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DL HOLDINGS GROUP LIMITED

德林控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1709)

VOLUNTARY ANNOUNCEMENT STRATEGIC TERM SHEET WITH RICH DRAGON CONSULTANTS LIMITED

This announcement is made voluntarily by DL Holdings Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) to inform the shareholders and potential investors of the Company of the latest business development of the Group.

THE STRATEGIC SHARE SWAP AND COOPERATION TERM SHEET

The board (the “**Board**”) of directors of the Company (the “**Directors**”) is pleased to announce that on 18 July 2025, the Company has entered into a non-binding term sheet (the “**Term Sheet**”) with Rich Dragon Consultants Limited (“**Rich Dragon**”), a Hong Kong-based technology enterprise. The Group will establish a strategic cooperation and share swap between the Group and Rich Dragon.

As part of this strategic move, the Company will invest in Rich Dragon through a share swap with HK\$60 million consideration, marking a significant step into the high-growth stablecoin market. This investment will enable the Group to tap into Rich Dragon’s extensive network and expertise in digital asset solutions, further strengthening its position in the evolving financial landscape.

Rich Dragon will apply for a stablecoin license in Hong Kong and, upon obtaining the license, will jointly promote stablecoin applications and business collaboration with the Company. Both parties will collaborate on business opportunities. Rich Dragon will leverage its merchant and user network ecosystem to support the Company and its affiliates (including DL Securities (HK) Limited and “NeuralFin Technology” platform) in product support and investor relations activities.

The transactions contemplated under the Term Sheet represent the preliminary mutual understanding of the parties regarding the proposed strategic cooperation and share swap, and are subject to further negotiations between the parties, due diligence and the execution of mutually agreed legal documentation. All regulatory and compliance approvals (including the Securities and Futures Commission and the Hong Kong Monetary Authority (“HKMA”)) must also be satisfied.

INFORMATION ON RICH DRAGON

If approved, Rich Dragon will be a pioneer in issuing CNH-pegged stablecoins, facilitating bilateral trade with offshore Chinese partners under the Belt and Road Initiative, estimated to exceed RMB22.1 trillion in 2024.

Rich Dragon’s stablecoins will be fully backed by high-quality liquid assets and safeguarded by regulated custodians, ensuring trust and stability. These solutions enable seamless transactions on decentralised blockchains, providing global accessibility, even in scenarios where traditional banking channels face disruptions.

To the best of knowledge, information, and belief of the Board having made all reasonable enquiries, as at the date of this announcement, Rich Dragon and its ultimate beneficial owners are independent of the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)).

REASONS FOR AND BENEFITS OF ENTERING INTO THE TERM SHEET

This investment will enable the Group to tap into Rich Dragon’s extensive network and expertise in digital asset solutions, further strengthening its position in the evolving financial landscape.

The investment in Rich Dragon provides the Company with direct exposure to the fast-growing stablecoin sector, which is projected to surpass US\$2 trillion by 2028. This collaboration is expected to provide the Group with exposure and access to industry-leading stablecoin infrastructure, enabling the Group to deploy stablecoin solutions across its own business and affiliated platforms. Through these joint initiatives, the Company anticipates capturing operational efficiencies, new revenue opportunities, and enhanced competitiveness by integrating stablecoin technology into its financial services and product offerings. This strategic cooperation is further anticipated to capitalise on Rich Dragon's regulatory-compliant infrastructure and merchant ecosystem, supporting business expansion and positioning the Company at the forefront of next-generation financial services. This strategic investment will also enable the Company's actively developing real-world asset ("RWA") business to organically integrate with stablecoin applications, further strengthening the Company's industry position in the RWA sector and laying a solid foundation for the Company's future issuance of RWAs.

In view of the foregoing, the Board considers that the entering into of the Term Sheet (including the share swap), if materialised, are in the interests of the Company and its shareholders as a whole.

Shareholders and investors are reminded that the Term Sheet is not legally binding and the transactions contemplated under the Term Sheet are still pending the conclusion of a definitive agreement. If a definitive agreement is entered into, the Company will make further announcements in accordance with the Listing Rules as necessary or appropriate. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
DL Holdings Group Limited
Chen Ningdi

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 18 July 2025

As at the date of this announcement, the executive Directors are Mr. Chen Ningdi, Mr. Lang Joseph Shie Jay, Mr. Ai Kuiyu and Ms. He Zhiying; the non-executive Directors are Mr. Chan Kwan, Mr. Chan Kwun Wah Derek and Mr. Wang Yiding; and the independent non-executive Directors are Mr. Chang Eric Jackson, Mr. Chen Cheng-Lien (also known as Chen Cheng-Lang and Chen Stanley), Mr. Liu Chun and Mr. Li Xiaoxiao.