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Vobile Group Limited

阜博集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3738)

**PROPOSED ISSUE OF
HK\$117,000,000 4% CONVERTIBLE BONDS DUE 2025
UNDER GENERAL MANDATE**

ISSUE OF CONVERTIBLE BONDS

The Board is pleased to announce that on 31 July 2022, the Company and the Investor, Lucion International Investment Limited (魯信國際投資有限公司), entered into the Subscription Agreement, pursuant to which the Company has conditionally agreed to issue to the Investor, and the Investor has conditionally agreed to subscribe for, the Convertible Bonds in the principal amount of HK\$117,000,000

Assuming there is no further issue or repurchase of the Shares, based on the initial Conversion Price of the Convertible Bonds and assuming full conversion of the Convertible Bonds at their initial Conversion Price, the Convertible Bonds will be convertible into 21,992,481 Shares, representing (a) approximately 1.04% of the issued share capital of the Company as at the date of this announcement and (b) approximately 1.03% of the issued share capital of the Company as enlarged by the allotment and issue of the 21,992,481 Conversion Shares (assuming that there is no change in the issued share capital of the Company from the date of this announcement to the completion of the conversion of the Convertible Bonds in full at the initial Conversion Price).

The initial Conversion Price of HK\$5.32 of the Convertible Bonds represents:

- (a) a premium of approximately 32.67% to the closing price of HK\$4.01 per Share as quoted on the Stock Exchange on the last trading date prior to the date of the Subscription Agreement; and
- (b) a premium of approximately 30.65% to the average closing price of approximately HK\$4.072 per Share as quoted on the Stock Exchange for the five trading days immediately prior to the date of the Subscription Agreement.

The Convertible Bonds will bear simple interest on their outstanding principal amount at the rate of 4% per annum, payable annually in arrears, and will, unless previously redeemed, converted or purchased and cancelled as provided in the Terms and Conditions, mature on the Maturity Date falling three years from the Issue Date.

The Conversion Shares will, upon their issue, rank *pari passu* in all aspects with the other Shares in issue.

GENERAL MANDATE

The Conversion Shares will be allotted and issued under the General Mandate, which authorised the Directors to allot and issue up to 423,519,331 Shares. The issue of the Convertible Bonds and the allotment and issue of the Conversion Shares (upon the conversion of the Convertible Bonds) are not subject to the Shareholders' approval.

APPLICATION FOR LISTING

No listing of the Convertible Bonds will be sought in any jurisdiction.

An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.

USE OF PROCEEDS

The estimated net proceeds to the Company from the issue of the Convertible Bonds, after deduction of the initial Handling Fee and Investor expenses payable by the Company in connection with the issue of the Convertible Bonds, will be approximately HK\$113.24 million.

The Company intends to use the net proceeds from the issue of the Convertible Bonds for investments and/or general working capital purposes.

Completion of the Subscription Agreement is subject to fulfilment and/or waiver of the Conditions and the Subscription Agreement not being terminated in accordance with its terms. Accordingly, the issue of the Convertible Bonds may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

ISSUE OF CONVERTIBLE BONDS

The Board is pleased to announce that on 31 July 2022, the Company and the Investor entered into the Subscription Agreement, pursuant to which the Company has conditionally agreed to issue to the Investor, and the Investor has conditionally agreed to subscribe for, the Convertible Bonds in the principal amount of HK\$117,000,000

THE SUBSCRIPTION AGREEMENT

Date

31 July 2022

Parties

- (a) the Company as issuer; and
- (b) the Investor as subscriber.

Issue Price

HK\$117,000,000 being 100% of the principal amount of the Convertible Bonds.

The Issue Price for the Convertible Bonds, after deducting an initial Handling Fee of 1.5% of the total Issue Price of the Convertible Bonds and estimated expenses of the Investor of approximately HK\$113.24 million, shall be paid or caused to be paid by the Investor on the Completion Date in Hong Kong dollars to such bank account designated by the Company.

Handling Fee

The Company shall pay to the Investor a non-refundable Handling Fee, which is equal to 1.5% of the Issue Price. The Handling Fee shall be payable on the Completion Date and shall be deducted from the Issue Price payable by the Investor.

The Handling Fee shall be clear of all deductions or withholdings of any present or future taxes or any other fees, expenses, assessments or charges of any kind.

