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## **Value Convergence Holdings Limited**

*(Incorporated in Hong Kong with limited liability)*

Website: <http://www.vcgroup.com.hk>

(Stock Code: 821)

### **(I) ISSUE OF CONVERTIBLE BONDS UNDER GENERAL MANDATE AND (II) MEMORANDUM OF UNDERSTANDING IN RELATION TO PROSPECTIVE INVESTMENT**

#### **(I) THE SUBSCRIPTIONS**

##### **The First Subscription Agreement**

On 13 June 2025 (after trading hours), the Company and the First Subscriber entered into the First Subscription Agreement, pursuant to which the Company is desirous of issuing and the First Subscriber is desirous of subscribing the First Convertible Bonds in the principal amount of HK\$3,000,000 at the coupon rate of 1% per annum with 2-year maturity convertible into not more than 75,000,000 Conversion Shares at the Conversion Price of HK\$0.04 per Conversion Share.

##### **The Second Subscription Agreement**

On 13 June 2025 (after trading hours), the Company and the Second Subscriber entered into the Second Subscription Agreement, pursuant to which the Company is desirous of issuing and the Second Subscriber is desirous of subscribing the Second Convertible Bonds in the principal amount of HK\$2,000,000 at the coupon rate of 1% per annum with 2-year maturity convertible into not more than 50,000,000 Conversion Shares at the Conversion Price of HK\$0.04 per Conversion Share.

Upon full conversion of the Convertible Bonds at the Conversion Price, in aggregate of the First Convertible Bonds and the Second Convertible Bonds, a total of 125,000,000 Conversion Shares will be allotted and issued by the Company, representing (i) approximately 5.05% of the existing total number of issued Shares as at the date of the Subscription Agreements; and (ii) approximately 4.81% of the total number of issued Shares as enlarged by the allotment and issue of the 125,000,000 Conversion Shares (assuming there will be no change in the total number of issued Shares from the date of the Subscription Agreements and up to the date of full conversion of the Convertible Bonds).

The First Subscription Agreement and the Second Subscription Agreement are not inter-conditional upon each other.

The Conversion Price of HK\$0.04 represents (i) a premium of approximately 11.11% over the closing price of HK\$0.036 per Share as quoted on the Stock Exchange on the date of the Subscription Agreements; and (ii) a premium of approximately 37.93% over the average of the closing prices for the last five (5) consecutive trading days immediately prior to the date of the Subscription Agreements as quoted on the Stock Exchange of approximately HK\$0.029 per Share.

The gross proceeds from the Subscriptions will be HK\$5,000,000, while the net proceeds from the Subscriptions are estimated to be approximately HK\$4.9 million (after deducting the professional fees and other related costs and expenses incurred in the Subscriptions) which will be used for (i) repayment of liabilities of approximately HK\$2 million ; and (ii) the balance of approximately HK\$2.9 million for general working capital including but not limited to rental expenses, salary expenses and other office overhead.

The Subscriptions are not subject to Shareholders' approval as the Conversion Shares will be allotted and issued under the General Mandate. The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares. No application will be made for the listing of the Convertible Bonds on the Stock Exchange or any other stock exchange.

**Shareholders and potential investors of the Company should note that the completion of the Subscriptions is subject to the fulfillment of the conditions precedent under the Subscription Agreements. As the Subscriptions may or may not proceed, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.**

## **(II) MEMORANDUM OF UNDERSTANDING IN RELATION TO PROSPECTIVE INVESTMENT**

The Board is pleased to announce that, on 13 June 2025 (after trading hours), the Company entered into a memorandum of understanding with Monochrome, which is the First Subscriber, pursuant to which the Group is considering to invest in equity, debt vehicles or other financial instruments in the Monochrome Group, set up joint ventures and/or start-up operation with Monochrome Group to develop business in financial technology sector. And Monochrome Group may subscribe for further equity, convertible bonds and/or other derivatives issued by the Company. The Group and Monochrome mutually intend to collaborate on developing the crypto infrastructure and crypto business.

### **(I) THE SUBSCRIPTIONS**

#### **(A) The First Subscription Agreement**

On 13 June 2025 (after trading hours), the Company and the First Subscriber entered into the First Subscription Agreement, pursuant to which the Company is desirous of issuing and the First Subscriber is desirous of subscribing the First Convertible Bonds in the principal amount of HK\$3,000,000 at the coupon rate of 1% per annum with 2-year maturity convertible into not more than 75,000,000 Conversion Shares at the Conversion Price of HK\$0.04 per Conversion Share.

#### **Date**

13 June 2025 (after trading hours)

#### **Issuer**

The Company

#### **Subscriber**

Monochrome Corporation Pty Ltd

As at the date of the First Subscription Agreement, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the First Subscriber and its ultimate beneficial owners are third parties independent of and not connected with the Company or its connected persons (as defined in the Listing Rules).

