has a material interest in the Subscription and is required to abstain from voting on the resolution(s) approving (i) the Subscription Agreement and the Subscription contemplated thereunder; and (ii) the issue of the Subscription Shares under the Specific Mandate at the SGM.

DESPATCH OF CIRCULAR

A circular containing, among other things, (i) further details of the Subscription Agreement and the Subscription contemplated thereunder and the issue of the Subscription Shares under the Specific Mandate, (ii) other information required under the Listing Rules; and (iii) a notice of the SGM, is expected to be despatched to the Shareholders on or before 13 August 2025.

WARNING

Shareholders and potential investors should note that the Subscription is subject to the fulfillment of the conditions precedents under the Subscription Agreement. As the Subscription may or may not proceed, shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"Business Day(s)"	a day on which banks are generally open for business in Hong Kong, except a Sunday, a Saturday, a public holiday, and a day on which a tropical cyclone warning signal no.8 or above or a "black" rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.
"Company"	Ev Dynamics (Holdings) Limited, a company incorporated under the laws of the Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 476)
"Completion"	the completion of the Subscription in accordance with the terms and condition set out in the Subscription Agreement
"Completion Date"	the fifth Business Day after the date on which the last of the conditions precedent under the Subscription Agreement has been fulfilled (or other date as the Company and the Subscriber may agree in writing)
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong

"Independent Shareholders"	the shareholders of the Company other than those who are required to abstain under the Listing Rules from voting at the SGM of the Company for the resolution(s) approving the Subscription Agreement and the Subscription contemplated thereunder
"Listing Committee"	the listing committee of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Long Stop Date"	31 August 2025
"PRC"	the People's Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"SGM"	the special general meeting of the Company to be convened and held for the purpose of considering and, if thought fit, approving by the Independent Shareholders the Subscription Agreement, and the Subscription contemplated thereunder (including the grant of Specific Mandate)
"Share(s)"	the ordinary share(s) of par value of HK$0.05 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Shares
"Specific Mandate"	the specific mandate to allot and issue the Subscription Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscriber"	Total Honest Investment Limited, a company incorporated in Hong Kong with limited liability, which is wholly-owned by Mr. Xu David Hua, a PRC citizen and a Shareholder of the Company as at the date of this announcement

"Subscription"	subscription of the Subscription Shares by the Subscriber pursuant to the terms and conditions of the Subscription Agreement
"Subscription Agreement"	the subscription agreement dated 18 July 2025 entered into between the Company and the Subscriber
"Subscription Price"	HK$0.45 per Subscription Share
"Subscription Shares"	an aggregate of 60,000,000 new Shares to be allotted and issued by the Company to the Subscriber pursuant to the Subscription Agreement
"trading day"	means a day on which the Stock Exchange is open for the trading of securities
"%"	per cent

For and on behalf of the Board
Ev Dynamics (Holdings) Limited
Cheung Ngan
Chairman

Hong Kong, 18 July 2025

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Cheung Ngan, Ms. Chan Hoi Ying and, Mr. Sun Jingchun and three independent non-executive Directors, namely Mr. Chan Francis Ping Kuen, Mr. Lee Kwok Leung and Dato' Tan Yee Boon.