Conditions Precedent

Completion of the Subscription Agreement shall be conditional upon the following Conditions being satisfied, or as the case may be, waived:

- (a) the Company having obtained written consents (in terms satisfactory to the Company) from HSBC (for itself and as agent acting on the instructions of all of the lenders under the Senior Facility Agreement) and HSBC (for itself and as agent acting on the instructions of all of the lenders under the Mezzanine Facility Agreement) consenting to the issue of the Convertible Bonds and:
 - (i) the waiver of any Default and/or Event of Default (as each of those capitalised terms is defined in each of the Facility Agreements), breach, default and/or misrepresentation that has occurred or is otherwise subsisting under, or in connection with, each of the Facility Agreements; and
 - (ii) the waiver of any of the rights, powers, authorities, discretions and remedies of any secured party under, or in connection with, any of the matters referred to in (i) above,

arising as a result of the issue of the Convertible Bonds and the proposed uses of the proceeds raised by such issue;
- (b) the Company having obtained all necessary consents and approvals for issuing the Convertible Bonds and the Conversion Shares and the Listing Committee of the Stock Exchange having granted the approval for the listing of and the permission to deal in all the Conversion Shares, and such approval remaining valid and effective;
- (c) there having been no suspension of the trading of the Shares on the Stock Exchange for any reason during the period between the date of the Subscription Agreement and the Completion Date (but, for the avoidance of doubt, not including the Completion Date), save for the purposes of clearing an announcement (or announcements) in connection with the issue and subscription of the Convertible Bonds or any of the Transaction Documents; and
- (d) no order or judgment of any court or governmental, statutory or regulatory body having been issued or made prior to the Completion Date (and no legal or regulatory requirements remaining to be satisfied) which has the effect of making the subscription of the Convertible Bonds unlawful or otherwise prohibiting it or any transactions contemplated by the Transaction Documents.

In the event that all the Conditions have not been fulfilled, or waived in accordance with the Subscription Agreement, by the Long Stop Date, either the Company or the Investor may by notice in writing terminate the Subscription Agreement whereupon the Subscription Agreement shall lapse immediately thereafter and be of no further effect, but all rights and liabilities of the parties to the Subscription Agreement which have accrued before termination shall continue to exist.

Completion

Subject to fulfilment or waiver (as the case may be) of the Conditions, Completion shall take place on the fifth Business Day after the last Condition (other than any Condition which is expressed to be assessed or fulfilled on or as at the Completion Date, but subject to the fulfillment, or waiver, of such Condition) is satisfied, or such other date as the Company and the Investor may agree in writing.

PRINCIPAL TERMS OF THE CONVERTIBLE BONDS

Set out below is a summary of the principal terms of the Convertible Bonds:

- Issuer** : The Company
- Principal amount** : HK\$117,000,000
- Issue Price** : HK\$117,000,000 being 100% of the principal amount of the Convertible Bonds
- Maturity Date** : The date falling three years from the Issue Date, unless previously redeemed, converted or purchased and cancelled as provided in the Terms and Conditions
- Interest** : The Convertible Bonds shall bear interest on the outstanding principal amount from and including the Issue Date up to (and excluding) the earliest of:
- (a) the Maturity Date;
 - (b) the Initial Term Put Option Date in case of exercise of the Initial Term Put Option in respect of the Convertible Bonds;
 - (c) the date on which the No Transfer Put Option in respect of the Convertible Bonds is exercised in accordance with the Terms and Conditions;

- (d) the date on which the tax redemption right upon the incurrence of additional tax deduction or withholding amounts payable by the Company in respect of the Convertible Bonds is exercised in accordance with the Terms and Conditions;
- (e) the date on which the redemption right in respect of the Convertible Bonds upon the occurrence of a Relevant Event is exercised in accordance with the Terms and Conditions; or
- (f) the date on which the conversion right or the default redemption right of the Convertible Bonds is exercised by the Bondholders in accordance with the Terms and Conditions,

at a simple interest rate of 4% per annum, payable annually in arrears. Interest due on an interest payment date shall be paid to the Bondholder who is, at noon on the date falling two Business Days prior to the relevant interest payment date, shown on the register of Bondholders of the Company.

Status and ranking : The Convertible Bonds constitute direct, unconditional, unsubordinated and unsecured obligations of the Company and are issued with the benefits of the Terms and Conditions and shall at all times rank *pari passu* and rateably without preference among themselves.

