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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)**

**SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO  
(1) DISCLOSEABLE TRANSACTION  
SHARE TRANSFER IN  
DL DIGITAL FAMILY OFFICE; AND  
(2) DISCLOSEABLE AND CONNECTED TRANSACTION  
AT SUBSIDIARY LEVEL  
ESOP SHARE CONTRIBUTION IN  
DL DIGITAL FAMILY OFFICE**

Reference is made to the announcement of the Company dated 31 March 2025 in relation to, among others, the Share Transfer and the ESOP Share Contribution (the “**Announcement**”). Unless defined otherwise, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement. This announcement is to provide additional information in relation to the Announcement.

## **Further Information about the Basis of Consideration for the Share Transfer**

In addition to the reasons disclosed in the Announcement, in determining and assessing the fairness and reasonableness of the Consideration, the Board has also considered the respective price-to-sales ratio (the “**P/S Ratio**”) of three comparable companies listed in Hong Kong and the United States, namely JF Smartinvest, Charles Schwab and SoFi Technologies (the “**Listed Comparable Companies**”) in March 2025, and five non-listed comparable companies, namely Endowus, StashAway, Syfe, Betterment, and Wealthfront (the “**Non-Listed Comparable Companies**”, and together with the Listed Comparable Companies collectively as the “**Comparable Companies**”), in their fundraising exercises in recent years, to the extent such valuation multiples are available to and computable by the Group based on information from public sources and is subject to the limitation where the detailed terms and valuation information of fundraising exercises of the Non-Listed Comparable Companies (as private companies) may not be exhaustive nor fully disclosed in the public domain. The Comparable Companies represent varying degrees of similarity in business models with DLDFO Group, from robo-advisory to hybrid digital-private wealth platforms which share similar core functions in portfolio management, financial planning, and digital tools.

Based on the information available, the then trailing P/S Ratios of the Listed Comparable Companies ranged from approximately 4.6 times to 8.3 times, with an average of approximately 6.5 times, while the respective forward P/S Ratios of the Non-Listed Comparable Companies in their recent fundraising exercises ranged from approximately 6.4 times to 19.1 times, with an average of approximately 13.1 times.

The Consideration for the Share Transfer implies an agreed valuation of 100% equity interest in DL Digital Family Office of approximately USD35 million and the implied P/S Ratio of DLDFO Group (i.e. the implied 100% valuation divided by revenue) would be higher than those of the Comparable Companies as indicated above.

In addition, the agreed total Consideration of USD9,799,568 for the Share Transfer of 28% shares in DL Digital Family Office represents:

- (i) a premium of approximately USD1.3 million over the implied value of approximately USD8.5 million for such 28% shares in DL Digital Family Office based on the post-money valuation of DL Digital Family Office for the previous funding round of USD30.4 million, details of which are set out in the announcement of the Company dated 17 December 2024; and
- (ii) a significant premium over the respective consolidated net asset value of the 53% shares in DL Digital Family Office disposed in the Share Transfer and the ESOP Share Contribution (as well as the net asset value for the effective interest disposed in DL Securities) as at 31 March 2024 (which is approximately HKD52.3 million) and 30 September 2024 (which is approximately HKD49.1 million).

Having considered the above and the factors as disclosed in the Announcement, in particular the business development opportunity and prospects that will be brought to the DLDFO Group by the Share Transfer and the introduction of the Investors, the Company is of the view that the terms of the Share Transfer are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### **Further Information about Investor 1**

To the best of the knowledge, information and belief of the Directors, based on the information provided by Investor 1, the ultimate sole beneficial owner of the largest LP in Investor 1 is Mr. Wu Xiaojin, an Independent Third Party.

## **Further Information about the Financial Effect of the Share Transfer and the ESOP Share Contribution**

Unaudited accounting gain of approximately HK\$131.9 million arising from the Share Transfer and ESOP Share Contribution is calculated as the sum of (i) the total Consideration of approximately USD9.8 million (equivalent to approximately HK\$76.4 million); and (ii) the implied fair value of the remaining approximately 35.8% interest in DLDFO Group of approximately HK\$97.7 million, less the unaudited carrying value of the DLDFO Group as at 31 March 2025 of approximately HK\$42.2 million.

The implied fair value of the remaining approximately 35.8% interest in DLDFO Group of approximately HK\$97.7 million is calculated by 35.8% times the total implied fair value of DLDFO Group of USD35 million (equivalent to approximately HK\$273 million).

As set out in the Announcement, the actual amount of gain to be recorded in the consolidated statement of profit or loss of the Group is subject to audit, and therefore may be different from the figure provided above. Shareholders and potential investors of the Company should note that the above estimation is for illustrative purposes only. The actual gain or loss in connection with the Share Transfer and ESOP Share Contribution may be different from the above and will be determined based on the consolidated net assets value of the DLDFO Group as at the date of SPA Completion and ESOP Completion.

## **Further Information about the Reason and Benefits of the adoption of the DFO Share Scheme and the ESOP Share Contribution**

Having considered that (i) as the Company remains to be the single largest shareholder and its active involvement in the management and business operations of DLDFO Group, the Company still consider it to be essential to consider the long term business development of DLDFO Group to maximise the return that it and its Shareholders derive from its investments in DLDFO Group notwithstanding the accounting treatment of classifying DLDFO Group as investment in an associate; (ii) the share award mechanism as the result of the ESOP Share Contribution reinforces the long-term value creation, which ultimately benefits both the Company (and its Shareholders as a whole) and DLDFO Group; and (iii) by facilitating employee ownership in DLDFO Group and its long-term value, the adoption of the DFO Share Scheme and the ESOP Share Contribution helps attract and retain talents, senior management and core employees that are critical to DLDFO Group's future success which ensure the alignment between the management of DLDFO Group, its strategic goals, and the Company's investment returns in long run and without incurring actual cash outflow, the Board is of the view that the adoption of the DFO Share Scheme and the ESOP Share Contribution as initial contribution by share for the DFO Share Scheme could facilitate close collaborative relationships with the DLDFO Group (and its employees), which will significantly enhance the future development of DLDFO Group, with one of the goals of the Group (including DLDFO Group) is to achieve the initial public offering of the DLDFO Group with a minimum valuation target of USD100 million. As mentioned above and including the fact where the aggregate Consideration represents a significant premium over the respective consolidated net asset value of the 53% shares in DL Digital Family Office disposed in the Share Transfer and the ESOP Share Contribution despite the fact that the ESOP Share Contribution involves no additional consideration, the adoption of the DFO Share Scheme and the ESOP Share Contribution represent the strategic measures in achieving such goal. Considering the implied value of the existing remaining approximately 35.8% interests held by the Group in DLDFO Group, the Group will in turn be able to enjoy the future potential value enhancement and profit derived from DLDFO Group through its interests held in the DLDFO Group, and thus bringing a positive impact to the financial position of the Company and benefit to the business of the Company.

## **General**

Save as disclosed above, all other information contained in the Announcement remained unchanged. This announcement is supplemental to and should be read in conjunction with the Announcement.

By order of the Board  
**DL Holdings Group Limited**  
**Chen Ningdi**

*Chairman, Chief Executive Officer and Executive Director*

Hong Kong, 12 May 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 ChengLien (also known as Chen Cheng-Lang and Chen Stanley), Mr. Liu Chun and Mr. Li Xiaoxiao.*