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**NOIZ GROUP LIMITED**

**聲揚集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8163)**

**CONNECTED TRANSACTION –  
PROPOSED ISSUE OF PERPETUAL CONVERTIBLE SECURITIES  
UNDER SPECIFIC MANDATE**

**Financial Adviser to the Company**



**PROPOSED ISSUE OF PERPETUAL CONVERTIBLE SECURITIES  
UNDER SPECIFIC MANDATE**

On 10 October 2024 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Company conditionally agrees to issue and the Subscriber conditionally agrees to subscribe for the Convertible Securities in the principal amount of HK\$101,000,000 and pay the Subscription Price by setting off against the outstanding principal amounts of the First 2025 August CB and Second 2025 August CB held by the Subscriber at Completion. As at the date of this announcement, the outstanding principal amounts of the First 2025 August CB is HK\$91,000,000 and the Second 2025 August CB is HK\$10,000,000 respectively.

The Conversion Shares will be allotted and issued under the Specific Mandate to be sought for approval from the Independent Shareholders at the EGM. The Subscription is conditional upon the Stock Exchange granting the Company the approval for the listing of, and the permission to deal in, the Conversion Shares and the passing of necessary resolution(s) by the Independent Shareholders at the EGM to approve the Subscription Agreement and the transactions contemplated thereunder.

## **GEM LISTING RULES IMPLICATIONS**

The Subscriber, is wholly and ultimately owned by Mr. Wong, being the Chairman, an executive Director and the chief executive officer of the Company, is beneficially interested in 174,421,666 Shares, representing approximately 28.86% of the issued share capital of the Company, is a connected person of the Company under Chapter 20 of the GEM Listing Rules. Accordingly, the Subscription constitutes a connected transaction on the part of the Company and is subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules. In addition, the Convertible Securities and the Conversion Shares will be issued under the Specific Mandate which is subject to Independent Shareholders' approval at the EGM. The EGM will be convened and held for the purposes of considering of, and if thought fit, approving, among other things, the Subscription, and the Specific Mandate to allot and issue the Conversion Shares.

Mr. Wong has abstained from voting on the resolutions in relation to Subscription Agreement proposed to the Board. Save as disclosed above, none of the Directors attended the Board meeting has a material interest in the Subscription.

## **GENERAL**

An Independent Board Committee comprising all the independent non-executive Directors has been established to consider, and to advise the Independent Shareholders regarding the Subscription and the transactions contemplated thereunder, and as to whether the Subscription is on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. An Independent Financial Adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in this regard. An EGM will be convened and held for the Independent Shareholders to consider and, if thought fit, to approve by way of poll, among other matters, the Subscription Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate for the allotment and issue of the Conversion Shares). The Subscriber and its associates, being interested in the transactions contemplated under the Subscription Agreement, shall abstain from voting for the resolution to approve the Subscription Agreement and the transactions contemplated thereunder at the EGM.

A circular containing, among others, (i) further details of the Subscription Agreement and the transactions contemplated thereunder, including the issue of the Convertible Securities and the Conversion Shares under the Specific Mandate; (ii) a letter of recommendations from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from an Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Subscription Agreement; and (iv) a notice convening the EGM will be despatched by the Company to the Shareholders on or before 8 November 2024 so as to allow sufficient time for preparation of the relevant information for inclusion in the circular.

**The Completion of the Subscription are subject to the fulfillment of the conditions precedent as set out in this announcement. As the Subscription may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company. If they are in any doubt, they should consult their professional advisers.**

## **BACKGROUND OF THE 2025 AUGUST CBS**

### **First 2025 August CB**

As at the date of this announcement and immediately before the entering into of the Subscription Agreement, the outstanding principal amount of the First 2025 August CB is HK\$91,000,000 and is held by the Subscriber. The maturity date of the First 2025 August CB is 31 August 2025 with a conversion price of HK\$0.186 per conversion share.

### **Second 2025 August CB**

As at the date of this announcement and immediately before the entering into of the Subscription Agreement, the outstanding principal amount of the Second 2025 August CB is HK\$10,000,000 and is held by the Subscriber. The maturity date of the Second 2025 August CB is 31 August 2025 with a conversion price of HK\$0.108 per conversion share.