The payment obligations of the Company under the Convertible Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law, at all times rank at least equally with all other present and future unconditional, unsubordinated and unsecured obligations of the Company.

No application will be made for a listing of the Convertible Bonds.

Transferability : The Convertible Bonds are transferrable with prior written consent of the Company.

In the event a Bondholder fails to obtain the Company's prior written consent to the transfer of any Convertible Bonds, such Bondholder may exercise the No Transfer Put Option in respect of such Convertible Bonds in accordance with the Terms and Conditions. If the Company fails to make the full payment of such redemption amount upon the exercise of the No Transfer Put Option, the Company shall be deemed by such Bondholder to have given the relevant consent to transfer such Convertible Bonds pursuant to the Terms and Conditions.

If an event of default as specified under the Terms and Conditions occurs and is continuing, the Convertible Bonds are transferable without prior written consent of the Company.

Conversion at the option of the Bondholder : Each Bondholder has the right to convert all or any of its Convertible Bonds for Conversion Shares at any time during the Conversion Period commencing from one year after the Issue Date and expiring on the close of business on the earlier of: (a) the date which falls five Business Days prior to the Maturity Date; and (b) if such Convertible Bonds shall have been called for redemption prior to the Maturity Date, the date which falls five Business Days prior to the date fixed for the redemption of such Convertible Bonds.

However, if the following events happen, the conversion right attaching to the Convertible Bonds of the Bondholder will revive and/or will continue to be exercisable up to (and including) 5:00 pm (Hong Kong time) on the date upon which the full amount of the moneys payable in respect of the Convertible Bonds has been duly received by the Bondholder, notwithstanding that the Conversion Period may have expired before such relevant Conversion Date:

- (a) the Company shall default in making payment in full in respect of any Convertible Bond which shall have been called for redemption on the date fixed for redemption of such Convertible Bond;
- (b) any Convertible Bond has become due and payable prior to the Maturity Date by reason of the occurrence of any default redemption event specified under the Terms and Conditions, or any Relevant Event or the exercise of the relevant Put Option; or

(c) any Convertible Bond is not redeemed on the Maturity Date in accordance with the Terms and Conditions.

Conversion Price : HK\$5.32 per Conversion Share, subject to adjustment for, among other things, consolidation, subdivision, redesignation or reclassification of Shares, capitalisation of profits or reserves, capital distributions (as defined in the Terms and Conditions), rights issues of Shares or options over Shares at less than Current Market Price, rights issues of other securities, issues at less than Current Market Price, other issues at less than Current Market Price, modification of rights of conversion, other offers to Shareholders and other events as described in the Terms and Conditions.

The initial Conversion Price of HK\$5.32 of the Convertible Bonds represents:

- (a) a premium of approximately 32.67% to the closing price of HK\$4.01 per Share as quoted on the Stock Exchange on the last trading date prior to the date of the Subscription Agreement; and
- (b) a premium of approximately 30.65% to the average closing price of approximately HK\$4.072 per Share as quoted on the Stock Exchange for the five trading days immediately prior to the date of the Subscription Agreement.

No early redemption : Subject to the (a) Bondholder's right to exercise the Initial Term Put Option, (b) Bondholder's right to exercise the No Transfer Put Option, (c) Company's right to require redemption upon the incurrence of additional tax deduction or withholding amounts payable by the Company, (d) Bondholder's right to require redemption upon the occurrence of a Relevant Event, and (e) Bondholder's right to require redemption upon the occurrence of a default redemption event specified under the Terms and Conditions, neither the Company nor any Bondholder may redeem nor require the redemption of the Convertible Bonds prior to the Maturity Date.

Redemption

: (a) *Redemption at maturity*

Unless previously redeemed, converted or purchased and cancelled, the Company shall redeem all the Convertible Bonds then outstanding on the Maturity Date at their principal amounts, together with the accrued but unpaid interests for the period to (but excluding) the Maturity Date in respect of the Convertible Bonds.

(b) *Redemption at the exercise of the Initial Term Put Option of the Bondholder*

The Company will, at the option of a Bondholder, redeem all or some only of such Convertible Bonds held by the Bondholder on the Initial Term Put Option Date at the amount equivalent to the sum of (a) 100% of the principal amount, and (b) accrued but unpaid interest on such Convertible Bonds for the period to (but excluding) such Initial Term Put Option Date.

