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中國海外諾信國際控股有限公司

CHINA OVERSEAS NUOXIN INTERNATIONAL HOLDINGS LIMITED

(incorporated in Cayman Islands with limited liability)

(Stock Code: 00464)

ISSUE OF NEW SHARES UNDER GENERAL MANDATE

On 11 September 2023 (after trading hours of the Stock Exchange), the Company, as the issuer, entered into eight Subscription Agreements with eight Subscribers pursuant to which the Subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, 87,508,000 Subscription Shares in aggregate at the Subscription Price of HK\$0.275 per Subscription Share.

Each of the Subscribers is independent of the Company and its connected persons. The Subscription Shares will be allotted and issued pursuant to the General Mandate.

The 87,508,000 Subscription Shares in aggregate represent (i) approximately 19.64% of the existing issued share capital of the Company as at the date of this announcement, and (ii) approximately 16.41% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares (assuming that there will not be any change in the issued share capital of the Company from the date of this announcement to the date of completion of the Subscriptions). The aggregate nominal value of the Subscription Shares will be HK\$87,508.

Subject to the completion of the Subscriptions, the gross proceeds from the Subscriptions will be approximately HK\$24.06 million and the net proceeds from the Subscriptions (after deduction of other expenses of the Subscriptions) will be approximately HK\$22.50 million. It is expected that such net proceeds from the Subscriptions will be utilised for future business development and general working capital.

Since completion of the Subscriptions is subject to fulfilment of the conditions as set out in the Subscription Agreements, the Subscriptions may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

On 11 September 2023 (after trading hours of the Stock Exchange), the Company, as the issuer, entered into eight Subscription Agreements with eight Subscribers, pursuant to which the Subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, 87,508,000 Subscription Shares in aggregate at the Subscription Price of HK\$0.275 per Subscription Share.

PRINCIPAL TERMS OF THE SUBSCRIPTION AGREEMENTS

Date: 11 September 2023

Parties to the Subscription Agreements:

- (1) the Company, as the issuer; and
- (2) the Subscribers.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the Subscribers is independent of the Company and its connected persons.

The table below sets out the background of the Subscribers:

Subscribers	Background of the Subscribers
Subscriber A	Subscriber A is an individual with extensive experience in investment in the construction and energy industry.
Subscriber B	Subscriber B is an individual with extensive experience in industrial and equity investments.
Subscriber C	Subscriber C is an individual with extensive experience in industrial and equity investments.
Subscriber D	Subscriber D is an individual with extensive experience in financial management, legal affairs and equity investment.
Subscriber E	Subscriber E is an individual with extensive experience in equity and wealth management products investments.
Subscriber F	Subscriber F is an individual with extensive experience in investment in the software and in the information technology services industry and equity investment.
Subscriber G	Subscriber G is an individual with extensive experience in commodity industry and equity investments.
Subscriber H	Subscriber H is an individual with extensive experience in commodity industry and equity investments.

The Subscription Shares

Subject to the fulfillment of the conditions to completion of the Subscriptions set out below, the Subscribers shall subscribe for 87,508,000 Subscription Shares in aggregate.

The 87,508,000 Subscription Shares in aggregate represent (i) approximately 19.64% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.41% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares (assuming that there will not be any change in the issued share capital of the Company from the date of this announcement to the date of completion of the Subscriptions). The aggregate nominal value of the Subscription Shares will be HK\$87,508.

Ranking

The Subscription Shares will rank, upon issue, pari passu in all respects with the Shares in issue as at the date of allotment and issue of the Subscription Shares.

Subscription Price

The Subscription Price of HK\$0.275 per Subscription Share:

- (i) represents a discount of approximately 6.78% to the closing price of HK\$0.295 per Share as quoted on the Stock Exchange on the date of the Subscription Agreements; and
- (ii) represents a premium of approximately 3.00% to the average closing price of approximately HK\$0.267 per Share as quoted on the Stock Exchange for the five consecutive Trading Days immediately prior to the date of the Subscription Agreements.