## **PROPOSED ISSUE OF PERPETUAL CONVERTIBLE SECURITIES UNDER SPECIFIC MANDATE**

On 10 October 2024 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Company conditionally agrees to issue and the Subscriber conditionally agrees to subscribe for the Convertible Securities in the principal amount of HK\$101,000,000 and pay the Subscription Price by setting off against the outstanding principal amounts of the First 2025 August CB and Second 2025 August CB held by the Subscriber at Completion. As at the date of this announcement, the outstanding principal amounts of the First 2025 August CB is HK\$91,000,000 and Second 2025 August CB is HK\$10,000,000 respectively.

## THE SUBSCRIPTION AGREEMENT

Set out below are the principal terms of the Subscription Agreement:

Date : 10 October 2024 (after trading hours)

Parties : (i) the Company as issuer, and

(ii) the Subscriber.

The Subscriber, is wholly and ultimately owned by Mr. Wong, being the Chairman, an executive Director and the chief executive officer of the Company, is beneficially interested in 174,421,666 Shares, representing approximately 28.86% of the issued share capital of the Company, is a connected person of the Company under Chapter 20 of the GEM Listing Rules.

Subscription Price : HK\$101,000,000

The Subscription Price shall be set off against the aggregate outstanding principal amount of HK\$101,000,000 at Completion, comprising HK\$91,000,000 under the First 2025 August CB and HK\$10,000,000 under the Second 2025 August CB held by the Subscriber.

### Conditions precedent of the Subscription Agreement

The Subscription is conditional upon:

- (i) the passing by the Independent Shareholders of relevant resolution(s) at the EGM in compliance with the requirements of the GEM Listing Rules approving:
  - (a) the Subscription Agreement and the transactions contemplated hereunder; and
  - (b) the issue of the Convertible Securities and the Specific Mandate for the allotment and issue of the Conversion Shares to holder(s) of the Convertible Securities in accordance with the terms and conditions of the Convertible Securities;
- (ii) all necessary consents and approvals required to be obtained on the part of the Company in respect of the Subscription Agreement and the transactions contemplated hereunder having been obtained;

- (iii) all necessary consents and approvals required to be obtained on the part of the Subscriber in respect of the Subscription Agreement and the transactions contemplated hereunder having been obtained;
- (iv) the GEM Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Conversion Shares to be allotted and issued upon exercise of the conversion rights attached to the Convertible Securities;
- (v) none of the warranties given by the Company under the Subscription Agreement having been breached in any material respect (or, if capable of being remedied, has not been remedied), or is misleading or untrue in any material respect; and
- (vi) none of the warranties given by the Subscriber under the Subscription Agreement having been breached in any material respect (or, if capable of being remedied, has not been remedied), or is misleading or untrue in any material respect.

In the event that the conditions of the Subscription are not fulfilled on or before 31 December 2024 or such other date as may be agreed between the parties to the Subscription Agreement, the Subscription Agreement shall cease and terminate and neither the Company nor the Subscriber shall have any obligations and liabilities under the Subscription Agreement.

### **Completion**

The Subscription Agreement shall complete within three (3) Business Days after the day on which the conditions set out above are fulfilled or, as the case may be, waived (or such later date as may be agreed between the Company and the Subscriber in writing). Upon Completion, the outstanding principal amount of the 2025 August CBs held by the Subscriber will be set-off against the Subscription Price in full, and the obligation and liability of the Company to the Subscriber under the 2025 August CBs will be extinguished.

### **Principal terms of the Convertible Securities**

Principal terms of the Convertible Securities are arrived at after arm's length negotiations between the Company and the Subscriber and are summarised as follows:

Issuer	:	The Company
Form	:	The Convertible Securities will be allotted and issued in registered form
Principal amount	:	HK\$101,000,000
Issue price	:	100% of the principal amount of the Convertible Securities

Maturity date : there is no maturity date

Distribution : The Convertible Securities confers a right to receive distribution(s) (the “**Distribution**”) accruing from 1 September 2025 on the principal amount of the Convertible Securities outstanding, which subject as provided herein, will be payable by the Company annually in arrears with payment to be made on 31 August of each year (each a “**Distribution Payment Date**”).

If a Distribution Payment Date would otherwise fall on a day which is not a Business Day it shall be postponed to the next day which is a Business Day. Distribution on the principal amount of the Convertible Securities shall be calculated on a 365-day year basis.

Rate of Distribution : 3% per annum of any outstanding principal amount of Convertible Securities (the “**Rate of Distribution**”). Such distribution shall be calculated on the actual number of days elapsed and on the basis of a 365-day year.