(c) *Redemption at the exercise of the No Transfer Put Option of the Bondholder*

In the event a Bondholder fails to obtain the Company's prior written consent to transfer any Convertible Bonds, such Bondholder may exercise the No Transfer Put Option to require the Company to redeem such Convertible Bonds at the amount equivalent to the sum of (i) the outstanding principal amount of such Convertible Bonds and (ii) such amount as would result in a simple interest rate of 10% per annum on the outstanding principal amount of such Convertible Bonds from the Issue Date up to (and including) the date of full payment of such redemption amount (taking into account all paid interest in respect of such Convertible Bonds and 1.5% of the aggregate principal amount of the Convertible Bonds as at the Issue Date) and calculated on the basis of the actual number of days elapsed in a year of 365 days.

(d) Redemption upon event of default

A Bondholder may give written notice to the Company declaring that the whole or part of the outstanding amounts in respect of the Convertible Bonds are immediately due and repayable upon the occurrence of any event of default specified under the Terms and Conditions, and the Company shall redeem such outstanding amounts of the Convertible Bonds at an amount which equals to:

- (i) their principal amount;
- (ii) unpaid default interest (if any) accrued, upon the occurrence of an event of default as specified under the Terms and Conditions, on the overdue sum payable by the Company in respect of the Convertible Bonds at a simple interest rate of 1.5% per month in accordance with the Terms and Conditions;
- (iii) unpaid default interest (if any) accrued, upon the occurrence of an event of default as specified under the Terms and Conditions (other than those provided for in (ii) above), on the outstanding principal amount of the Convertible Bonds at a simple interest rate of 1.5% per month in accordance with the Terms and Conditions; and
- (iv) such amount as would result in a simple interest rate of 1.5% per month on the outstanding principal amount of the Convertible Bonds from the Issue Date up to (and including) the date of full payment of such default redemption amount by the Company (taking into account all paid interest in respect of the Convertible Bonds and 1.5% of the aggregate principal amount of the Convertible Bonds as at the Issue Date) and calculated on the basis of the actual number of days elapsed in a year of 365 days.

(e) Redemption for Relevant Events

A Bondholder will, by giving a notice of redemption by not later than five days following a Relevant Event or (if later) a notice of the Relevant Event is given, have the right at his option to require the Company to redeem all or some only of the Convertible Bonds held by such Bondholder on the 14th day after the expiry of such five-day period as specified under the Terms and Conditions, at the amount equivalent to the sum of (i) their principal amounts; and (ii) accrued but unpaid interest for the period to (but excluding) the date on which such redemption takes place.

Each of the following events or circumstances constitutes a Relevant Event:

- (i) the suspension of trading of the Shares on the Stock Exchange for more than 20 consecutive trading days other than as a result of any force majeure event;
- (ii) the auditors of the Company being unable to prepare the audited accounts of the Company or issuing an opinion other than an unqualified opinion in respect of such audited accounts which will affect the operation of the Group as a whole; or
- (iii) Mr. Wang fails to remain to be the single largest beneficial Shareholder of the Company, the executive Director or the chairman of the Board.

(f) Redemption for taxation reasons

The Convertible Bonds may be redeemed at the option of the Company in whole, but not in part, at any time, on giving notice to the Bondholders (which notice shall be irrevocable) in accordance with the Terms and Conditions on the date specified in the notice, at the amount equivalent to the sum of (i) the principal amount of such Convertible Bonds, and (ii) accrued but unpaid interest on such Convertible Bonds for the period to (but excluding) the date of such redemption, if the Company provides evidence to the Bondholder(s) immediately prior to the giving of such notice that (i) the Company has or will become obliged to pay, among others, additional tax deduction or withholding amounts as a result of any changes in, or amendment to, the laws or regulations of the Cayman Islands, Hong Kong or the PRC or any change in the general application or official interpretation of such laws or regulations which become effective on or after 31 July 2022 as provided in the Terms and Conditions, and (ii) such obligation cannot be avoided by the Company taking reasonable measures available to it, subject to the Terms and Conditions.

Cancellation : All Convertible Bonds which are redeemed or converted shall forthwith be cancelled.

GENERAL MANDATE

At the 2022 AGM, the General Mandate was granted to the Directors, pursuant to which the Directors are authorised to allot and issue such Shares of not exceeding 20% of the aggregate number of issued Shares as at the date of the 2022 AGM, being a maximum of 423,519,331 Shares. As at the date of this announcement, the General Mandate has not been utilised.