The Subscription Price was determined after arm's length negotiations between the Company and the Subscribers with reference to, among others, the prevailing market prices of the Shares and the capital requirement for the future development of the Group.

The Directors consider that the terms of the Subscription Agreements (including the Subscription Price and the other expenses of the Subscriptions) are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

Subject to the completion of the Subscriptions, the gross proceeds from the Subscriptions will be approximately HK\$24.06 million and the net proceeds from the Subscriptions (after deduction of the other expenses of the Subscriptions) will be approximately HK\$22.50 million. On such basis, the net issue price will be approximately HK\$0.257 per Subscription Share.

Conditions to Completion of the Subscriptions

Completion of the Subscriptions is conditional upon the satisfaction of the following conditions on or before 29 September 2023 (the "**Long Stop Date**") (or such other date as may be agreed to by the Company and the Subscribers):

- (a) the Listing Committee of the Stock Exchange having granted the approval for the listing of and permission to deal in the Subscription Shares; and

(b) the Company having obtained all necessary approvals from all relevant regulatory authorities.

Completion of the Subscriptions shall take place on or before the fifth business day after the fulfillment of the conditions as set out above or such other date as agreed between the Company and the Subscribers in writing (the “**Completion Date**”).

If the above conditions are not fulfilled by the Long Stop Date (or such other date as may be agreed to by the Company and the Subscribers), all rights, obligations and liabilities of the Parties under the Subscription Agreements in relation to the Subscriptions shall cease and terminate and none of the Parties shall have any claim against any other Party in respect of the Subscriptions save for any antecedent breaches of the Subscription Agreements.

Termination

The Subscribers are entitled to terminate the Subscription Agreements by notice in writing to the Company upon the occurrence of any of the force majeure events set out in the Subscription Agreements at any time between the date of the Subscription Agreements and the Completion Date.

The Directors are not aware of the occurrence of any of such events as at the date of this announcement.

Since completion of the Subscriptions is subject to the fulfilment of the conditions as set out in the Subscription Agreements, the Subscriptions may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

GENERAL MANDATE TO ALLOT AND ISSUE THE SUBSCRIPTION SHARES

The Subscription Shares will be allotted and issued pursuant to the General Mandate granted to the Directors at the AGM. Under the General Mandate, the Company is authorised to issue up to 89,129,200 Shares. As at the date of this announcement, no Shares have been allotted and issued pursuant to the General Mandate. Therefore, the remaining balance of the General Mandate as at date of this announcement is 89,129,200 Shares and is sufficient for the issue and allotment of the Subscription Shares.

Accordingly, the allotment and issue of the Subscription Shares are not subject to any Shareholders’ approval.

APPLICATION FOR LISTING

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

REASONS FOR THE SUBSCRIPTIONS AND USE OF PROCEEDS

The Group is principally engaged in the business of design, manufacture and sales of electrical haircare products.

The gross proceeds of the Subscriptions will be approximately HK\$24.06 million. The net proceeds of the Subscriptions (after deduction of other expenses of the Subscriptions) will be approximately HK\$22.50 million. The Company plans to apply the net proceeds for future business development and general working capital.

The Directors consider that the Subscriptions represent a good opportunity to raise additional funds to strengthen the financial position and liquidity of the Group and meet any future development and financial obligations at a reasonable cost. The Directors are of the view that, apart from debt financing, the Subscriptions help to broaden the Company's funding channels.