Optional deferral of Distributions : The Company may, at its sole discretion, elect to defer in whole or in part of any Distribution (the “**Deferred Distribution**”) which is otherwise scheduled to be paid on a Distribution Payment Date to the next Distribution Payment Date by giving notice to the Subscriber not less than five (5) Business Days prior to the relevant Distribution Payment Date. The numbers of Distribution and deferral of Distributions are not subject to any limitation.

If there is any Deferred Distribution outstanding, the Company shall not:

- a) declare or pay any discretionary dividends or distributions or make any other payment, and will procure that no dividend, distribution or other payment is made, on any Shares of the Company; or

- b) at its discretion repurchase, redeem or otherwise acquire for any consideration any Shares prior to its stated maturity of the Company, unless and until the Company has satisfied in full all outstanding arrears of the Deferred Distribution.

Conversion Price : HK\$0.10 per Conversion Share, subject to adjustments

Adjustment events : The Conversion Price shall from time to time be subject to adjustment upon occurrence of certain events:

**(a) Consolidation or sub-division of the Shares**

If and whenever the Shares by reason of any consolidation or sub-division become of a different nominal amount, the Conversion Price in force immediately prior thereto shall be adjusted by multiplying the Conversion Price in force immediately prior to such alteration by the following fraction:

$$\frac{A}{B}$$

where:

A is the nominal amount of one Share immediately after such alteration; and B is the nominal amount of one Share immediately before such alteration.

Each such adjustment shall be effective from the close of business in Hong Kong on the day immediately preceding the date on which the consolidation or sub-division becomes effective.

**(b) Capitalisation of profits or reserves**

If and whenever the Company shall issue (other than in lieu of the whole or part of a cash dividend and other than issue that would amount to a capital distribution) any Shares credited as fully paid to the Shareholders by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve fund), the Conversion Price in force immediately prior to such issue shall be adjusted by multiplying it by the following fraction:

$$\frac{A}{A + B}$$

where:

A = the aggregate nominal amount of the issued Shares immediately before such issue; and

B = the aggregate nominal amount of the Shares issued in such capitalisation.

Each such adjustment shall be effective (if appropriate retroactively) from the commencement of the day following the record date for such issue.

**(c) Capital distribution**

If and whenever the Company shall make any capital distribution to the Shareholders (in their capacity as such) (whether on a reduction of capital or otherwise) or shall grant to such holders right(s) to acquire for cash assets of the Company or any of its subsidiaries, the Conversion Price in force immediately prior to such distribution or grant shall be adjusted by multiplying it by the following fraction:

$$\frac{A - B}{A}$$



where:

A = the market price on the date on which the capital distribution or, as the case may be, the grant is publicly announced or (failing any such announcement) the next preceding day of the capital distribution or, as the case may be, of the grant; and

B = the fair market value on the day of such announcement or (as the case may require) the next preceding day, as determined in good faith by the independent auditors, of the portion of the capital distribution or of such rights which is attributable to one Share. For avoidance of doubt, if the capital distribution is distributions in cash the fair market value shall be the cash value and determination by the independent auditors is not required.

Provided that (aa) if in the opinion of an independent auditors, the use of the fair market value as aforesaid produces a result which is significantly inequitable, such independent auditors may instead determine (and in such event the above formula shall be construed as if B meant) the amount of the said market price which should properly be attributed to the value of the capital distribution or rights; and (bb) the provisions of this paragraph (c) shall not apply in relation to the issue of Shares paid out of profits or reserves and issued in lieu of a cash dividend.

Each such adjustment shall be effective (if appropriate retroactively) from the commencement of the day following the record date for the capital distribution or grant.

**(d) Issue of Shares for subscription by way of rights**

If and whenever the Company shall offer to Shareholders new Shares for subscription by way of rights, or shall grant to Shareholders any options or warrants to subscribe for new Shares, at a price which is less than 80% of the market price on the date of the announcement of the terms of the offer or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the date of the announcement of such offer or grant by the following fraction:

$$\frac{A + B}{A + C}$$

A = the number of Shares in issue immediately before the date of such announcement;

B = the number of Shares which the aggregate of the amount (if any) payable for the rights, options or warrants and of the amount payable for the total number of new Shares comprised therein would purchase at such market price per Share; and

C = the aggregate number of Shares offered for subscription or comprised in the options or warrants.