Assuming there is no further issue or repurchase of the Shares and there is no adjustment to the initial Conversion Price, upon the full conversion of the Convertible Bonds, a total of approximately 21,992,481 Conversion Shares will be issued, which represent approximately 1.04% of the issued share capital of the Company as at the date of the 2022 AGM.

Accordingly, the issue of the Convertible Bonds and the allotment and issue of the Conversion Shares (upon the conversion of the Convertible Bonds) are not subject to the Shareholders' approval.

REASONS FOR ISSUING THE CONVERTIBLE BONDS

The Investor's interest in making an investment into the Group reflects its confidence in the Group's business and growth potential. The Directors (including the independent non-executive Directors) are of the view that the raising of funds by the issue of the Convertible Bonds will enhance the Group's capital structure and liquidity and to finance the Group's future development.

The Directors (including the independent non-executive Directors) consider that the terms, including the Conversion Price, of the Subscription Agreement and the transactions contemplated thereunder, which were arrived at after arm's length negotiations between the Company and the Investor, are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

USE OF PROCEEDS

The estimated net proceeds to the Company from the issue of the Convertible Bonds, assuming the conversion of the Convertible Bonds into the Conversion Shares in full at the initial Conversion Price and after deduction of the initial Handling Fee and Investor expenses payable by the Company in connection with the issue of the Convertible Bonds, will be approximately HK\$113.24 million.

The Company intends to use the net proceeds from the issue of the Convertible Bonds for investments and/or general working capital purposes.

INFORMATION OF THE PARTIES

The Group is a global leader in Software-as-a-Service for digital assets content protection and monetization. Its comprehensive SaaS platforms are widely used by movie studios, television networks, record labels and other premium content owners, enabling effective copyright protection for rights holders and accelerating their revenue growth in digital economy. The Group has global operations across continents in America, Asia, Australia and Europe.

The Investor is an investment company incorporated in Hong Kong with limited liability. It is a wholly-owned subsidiary of Lucion International Financial Limited ("**Lucion International**"), a limited liability company incorporated in Hong Kong.

Lucion International is a financial holding company. It is wholly-owned by Shandong Lucion Investment Holdings Group Co., Ltd. (山東省魯信投資控股集團有限公司) (the Lucion Group), an important investment and financing entity and asset management platform in Shandong province, the PRC.

The Company confirms that, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Investor and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined under the Listing Rules).

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS PERIOD

There has not been any fund raising activity involving the issue of equity securities of the Company in the 12 months preceding the date of this announcement.

EFFECT ON SHAREHOLDING STRUCTURE

Assuming there is no further issue or repurchase of the Shares, based on the initial Conversion Price of the Convertible Bonds and assuming full conversion of the Convertible Bonds at their initial Conversion Price, the Convertible Bonds will be convertible into 21,992,481 Shares, representing (a) approximately 1.04% of the issued share capital of the Company as at the date of this announcement and (b) approximately 1.03% of the issued share capital of the Company as enlarged by the allotment and issue of the 21,992,481 Conversion Shares (assuming that there is no change in the issued share capital of the Company from the date of this announcement to the completion of the conversion of the Convertible Bonds in full at the initial Conversion Price).

The following table sets out, for illustrative purpose only, (a) the existing shareholding structure of the Company; and (b) the shareholding structure immediately after the issue of the Convertible Bonds and assuming full conversion of the Convertible Bonds into Conversion Shares at the initial Conversion Price.

	As at the date of this announcement		Immediately after Completion ⁽³⁾	
	No. of Shares	Approximate percentage of issued share capital	No. of Shares	Approximate percentage of issued share capital
Mr. Wang ⁽¹⁾	271,961,920	12.84%	271,961,920	12.71%
Mr. Wargo	91,204,521	4.31%	91,204,521	4.26%
Mr. Wong	2,523,165	0.12%	2,523,165	0.12%
Mr. Matsuzawa ⁽²⁾	178,571	0.01%	178,571	0.01%
Mr. Chu	123,165	0.01%	123,165	0.01%
Mr. Eesley	123,165	0.01%	123,165	0.01%
Mr. Kwan	79,165	0.00%	79,165	0.00%
The Investor	—	—	21,992,481	1.03%
Other public Shareholders	<u>1,751,402,984</u>	<u>82.70%</u>	<u>1,751,402,984</u>	<u>81.85%</u>
Total issued Shares	<u><u>2,117,596,656</u></u>	<u><u>100%</u></u>	<u><u>2,139,589,137</u></u>	<u><u>100%</u></u>