The Directors (including independent non-executive Directors) consider that the Subscription Agreements and the Subscriptions contemplated thereunder are on normal commercial terms determined after arm's length negotiations among the Parties, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITIES OF THE COMPANY DURING THE PAST TWELVE MONTHS

The Company has not conducted any fund-raising activities in the past twelve months before the date of this announcement.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

As at the Latest Practicable Date, the Company has 445,646,000 Shares in issue. The shareholding structure of the Company (i) as at the date of this announcement; and (ii) upon completion of the Subscriptions (assuming that the Subscriptions are fully completed and there is no other change in the shareholding structure of the Company before the allotment and issue of the Subscription Shares under the Subscription Agreements) are as follows:

	<i>As at the date of this announcement</i>		<i>Upon completion of the Subscriptions</i>	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
China Yuen Capital Limited (Note 1)	253,132,500	56.80	253,132,500	47.48
Special Opportunity Private Equity Investment Fund No. 2* (特殊機遇私募投資基金 2 號)	50,575,000	11.35	50,575,000	9.49
Special Opportunity Private Equity Investment Fund No. 3* (特殊機遇私募投資基金 3 號)	44,500,000	9.99	44,500,000	8.35
Subscribers	-	-	87,508,000	16.41
Public Shareholders	97,438,500	21.86	97,438,500	18.27
Total	<u>445,646,000</u>	<u>100.00</u>	<u>533,154,000</u>	<u>100.00</u>

Note:

- (1) China Yuen Capital Limited is owned as to 100% by China Investment International Limited, which is owned as to 100% by Asia Glory Management Group Limited, which in turn is owned as to 100% by Luckever Holdings Limited. Luckever Holdings Limited is owned as to 60.87% by Mr. Liu Xuezhong and 39.13% by Ms. Li Yuelan (the spouse of Mr. Liu Xuezhong). By virtue of the SFO, each of China Investment International Limited, Asia Glory Management Group Limited, Luckever Holdings Limited, Mr. Liu Xuezhong and Ms. Li Yuelan was taken to be interested in the 253,132,500 Shares held by China Yuen Capital Limited.

Since completion of the Subscriptions is subject to the fulfilment of the conditions as set out in the Subscription Agreements, the Subscriptions may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“AGM”	the annual general meeting of the Company held on 29 August 2022 at which, among other things, the General Mandate was granted to the Directors;
“Board”	the board of Directors;
“Business Day”	a day on which banks in Hong Kong are open for general banking business, other than (i) a Saturday or a Sunday; or (ii) a day on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.;
“Company”	China Overseas Nuoxin International Holdings Limited (中國海外諾信國際控股有限公司), a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 0464);
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules;
“Directors”	the directors of the Company;
“General Mandate”	the general mandate granted to the Directors by a resolution passed at the AGM to allot, issue or otherwise deal with Shares up to a maximum of 20% of the total number of the issued Shares of the Company as at 29 August 2022;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practical Date”	11 September 2023
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as may be amended or supplemented from time to time;

“Party” as “Parties”	the Company and the Subscribers, as parties to the Subscription Agreements;
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) of nominal price of HK\$0.001 each in the share capital of the Company;
“Shareholders”	shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscriber(s)”	eight subscribers under the Subscription Agreements;
“Subscriptions”	the subscriptions of 87,508,000 Subscription Shares in aggregate at the Subscription Price pursuant to terms and conditions of the Subscription Agreements;
“Subscription Agreements”	the subscription agreements dated 11 September 2023 entered into between the Company and the Subscribers in relation to the Subscriptions;
“Subscription Price”	HK\$0.275 per Subscription Share;
“Subscription Shares”	87,508,000 new Shares in aggregate to be subscribed pursuant to the Subscription Agreements, and each, a “Subscription Share”;
“Trading Days”	means days on which the Stock Exchange is open for trading; and
“%”	per cent.

By Order of the Board
China Overseas Nuoxin International Holdings Limited
Zhang Huijun
Chairman

Hong Kong, 11 September 2023

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Zhang Huijun and Ms. Cai Dongyan, and three independent non-executive Directors, namely Mr. Hu Zhigang, Mr. Zhang Jiayou and Mr. Ma Yu-heng.

Website: www.co-nuoxin.com

**For identification purpose only*