Such adjustment shall be effective (if appropriate retroactively) from the commencement of the day next following the record date for the offer or grant.

Provided however that no such adjustment shall be made if the Company shall make a like offer or grant (as the case may be) at the same time to the holder(s) of the Convertible Securities (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong) as if they had exercised the conversion rights under the Convertible Securities registered in their holders of the Convertible Securities out of the total principal amount of the Convertible Securities outstanding at the time of the proposed redemption.

**(e) (aa) *Issue of convertible or exchangeable securities***

If and whenever the Company shall issue wholly for cash any securities convertible into or exchangeable for or carry rights of subscription for new Shares, and the total Effective Consideration per Share (as defined in this paragraph (e) below) initially receivable for such securities is less than 80% of the market price on the date of the announcement of the terms of issue of such securities, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the issue by the following fraction:

$$\frac{A + B}{A + C}$$

A = the number of Shares in issue immediately before the date of the issue;

B = the number of Shares which the total Effective Consideration receivable for the securities issued would purchase at such market price per Share; and

C = the number of Shares to be issued upon conversion or exchange of, or the exercise of the subscription rights conferred by, such securities at the initial conversion or exchange rate or subscription price.

Such adjustment shall become effective (if appropriate retroactively) from the close of business in Hong Kong on the Business Day next preceding whichever is the earlier of the date on which the issue is announced and the date on which the Company determines the conversion or exchange rate or subscription price.

***(bb) Modification of rights of convertible or exchangeable securities***

If and whenever the rights of conversion or exchange or subscription attached to any such securities as are mentioned in section (aa) of this paragraph (e) are modified so that the total Effective Consideration per Share (as defined below) initially receivable for such securities shall be less than 80% of the market price on the date of announcement of the proposal to modify such rights of conversion or exchange or subscription, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such modification by the following fraction:

$$\frac{A + B}{A + C}$$

A = the number of Shares in issue immediately before the date of such modification;

B = the number of Shares which the total Effective Consideration receivable for the securities issued at the modified conversion or exchange price would purchase at such market price; and

C = the number of Shares to be issued upon conversion or exchange of or the exercise of the subscription rights conferred by such securities at the modified conversion or exchange rate or subscription price.

Such adjustment shall become effective as at the date upon which such modification shall take effect. A right of conversion or exchange or subscription shall not be treated as modified for the foregoing purposes where it is adjusted to take account of rights or capitalisation issues and other events normally giving rise to adjustment of the Conversion Price provided that corresponding adjustment has already been made to the Conversion Price in respect of such an event.

For the purposes of this paragraph (e), the “**total Effective Consideration**” receivable for the securities issued shall be deemed to be the consideration receivable by the Company for any such securities plus the additional minimum consideration (if any) to be received by the Company upon (and assuming) the conversion or exchange thereof or the exercise of such subscription rights, and the total Effective Consideration per Share initially receivable for such securities shall be such aggregate consideration divided by the number of Shares to be issued upon (and assuming) such conversion or exchange at the initial conversion or exchange rate or the exercise of such subscription rights at the initial subscription price, in each case without any deduction for any commissions, discounts or expenses paid, allowed or incurred in connection with the issue.

***(f) Issue of Shares being made wholly for cash at a price less than 80% of the market price per Share***

If and whenever the Company shall issue wholly for cash any Shares at a price per Share which is less than 80% of the market price on the date of the announcement of the terms of such issue, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the date of such announcement by the following fraction:

$$\frac{A + B}{A + C}$$

A = the number of Shares in issue immediately before the date of such announcement;

B = the number of Shares which the aggregate amount payable for the issue would purchase at such market price; and

C = the number of Shares so issued.

Such adjustment shall become effective on the date of the issue.

(g) If and whenever the Company shall issue Shares for the acquisition of asset at a total Effective Consideration per Share (as defined in this paragraph (g) below) which is less than 80% of the market price at the date of the announcement of the terms of such issue, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the date of such announcement by the following fraction:

$$\frac{A + B}{A + C}$$

where:

A = the number of Shares in issue immediately before the date of such announcement;

B = the number of Shares which the total Effective Consideration receivable for the securities issued would purchase at such market price per Share; and

C = the number of Shares so issued.