(1) Mr. Wang is a settlor, a trustee and a beneficiary of the JYW Trust. Mr. Wang and the JYW Trust are the settlors and Mr. Wang is the trustee and beneficiary of the YBW Trust. Mr. Wang is interested in 31,200,000 Shares beneficially owned by him, 208,761,920 Shares held by him in his capacity as trustee and beneficiary of the JYW Trust, 32,000,000 Shares in his capacity as trustee and beneficiary of the YBW Trust, 32,000,000 Shares which may be issued pursuant to the exercise of options granted under the Pre-IPO Share Option Scheme and 112,000,000 Shares which may be issued pursuant to the exercise of options granted under the Post-IPO Share Option Scheme.

(2) Mr. Matsuzawa is interested in 178,571 Shares beneficially owned by him and 10,000,000 Shares which may be issued pursuant to the exercise of options granted under the Post-IPO Share Option Scheme.

(3) This assumes full conversion by the Investor at the initial Conversion Price of the Convertible Bonds.

APPLICATION FOR LISTING

No listing of the Convertible Bonds will be sought in any jurisdiction.

An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.

GENERAL

Completion of the Subscription Agreement is subject to fulfilment and/or waiver of the Conditions and the Subscription Agreement not being terminated in accordance with its terms. Accordingly, the issue of the Convertible Bonds may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

“2022 AGM”	the annual general meeting of the Company held on 30 June 2022
“Board”	the board of directors of the Company
“Bondholder”	a registered holder of the Convertible Bonds
“Business Day”	means a day, other than a Saturday, Sunday or public holiday, on which banks are open for general business in (unless otherwise stated) Hong Kong (other than a day on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted or remains hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.)
“Company”	Vobile Group Limited (阜博集團有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Completion”	the completion of the issue of the Convertible Bonds in accordance with the Subscription Agreement
“Completion Date”	The fifth Business Day after the last Condition (other than any Condition which is expressed to be assessed or fulfilled on or as at the Completion Date, but subject to the fulfillment, or waiver, of such Condition) is fulfilled or waived in accordance with the Subscription Agreement, or such other date as the Company and the Investor may agree in writing

“Condition(s)”	the condition(s) precedent to Completion as more particularly set out under the section headed “The Subscription Agreement — Conditions Precedent” in this announcement
“connected person”	has the meaning ascribed to it under the Listing Rules
“Convertible Bonds”	the 4% unsecured convertible bonds due 2025 in the principal amount of HK\$117,000,000 to be issued by the Company and convertible into the Conversion Shares
“Conversion Date”	means, in relation to the Convertible Bonds, the date with effect from which the Convertible Bonds are converted into the Shares in accordance with the Terms and Conditions
“Conversion Period”	the period commencing from one year after the Issue Date and expiring on the close of business on the earlier of: (a) the date which falls five Business Days prior to the Maturity Date; and (b) if such Convertible Bonds shall have been called for redemption prior to the Maturity Date, the date which falls five Business Days prior to the date fixed for the redemption of such Convertible Bonds
“Conversion Price”	the conversion price of the Convertible Bonds, initially being HK\$5.32 per Conversion Share (subject to adjustment in accordance with the Terms and Conditions)
“Conversion Shares”	the Shares to be allotted and issued by the Company upon the exercise of the conversion right attaching to the Convertible Bonds by the Bondholders in accordance with the Terms and Conditions
“Current Market Price”	in respect of a Share on a particular date, the average of the closing prices published in the Daily Quotation Sheets published by the Stock Exchange for one Share for the 30 consecutive trading days ending on the trading day immediately preceding such date
“Director(s)”	the director(s) of the Company
“Facility Agreements”	means (a) the Senior Facility Agreement and (b) the Mezzanine Facility Agreement
“General Mandate”	the general mandate granted by the Shareholders to the Directors at the 2022 AGM, under which up to a total of 423,519,331 Shares (being up to 20% of the total issued share capital of the Company as at the date of the passing of the relevant resolution, being 30 June 2022), can be allotted, issued and dealt with by the Directors