### **Number of the Conversion Shares of the First Subscription**

Upon full conversion of the First Convertible Bonds at the Conversion Price, a total of 75,000,000 Conversion Shares will be allotted and issued by the Company, representing (i) approximately 3.03% of the existing total number of issued Shares as at the date of the First Subscription Agreement; and (ii) approximately 2.94% of the total number of issued Shares as enlarged by the allotment and issue of the 75,000,000 Conversion Shares (assuming there will be no change in the total number of issued Shares from the date of the First Subscription Agreement and up to the date of full conversion of the First Convertible Bonds).

### **Consideration of the First Subscription**

The consideration of the First Subscription of HK\$3,000,000 shall be paid by the First Subscriber to the Company in cash by the completion of the First Subscription.

### **(B) The Second Subscription Agreement**

On 13 June 2025 (after trading hours), the Company and the Second Subscriber entered into the Second Subscription Agreement, pursuant to which the Company is desirous of issuing and the Second Subscriber is desirous of subscribing the Second Convertible Bonds in the principal amount of HK\$2,000,000 at the coupon rate of 1% per annum with 2-year maturity convertible into not more than 50,000,000 Conversion Shares at the Conversion Price of HK\$0.04 per Conversion Share.

### **Date**

13 June 2025 (after trading hours)

### **Issuer**

The Company

### **Subscriber**

CJEF Capital Partners Pte. Ltd.

As at the date of the Second Subscription Agreement, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Second Subscriber and its ultimate beneficial owner are third parties independent of and not connected with the Company or its connected persons (as defined in the Listing Rules).

### **Number of the Conversion Shares of the Second Subscription**

Upon full conversion of the Second Convertible Bonds at the Conversion Price, a total of 50,000,000 Conversion Shares will be allotted and issued by the Company, representing (i) approximately 2.02% of the existing total number of issued Shares as at the date of the Second Subscription Agreement; and (ii) approximately 1.98% of the total number of issued Shares as enlarged by the allotment and issue of the 50,000,000 Conversion Shares (assuming there will be no change in the total number of issued Shares from the date of the Second Subscription Agreement and up to the date of full conversion of the Second Convertible Bonds).

### **Consideration of the Second Subscription**

The consideration of the Second Subscription of HK\$2,000,000 shall be paid by the Second Subscriber to the Company in cash by the completion of the Second Subscription.

### **COMMON PRINCIPAL TERMS OF THE SUBSCRIPTION AGREEMENTS**

Apart from the information disclosed above, the principal terms of each of the Subscription Agreements are identical.

Set out below are the common key terms of the Subscription Agreements:

#### **Conditions precedent of the Subscription Agreements**

The completion of the Subscriptions shall be subject to the following conditions precedent:

- (a) (if required) all necessary consent, approval and authorisations (if any) by regulators pursuant to the Listing Rules and any other rules and regulations which may be applicable to the Subscriptions having been obtained by the Company (collectively, the “**Necessary Approvals**”), and such Necessary Approvals shall be valid and effective up to the juncture immediately prior to the completion of the Subscriptions, and shall not be threatened with any withdrawal, revocation or cancellation at all times prior to the completion of the Subscriptions;
- (b) the Stock Exchange having approved the listing of and dealings with the Conversion Shares;
- (c) all representations and warranties of the Company remaining true, correct, valid, binding and effective up to the completion of the Subscriptions; and
- (d) all representations and warranties of the Subscribers remaining true, correct, valid, binding and effective up to the completion of the Subscriptions.

Save and except that such condition precedent (c) above may be waived by the Subscribers unilaterally at any time prior to the Long Stop Date by notice in writing to the Company and that such condition precedent (d) above may be waived by the Company unilaterally at any time prior to the Long Stop Date by notice in writing to the Subscribers, no other conditions precedent can be waived by any of the Company or the Subscribers, and (i) the Company shall use its best endeavours to ensure such conditions precedent (a) to (c) above (if such condition precedent (c) above has been waived by the Subscribers, then conditions precedent (a) and (b) only) shall be fulfilled and satisfied as soon as possible after the execution of the Subscription Agreements, and in any event, no later than the Long Stop Date; and (ii) the Subscribers shall use their best endeavours to ensure that the condition precedent (d) above (if such condition precedent (d) above has not been waived by the Company) shall be fulfilled and satisfied as soon as possible after the execution of the Subscription Agreements, and in any event, no later than the Long Stop Date.

Save as otherwise stated, if any condition precedent set out above (save and except such conditions precedent having been waived pursuant to the above paragraph) shall not have been fulfilled by 5:00 p.m. on the Long Stop Date, the Subscription Agreements shall, unless the Company and the Subscribers agree in writing to postpone the Long Stop Date to another date (being a Business Day), automatically terminate and cease to be of any effect except for certain provisions as set out in the Subscription Agreements which shall remain in force, and none of the Company and the Subscribers shall have any claim of any nature or liabilities thereunder whatsoever against the other party(ies) of the Subscriptions save for any antecedent breaches of any term therein.