For the purpose of this paragraph (g) “**total Effective Consideration**” shall be the aggregate consideration credited as being paid for such Shares by the Company on acquisition of the relevant asset without any deduction of any commissions, discounts or expenses paid, allowed or incurred in connection with the issue thereof, and the “**total Effective Consideration per Share**” shall be the total Effective Consideration divided by the number of Shares issued as aforesaid.

- Conversion Shares : 1,010,000,000 Conversion Shares will be allotted and issued by the Company upon full conversion of the Convertible Securities at the initial Conversion Price.
- Conversion period : Conversion of the Convertible Securities into Conversion Shares may take place at any time after the date of issuance of the Convertible Securities, subject to the relevant terms as provided in the terms of the Convertible Securities.
- Restrictions on Conversion : The holder(s) of the Convertible Securities shall, subject to compliance with the procedures set out in the terms and conditions thereunder, have the right at any time during the conversion period to convert the whole or part of the outstanding principal amount of the Convertible Securities registered in its name into the Conversion Shares provided further that (i) any conversion shall be made in amounts of not less than a whole multiple of HK\$100,000 on each conversion save that if at any time the aggregate outstanding principal amount of the Convertible Securities is less than HK\$100,000, the whole (but not part only) of the outstanding principal amount of the Convertible Securities may be converted; and (ii) the exercise of the conversion right attached to the Convertible Securities will not cause the Company to be unable to meet the public float requirement under the GEM Listing Rules.
- In the event the holder(s) of the Convertible Securities convert the Convertible Securities to the extent that immediately after such conversion the holder(s) of the Convertible Securities together with parties acting in concert with it will, in aggregate, control or be interested in 30% or such percentage of the voting rights of the Company which the holder(s) of the Convertible Securities would be obliged to make a general offer under the Takeovers Code, the holder(s) of the Convertible Securities together with parties acting in concert with it shall comply with the requirement of the Takeovers Code in accordance to the Takeovers Code.
- No fixed Redemption Date : The Convertible Securities are perpetual securities in respect of which there is no fixed redemption date.

- Optional Redemption at the option of the Company : The Company shall be entitled at its sole discretion, by giving not less than seven (7) days' notice to the holder(s) of the Convertible Securities, propose to the holder(s) to redeem the outstanding Convertible Securities (in multiples of HK\$100,000 or such lesser amount as may represent the entire principal amount thereof) an amount equivalent to 100% of the principal amount of such outstanding Convertible Securities at any time after the date of issue of the Convertible Securities. The Company shall pay to the holder(s) of the Convertible Securities all Distribution and Deferred Distribution accrued on such amount of the outstanding Convertible Securities to be redeemed at the time of redemption.
- Redemption at the occurrence of an event of default : holder(s) of the Convertible Securities shall be entitled at his sole discretion, by giving notice to the Company requiring the Company to redeem the outstanding Convertible Securities held by such holder(s) of the Convertible Securities and pay to holder(s) of the Convertible Securities all Distribution and Deferred Distribution accrued on the outstanding Convertible Securities forthwith upon the occurrence of any of the following event of default:
- (a) any breach by the Company of the terms and conditions of the Convertible Securities, and such breach continues to exist fourteen (14) Business Days after the holder(s) of the Convertible Securities having issued a notice to the Company to request for remedial measures;
  - (b) any court order having been made demanding the Company to cease operations or dissolve;
  - (c) all or substantially all of the assets or businesses of the Group having been taken over by the receiver;
  - (d) any enforcement or seizure measures having been taken, enforced, or applied to be taken against substantially all of the property of the Group, and such measures have not been released within ten (10) days;



- (e) any litigations having been commenced against the Company pursuant to any applicable bankruptcy, restructuring or insolvency laws, and such litigation proceedings have not been withdrawn or terminated within forty-five (45) days after their commencement; and
- (f) the Shares having been suspended from trading on GEM of the Stock Exchange for more than five trading days (save for suspensions pending release of inside information or clearance of announcement(s) by the regulatory authority(ies)), or the listing status of the Shares having been withdrawn.

For the avoidance of doubt, except as provided above, holder(s) of the Convertible Securities shall have no right to request the Company to redeem the Convertible Securities.