“Group”	the Company and its subsidiaries from time to time
“Handling Fee”	has the meaning ascribed to it in the section headed “Principal Terms of the Convertible Bonds — Handling fee” in this announcement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HSBC”	The Hongkong and Shanghai Banking Corporation Limited
“Initial Term Put Option”	the option entitling a Bondholder to require the Company to redeem all or some only of such Bondholder’s Convertible Bonds on the Initial Term Put Option Date in accordance with the Terms and Conditions
“Initial Term Put Option Date”	the date falling on the second anniversary after the Issue Date, on which the Company redeems a Bondholder’s Convertible Bonds the subject of the exercise of the Initial Term Put Option by such Bondholder in accordance with the Terms and Conditions
“Investor”	Lucion International Investment Limited (魯信國際投資有限公司), a company incorporated under the laws of Hong Kong with limited liability
“Issue Date”	the date of issue of the Convertible Bonds
“Issue Price”	has the meaning ascribed to it in the section headed “Principal Terms of the Convertible Bonds — Issue Price” in this announcement
“JYW Trust”	the JYW Family Living Trust dated 17 October 2014
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	28 October 2022, or any other date as agreed in writing between the Investor and the Company
“Maturity Date”	has the meaning ascribed to it in the section headed “Principal Terms of the Convertible Bonds — Maturity Date” in this announcement
“Mezzanine Facility Agreement”	means the mezzanine facility agreement dated 2 April 2022 between, among others Vobile Group (HK) as borrower, the Company as parent and certain of its subsidiaries, HSBC as arranger and HSBC as agent, as amended by the amendment letter dated 11 May 2022 between Vobile Group (HK) as borrower and obligors’ agent and HSBC as agent

“Mr. Chu”	Mr. Alfred Tsai CHU
“Mr. Eesley”	Mr. Charles Eric EESLEY
“Mr. Kwan”	Mr. KWAN Ngai Kit
“Mr. Matsuzawa”	Mr. MATSUZAWA Masaaki
“Mr. Wang”	Mr. Yangbin Bernard WANG
“Mr. Wargo”	Mr. J David WARGO
“Mr. Wong”	Mr. WONG Wai Kwan
“No Transfer Put Option”	the option entitling a Bondholder to require the Company to redeem all relevant Convertible Bonds for which such Bondholder fails to obtain the Company’s prior written consent to the transfer of any Convertible Bonds in accordance with the Terms and Conditions
“PRC”	The People’s Republic of China
“Pre-IPO Share Option Scheme”	the share option scheme of the Company adopted on 30 December 2016
“Post-IPO Share Option Scheme”	the post-IPO share option scheme of the Company adopted on 8 December 2017
“Put Option”	means “Initial Term Put Option” and “No Transfer Put Option”
“Relevant Event”	has the meaning ascribed to it in the section headed “Principal Terms of the Convertible Bonds — Redemption — (e) Redemption for Relevant Events” in this announcement
“Senior Facility Agreement”	means the senior facility agreement dated 2 April 2022 between, among others, Vobile Group (HK) as borrower, the Company as parent and certain of its subsidiaries, HSBC as arranger and HSBC as agent, as amended by the amendment letter dated 11 May 2022 between Vobile Group (HK) as the borrower and obligors’ agent and HSBC as agent
“Shareholder(s)”	holders of the Shares
“Share(s)”	the ordinary share(s) of a par value of US\$0.000025 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subscription Agreement”	the subscription agreement dated 31 July 2022 entered into between the Company and the Investor in relation to the subscription and the issue of the Convertible Bonds
“Terms and Conditions”	the terms and conditions of the Convertible Bonds
“Transaction Documents”	the forms of Convertible Bonds and the Subscription Agreement and any other documents relating to the transactions contemplated therein which may be entered into from time to time
“US\$”	United States dollar, the lawful currency of the United States of America
“Vobile Group (HK)”	Vobile Group (HK) Limited (阜博集團(香港)有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“YBW Trust”	the YBW 2016 Annuity Trust dated 16 December 2016
“%”	per cent

By Order of the Board
Vobile Group Limited
Yangbin Bernard WANG
Chairman

Hong Kong, 1 August 2022

As at the date of this announcement, the Board comprises Mr. Yangbin Bernard WANG and Mr. MATSUZAWA Masaaki as executive Directors; Mr. CHAN Ching Yan Daniel, Mr. J David WARGO and Mr. WONG Wai Kwan as non-executive Directors; and Mr. Alfred Tsai CHU, Mr. Charles Eric EESLEY and Mr. KWAN Ngai Kit as independent non-executive Directors.