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DIFFER GROUP AUTO LIMITED
鼎豐集團汽車有限公司
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 6878)

**COMPLETION OF THE PLACING OF NEW SHARES
UNDER SPECIFIC MANDATE**

Reference is made to the announcement (the “**Announcement**”) dated 19 December 2023 and the circular (the “**Circular**”) dated 26 January 2024 of Differ Group Auto Limited (the “**Company**”) in relation to the placing of new Shares under Specific Mandate. Capitalised terms used herein shall have the same meanings as defined in the Announcement and the Circular unless the context requires otherwise.

COMPLETION OF PLACING OF NEW SHARE UNDER SPECIFIC MANDATE

The Board is pleased to announce that all the conditions precedent set out in the Placing Agreement have been fulfilled and completion of the Placing (“**Completion**”) took place on 29 February 2024. An aggregate of 41,510,000 Placing Shares, representing approximately 4.4% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares immediately upon the Completion, have been successfully placed to not less than six Placees, at the Placing Price of HK\$0.36 per Placing Share pursuant to the terms of the Placing Agreement.

To the best of the Directors’ knowledge and belief, having made all reasonable enquiries, the Placees and their ultimate beneficial owners (where applicable) are Independent Third Parties, and none of the Placees has become a substantial shareholder (as defined in the Listing Rules) of the Company as a result of the placing. The gross proceeds from the Placing are approximately HK\$14.9 million.

The net proceeds from the Placing, after deducting the placing commission and other related expenses incurred in relation to the Placing, amount to approximately HK\$13.6 million, which are intended to be used of (i) approximately HK\$10 million for part repayment of debts to the Scheme Creditors and (ii) approximately HK\$3.6 million for general working capital for the period from March 2024 to December 2025.

EFFECTS ON THE SHAREHOLDER STRUCTURE

The 41,510,000 Placing Shares represent (i) approximately 4.6% of the issued share capital of the Company immediately before Completion and (ii) approximately 4.4% of the issued share capital of the Company as enlarged by the allotment and issued of the Placing Shares immediately upon Completion.

The table below illustrates the shareholding structure of the Company immediately before and after Completion:

Shareholders	Immediately before Completion		Immediately after Completion	
	Number of Shares	Approximate percentage of shareholding %	Number of Shares	Approximate percentage of shareholding %
Expert Corporate Limited (Note 1)	130,000,000	14.4	130,000,000	13.8
Ever Ultimate Limited (Note 2)	504,000	0.1	504,000	0.1
<i>Public Shareholders</i>				
Other Public Shareholders	767,409,988	85.5	767,409,988	81.7
Places	–	–	41,510,000	4.4
Total	897,913,988	100.00	939,423,988	100.00

Notes:

1. These Shares were held by Expert Corporate Limited, which was wholly and beneficially owned by Mr. Hong Mingxian. By virtue of the SFO, Mr. Hong Mingxian is deemed to be interested in the 130,000,000 Shares under the SFO.
2. These Shares were held by Ever Ultimate Limited, which was wholly and beneficially owned by Mr. Ng Chi Chung. By virtue of the SFO, Mr. Ng Chi Chung is deemed to be interested in 504,000 Shares under the SFO.

On behalf of the Board
Differ Group Auto Limited
Ng Chi Chung
Chairman and Executive Director

Hong Kong, 29 February 2024

As at the date of this notice, the executive Directors are Mr. NG Chi Chung, Dr. FENG Xiaogang and Mr. TONG Lu; the non-executive Directors are Mr. KANG Fuming and Mr. XU Yiwei; and the independent non-executive Directors are Mr. CHAN Sing Nun, Mr. LAM Kit Lam and Ms. CHUANG Yin Lam.