- Voting rights : The holder(s) of Convertible Securities will not be entitled to receive notice of, attend or vote at general meetings of the Company by reason only of it being a Convertible Securities holder.
- Transferability : Subject to compliance with the GEM Listing Rules, the Convertible Securities may be transferred or assigned in whole or in part in integral multiples of HK\$100,000 by the holder(s) of the Convertible Securities to any party, save and except that the Convertible Securities shall not be transferred to a connected person of the Company unless with the prior written consent of the Company.
- Ranking : The Conversion Shares, when allotted and issued, shall rank *pari passu* in all respects with the Shares in issue on the relevant conversion date including the right to all dividends or other distributions, paid or made on or after the relevant conversion date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date thereof shall be on or before the relevant conversion date.

- Listing : No application will be made by the Company for the listing of the Convertible Securities on the Stock Exchange. Application will be made by the Company to the GEM Listing Committee for the listing of, and permission to deal in, the Conversion Shares.
- Security : The obligations of the Company under the Convertible Securities are unsecured.

Based on the Conversion Price of HK\$0.10 per Conversion Share, a maximum number of 1,010,000,000 Conversion Shares will be allotted and issued upon exercise of the conversion rights attaching to the Convertible Securities in full, which represent: (i) approximately 167.11% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 62.56% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares upon the exercise of the conversion rights attaching to the Convertible Securities in full.

The maximum aggregate nominal value of the Conversion Shares is HK\$101,000,000.

### **Conversion Price**

The Conversion Price of HK\$0.10 per Conversion Share represents:

- (a) a premium of 25.00% over the closing price of HK\$0.08 per Share as quoted on the Stock Exchange on the date of the Subscription Agreement; and
- (b) a premium of approximately 17.65% over the average closing prices of HK\$0.085 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Subscription Agreement.

The net Conversion Price, after deduction of relevant expenses, is approximately HK\$0.099 per Conversion Share.

The Conversion Price was arrived at after arm's length negotiations between the Company and the Subscriber, taking into account of, among others, the recent trading performance of the Shares and the financial position of the Group. The Directors (excluding the members of the Independent Board Committee whose views are to be included in the circular to be despatched by the Company, after being advised by an Independent Financial Adviser) consider that the Conversion Price and the terms and conditions of the Subscription Agreement and the Convertible Securities are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## Mandate to issue the Conversion Shares

The Conversion Shares will be allotted and issued pursuant to the Specific Mandate to be sought for approval from the Shareholders at the EGM.

## Application for listing

Application will be made by the Company to the GEM Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares. No application will be made for listing of, or permission to deal in, the Convertible Bonds on the Stock Exchange or any other stock exchange.

## EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon full conversion of the Convertible Securities at the Conversion Price of HK\$0.10 (assuming that there are no other changes to the shareholding structure of the Company from the date of this announcement up to the full conversion of the Convertible Securities) are as follows:

	(i) As at the date of this announcement		(ii) Immediately upon full conversion of the Convertible Securities at the initial Conversion Price of HK\$0.10	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
The Subscriber <sup>(Note 1)</sup>	174,421,666	28.86	1,184,421,666	73.37
Mr. Ann, Yu Chiu Andy <sup>(Note 2)</sup>	19,999,999	3.31	19,999,999	1.24
Other public Shareholders	409,973,947	67.83	409,973,947	25.39
<b>Total</b>	<b><u>604,395,612</u></b>	<b><u>100.00</u></b>	<b><u>1,614,395,612</u></b>	<b><u>100.00</u></b>

### Notes:

1. The Subscriber, being Team Sunny is owned as to 100% by Mr. Wong, whose is deemed to be interested in 174,421,666 Shares pursuant to the Part XV of the SFO.
2. Mr. Ann, Yu Chiu Andy is the director of NOIZChain Limited (a wholly-owned subsidiary of the Company) and is personally interested in 19,999,999 Shares.

## **FUND RAISING DURING THE PAST TWELVE MONTHS**

The Company has not conducted any equity fund raising exercises in the past twelve months immediately preceding the date of this announcement.

## **INFORMATION OF THE GROUP**

The Company is an investment holding company. As at the date of this announcement, the Group is principally engaged in (i) financial services business including provision of corporate finance advisory services, asset management and advising on securities business and money lending services; (ii) corporate consulting business including company secretarial services, accounting and financial reporting services and management consulting services; and (iii) digital business that leverages blockchain, artificial intelligence, and immersive interaction technologies to create value and protection to individuals, creators, artists, businesses and brand owners, and offer various opportunities within the entertainment sector, including the organisation/production of and investment in concerts, events and festivals.

