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# National Arts Entertainment and Culture Group Limited 國藝娛樂文化集團有限公司

*(Provisional Liquidators Appointed)*

*(For Restructuring Purposes)*

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

**(Stock Code: 8228)**

## **(1) POLL RESULTS OF THE SPECIAL GENERAL MEETING HELD ON 14 SEPTEMBER 2021; (2) CAPITAL REORGANISATION; AND (3) ADJUSTMENTS RELATING TO THE OUTSTANDING WARRANTS AND CONVERTIBLE BONDS**

### **POLL RESULTS OF THE SGM**

All Resolutions as set out in the Notice were duly passed by way of poll at the SGM held on 14 September 2021.

### **CAPITAL REORGANISATION**

All conditions precedent to the Capital Reorganisation have been fulfilled and the Capital Reorganisation will become effective on 16 September 2021.

### **ADJUSTMENTS RELATING TO THE OUTSTANDING WARRANTS AND CONVERTIBLE BONDS**

As a result of the Capital Reorganisation, adjustments will be made to the exercise price of each of the Outstanding Warrants, the Outstanding CB1 and the Outstanding CB2, and the number of New Shares to be issued upon exercise of each of the Outstanding Warrants, the Outstanding CB1 and the Outstanding CB2. Such adjustment shall take effect upon the Capital Reorganisation becoming effective on 16 September 2021.

Reference is made to the circular of National Arts Entertainment and Culture Group Limited dated 20 August 2021 (“**Circular**”). Unless otherwise specified, capitalised terms used in this announcement shall have the same meanings as those defined in the Circular.

The Board is pleased to announce that at the SGM held on 14 September 2021, all the resolutions as set out in the notice of the SGM (“**Notice**”) dated 20 August 2021 were duly passed by way of poll.

As at the date of the SGM, there were a total of 8,323,868,369 Shares in issue. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder was required to abstain from voting on the resolutions proposed at the SGM. As such, there were a total of 8,323,868,369 Shares, representing 100% of the issued share capital of the Company as at the date of the SGM, entitling Shareholders to attend and vote on the resolutions proposed at the SGM. None of the Shareholders was entitled to attend and required to abstain from voting in favour of the resolutions proposed at the SGM according to Rule 17.47A of the GEM Listing Rules. None of the Shareholders had stated their intention in the Circular to vote against the resolutions proposed or to abstain from voting at the SGM.

The Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited, acted as the scrutineer for the vote-taking at the SGM.

The full text of the resolutions was set out in the Notice. The poll results are as follows:

<b>Ordinary Resolution</b>		<b>Number of votes and percentage</b>	
		<b>For</b>	<b>Against</b>
1.	To approve the Share Consolidation and the transactions contemplated thereunder as set out in resolution numbered 1 of the Notice.	3,136,985,202 (99.82%)	5,811,574 (0.18%)
<b>Special Resolution</b>			
2.	To approve the Capital Reduction and the transactions contemplated thereunder as set out in resolution numbered 2 of the Notice.	3,136,985,202 (99.82%)	5,811,574 (0.18%)

*Note:* The number of votes and percentage of the voting as stated above are based on the total number of Shares held by the Shareholders who attended and voted at the SGM in person, by authorised corporate representative or by proxy.

As more than 50% of the votes were cast in favour of the ordinary resolution and more than two-thirds of the votes were cast in favour of the special resolution, the above resolutions were duly passed by the Shareholders at the SGM.

## **CAPITAL REORGANISATION**

The Board is pleased to announce that all conditions precedent of the Capital Reorganisation have been fulfilled following the passing of the resolutions to approve the Share Consolidation and the Capital Reduction at the SGM and the Capital Reorganisation will become effective on Thursday, 16 September 2021. Dealings in the New Shares on the Stock Exchange will commence at 9:00 a.m. on Thursday, 16 September 2021.

Please refer to the Circular for details on the trading arrangement, exchange of share certificates and matching services for odd lots in connection with the Capital Reorganisation.

Shareholders should note that upon the Capital Reorganisation becoming effective, new share certificates of the New Shares will be issued in light blue colour in order to distinguish them from the existing light yellow colour.

## ADJUSTMENTS IN RELATION TO THE OUTSTANDING WARRANTS AND CONVERTIBLE BONDS

As at the date of this announcement, there are (i) Outstanding Warrants entitling the holder thereof to subscribe for 383,000,000 Existing Shares upon their full exercise; (ii) the Outstanding CB1 which can be converted into 2,263,411,269 Existing Shares at the conversion price of HK\$0.55 per conversion share; and (iii) the Outstanding CB2 which can be converted into 250,000,000 Existing Shares at the conversion price of HK\$0.10 per conversion share. Upon the Capital Reorganisation becoming effective on 16 September 2021, the following adjustments will be made to the exercise price of each of the Outstanding Warrants, the Outstanding CB1 and the Outstanding CB2, and the number of New Shares to be issued upon the exercise of each of the Outstanding Warrants, the Outstanding CB1 and the Outstanding CB2:

	Immediately before the Capital Reorganisation becoming effective		Immediately after the Capital Reorganisation becoming effective	
	Number of Existing Shares to be issued upon full exercise	Exercise price per Existing Share	Adjusted number of New Shares to be issued upon full exercise	Adjusted exercise price per New Share
Outstanding Warrants	383,000,000	HK\$0.23	38,300,000	HK\$2.3
Outstanding CB1	2,263,411,269	HK\$0.55	226,341,126	HK\$5.5
Outstanding CB2	250,000,000	HK\$0.10	25,000,000	HK\$1.0

The auditor of the Company, Elite Partners CPA Limited, has reviewed and certified in writing that the adjustments made to the exercise price of each of the Outstanding Warrants, the Outstanding CB1 and the Outstanding CB 2, and the number of New Shares falling to be issued upon the exercise of each of the Outstanding Warrants, the Outstanding CB1 and the Outstanding CB 2 are in compliance with the requirements set out in the relevant terms of the Outstanding Warrants, the Outstanding CB1 and the Outstanding CB2. Save for the above adjustments, all other terms and conditions of each of the Outstanding Warrants, the Outstanding CB1 and the Outstanding CB2 remain unchanged.

On behalf of the Board  
**National Arts Entertainment and Culture Group Limited**  
*(Provisional Liquidators Appointed)*  
*(For Restructuring Purposes)*  
**Chow Kai Weng**  
*Chairman, Executive Director and Chief Executive Officer*

Hong Kong, 14 September 2021

As at the date of this announcement, the Directors are as follows:

*Chairman, executive Director and Chief Executive Officer:*

Mr. Chow Kai Weng

*Executive Directors:*

Mr. Cheng Wang Chun

Mr. Ho Leung Ting

*Non-executive Director:*

Dr. Lam Lee G.

*Independent Non-executive Directors:*

Mr. Chui Chi Yun Robert

Mr. Li Kit Chee

Mr. Lam Kwok Hing Wilfred

*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 GEM website at [www.hkgem.com](http://www.hkgem.com) on the “Latest Company Announcements” page for at least 7 days from the date of its posting. This announcement will also be published and remains on the Company’s website at [www.nationalarts.hk](http://www.nationalarts.hk) on the “Investor Relations” page.*