## **INFORMATION OF THE SUBSCRIBER**

The Subscriber, is wholly and ultimately owned by Mr. Wong, being the Chairman, an executive Director and the chief executive officer of the Company, is beneficially interested in 174,421,666 Shares, representing approximately 28.86% of the issued share capital of the Company, is a connected person of the Company under Chapter 20 of the GEM Listing Rules.

## **REASONS FOR AND BENEFITS OF THE PROPOSED ISSUE OF THE CONVERTIBLE SECURITIES AND USE OF PROCEEDS**

The Group has been loss making for the recent financial years and as noted from the annual report of the Company for the financial year ended 31 December 2023 (“AR 2023”), the Group recorded a loss of approximately HK\$25.67 million and HK\$27.82 million for the financial years ended 31 December 2023 and 2022 respectively. As noted from the AR 2023, the recent loss of approximately HK\$25.67 million is mainly attributed to a non-cash item of approximately HK\$12.31 million in relation to an imputed interest on the 2025 August CBs. As further set out in the interim report of the Company for the six months ended 30 June 2024, the Group had a net liabilities position of approximately HK\$50.13 million as at 30 June 2024 and it is primarily attributed to the carrying amount of the 2025 August CBs of approximately HK\$84.24 million. Given the Group’s existing financial position and the fact that the First 2025 August CB and Second 2025 August CB with an outstanding principal amount of HK\$91,000,000 and HK\$10,000,000 would both be matured in August 2025, it is not expected that the Company would be able to redeem all the 2025 August CBs when they fall due.

The Board is of the view that, since the outstanding principal amount of the 2025 August CBs held by the Subscriber will be principally settled through the issuance of the Convertible Securities on the date of Completion, and the Convertible Securities is considered to be equity of the Company, the Subscription (i) would not create any immediate cash outflow in the settlement of the 2025 August CBs; and (ii) would turnaround of the existing net liabilities position of the Company to a net asset position and reduce of the amount of non-cash item, and thus improve the financial position and performance of the Company. In addition, pursuant to the terms and conditions of the Convertible Securities, the Convertible Securities have no maturity date and the Company may redeem part or all of the Convertible Securities at its own discretion which provides high flexibility to the Company in its future cash management.

Hence, the Directors (excluding the members of the Independent Board Committee whose views are to be included in the circular to be despatched by the Company, after being advised by the Independent Financial Adviser) consider that the terms and conditions of the Subscription Agreement and the Convertible Securities are fair and reasonable based on the current market conditions and are on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

## **GEM LISTING RULES IMPLICATIONS**

The Subscriber, is wholly and ultimately owned by Mr. Wong, being the Chairman, an executive Director and the chief executive officer of the Company, is beneficially interested in 174,421,666 Shares, representing approximately 28.86% of the issued share capital of the Company, is a connected person of the Company under Chapter 20 of the GEM Listing Rules. Accordingly, the Subscription constitutes a connected transaction on the part of the Company and is subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules. In addition, the Convertible Securities and the Conversion Shares will be issued under the Specific Mandate which is subject to Independent Shareholders' approval at the EGM.

The EGM will be convened and held for the purposes of considering of, and if thought fit, approving, among other things, the Subscription, and the Specific Mandate to allot and issue the Conversion Shares.

Mr. Wong has abstained from voting on the resolutions in relation to the Subscription Agreement proposed to the Board. Save as disclosed above, none of the Directors attended the Board meeting has a material interest in the Subscription.

## GENERAL

An Independent Board Committee comprising all the independent non-executive Directors has been established to consider, and to advise the Independent Shareholders regarding the Subscription and the transactions contemplated thereunder, and as to whether the Subscription is on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. An Independent Financial Adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

An EGM will be convened and held for the Independent Shareholders to consider and, if thought fit, to approve by way of poll, among other matters, the Subscription Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate for the allotment and issue of the Conversion Shares).

The Subscriber and its associates, being interested in the transactions contemplated under the Agreement, shall abstain from voting for the resolution to approve the Subscription Agreement and the transactions contemplated thereunder at the EGM.

A circular containing, among others, (i) further details of the Subscription Agreement and the transactions contemplated thereunder, including the issue of the Convertible Securities and the Conversion Shares under the Specific Mandate; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from an Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Subscription Agreement; and (iv) a notice convening the EGM will be despatched by the Company to the Shareholders on or before 8 November 2024 so as to allow sufficient time for preparation of the relevant information for inclusion in the circular.

**The Completion of the Subscription is subject to the fulfillment of the conditions precedent as set out in this announcement. As the Subscription may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company. If they are in any doubt, they should consult their professional advisers.**

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:–

“2025 August CBs”	collectively, the First 2025 August CB and the Second 2025 August CB
“Board”	Board of Directors
“Business Day(s)”	a day on which licensed banks in Hong Kong are generally open for business, other than a Saturday or a Sunday or a day on which “extreme conditions” announced by the Government of Hong Kong or a black rainstorm warning or tropical cyclone warning signal number 8 or above is issued in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not cancelled at or before 12:00 noon
“Company”	NOIZ Group Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the GEM of the Stock Exchange (stock code: 8163)
“Completion”	the completion of the Subscription under the Subscription Agreement
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Conversion Price”	the conversion price per Conversion Share and initially at HK\$0.10 per Conversion Share (subject to adjustments) of the Convertible Securities
“Conversion Shares”	the Shares to be issued and allotted upon conversion of the Convertible Securities
“Convertible Securities”	the perpetual convertible securities in the principal amount of HK\$101,000,000 to be issued by the Company to the Subscriber
“Director(s)”	director(s) of the Company

“EGM”	the extraordinary general meeting of the Company to be convened and held to consider and approve the Subscription Agreement and the transactions respectively contemplated thereunder including the grant of the Specific Mandate for the allotment and issue of the Conversion Shares
“First 2025 August CB”	the zero coupon convertible bonds due on 31 August 2025 issued by the Company to Team Sunny on 28 December 2022 (as amended and supplemented by the deed of amendment dated 14 July 2023) with an outstanding principal amount of HK\$91,000,000 as at the date of this announcement
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Board Committee”	an independent committee of the Board comprising all the independent non-executive Directors, established to advise the Independent Shareholders in respect of the Subscription Agreement and the transactions contemplated thereunder
“Independent Financial Adviser”	an independent financial adviser to be appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the Subscription Agreement and the transactions contemplated thereunder
“Independent Shareholders”	the Shareholders not required under the GEM Listing Rules to abstain from voting on the resolution(s) approving the Subscription Agreement and the transactions contemplated thereunder including but not limited to the grant of the Specific Mandate for the allotment and issue of the Conversion Shares



“Mr. Wong”	Mr. Wong Hin Shek, the sole beneficial owner of the Subscriber which is a substantial shareholder of the Company and interested in 174,421,666 Shares, representing approximately 28.86% of the issued share capital of the Company as the date of this announcement
“PRC”	People’s Republic of China which, and for the sole purpose of this announcement, shall exclude Hong Kong, Macau Special Administrative Region and Taiwan
“Second 2025 August CB”	the zero coupon convertible bonds due on 31 August 2025 issued by the Company to Team Sunny on 31 August 2023 with an outstanding principal amount of HK\$10,000,000 as at the date of this announcement
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Shares
“Specific Mandate”	the specific mandate to be granted by the Independent Shareholders at the EGM to allot and issue of the Conversion Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber” or “Team Sunny”	Team Sunny International Holdings Limited, a company incorporated in the British Virgin Islands, which is the legal and beneficial owner of 174,421,666 Shares, and is wholly-owned by Mr. Wong
“Subscription”	the subscription of the Convertible Securities under the Subscription Agreement
“Subscription Agreement”	the conditional subscription agreement entered into between the Company as issuer and the Subscriber in relation to the subscription of the Convertible Securities
“Subscription Price”	the subscription price of HK\$101,000,000 pursuant to the Subscription Agreement
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers (as amended and supplemented from time to time)

“%”

per cent.

By order of the Board  
**NOIZ GROUP LIMITED**  
**Wong Hin Shek**  
*Chairman and Chief Executive Officer*

Hong Kong, 10 October 2024

*As at the date of this announcement, the executive Director is Mr. Wong Hin Shek (Chairman and Chief Executive Officer); and the independent non-executive Directors are Ms. Ng Ka Sim, Casina, Mr. Wong Wing Kit and Ms. Yeung Mo Sheung, Ann.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Listed Company Information” page of the Stock Exchange’s website at [www.hkexnews.hk](http://www.hkexnews.hk) for at least seven days from the date of its publication and on the Company’s website at [www.noiz-group.com](http://www.noiz-group.com).*