### **Completion of the Subscriptions**

Subject to the fulfillment or waiver (if applicable) of all the conditions precedent as set out in the Subscription Agreements, the completion of the Subscriptions shall take place on the Completion Date (or at such other time as the Company and the Subscribers may otherwise agree in writing).

### **Application for listing**

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

### **PRINCIPAL TERMS OF THE CONVERTIBLE BONDS**

The terms of the Convertible Bonds which were determined after arm's length negotiations between the Company and the Subscribers are summarised below:

**Issuer:** The Company

**Principal amount:** HK\$5,000,000 in aggregate from the First Convertible Bonds and the Second Convertible Bonds

**Interest:**

- (i) The Convertible Bonds bear interest on the principal amount (or such outstanding part thereof, whichever shall be appropriate) from (and including) the First Issue Date at the coupon rate of 1% per annum on the basis of a 365-day year, payable in arrears such that the interest shall, subject to sub-paragraph (ii) below, be paid on the First Anniversary and on Maturity Date (the “**Interest**”, and the date on which the Interest is paid, an “**Interest Payment Date**”) provided that in the case of the redemption of the entire principal amount of the Convertible Bonds by the Company or the conversion of the entire principal amount of the Convertible Bonds by the Bondholder, the Interest Payment Date shall be the date of completion of such redemption or conversion (whichever shall be appropriate).
- (ii) No Interest shall be paid on such principal amount of the Convertible Bonds which has been converted into Conversion Shares or which has been redeemed by the Company.
- (iii) All Interest shall be paid by the Company in cash.
- (iv) In case any Interest Payment Date is not a Business Day, Interest payment shall be made on the following Business Day.

**Maturity Date:**

The date which falls on the second anniversary of the First Issue Date. (the “**Maturity Date**”).

**Conversion Price:**

The Conversion Price of HK\$0.04 per Conversion Share represents:

- (i) a premium of approximately 11.11% over the closing price of HK\$0.036 per Share as quoted on the Stock Exchange on the date of the Subscription Agreements; and

- (ii) a premium of approximately 37.93% over the average of the closing prices for the last five (5) consecutive trading days immediately prior to the date of the Subscription Agreements as quoted on the Stock Exchange of approximately HK\$0.029 per Share.

The net Conversion Price, after deduction of relevant expenses, is approximately HK\$0.039 per Conversion Share.

The Conversion Price was arrived at after arm's length negotiations between the Company and the Subscribers with reference to, among others, the prevailing trading price of the Shares, the prevailing market sentiment and the funding needs of the Group. The Directors consider that the Conversion Price is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

**Adjustments to the  
Conversion Price:**

The Conversion Price shall from time to time be subject to adjustment in accordance with this paragraph if, whilst any of the Convertible Bonds remains outstanding, any of the following events or circumstances in relation to the Shares shall occur:

- (i) if and whenever there shall be an alteration to the value of the Shares as a result of consolidation or subdivision;
- (ii) if and whenever the Company shall issue any Shares credited as fully paid to the Shareholders by way of capitalisation of profits or reserves (including any share premium account and/or capital redemption reserve), other than the Shares issued in lieu of the whole or a part of a cash dividend and other than an issue that would amount to capital distribution pursuant to the terms and conditions contained in the CB Instrument;

- (iii) if and whenever the Company shall pay or make any capital distribution pursuant to the terms and conditions contained in the CB Instrument to the Shareholders;
- (iv) if and whenever the Company shall issue Shares to all or substantially all Shareholders as a class by way of rights, or shall issue or grant to all or substantially all Shareholders as a class, by way of rights, any options, warrants or other rights to subscribe for or purchase any Shares, in each case at less than 95% of the fair market value of one Share, as determined in good faith by the independent advisor or financial advisor acting as an expert, on the day immediately preceding the date on which such issue or grant to Shareholders is made;
- (v) if and whenever the Company shall (a) issue any securities (other than the Shares or options, warrants or other rights to subscribe for or purchase Shares) to all or substantially all Shareholders as a class by way of rights; or (b) grant to all or substantially all Shareholders as a class by way of rights any options, warrants or other rights to subscribe for or purchase any securities (other than Shares or options, warrants or other rights to subscribe for or purchase Shares);
- (vi) if and whenever the Company shall wholly for cash (a) issue (otherwise than as mentioned in sub-paragraph (iv) above) any Shares (other than the Shares issued on the exercise of Conversion Rights or on the exercise of any other rights of conversion into, or exchange or subscription for, Shares); or (b) issues or grants (otherwise than as mentioned in sub-paragraph (iv) above) options, warrants or other rights to subscribe for or purchase Shares, in each case at a price per Share which is less than 95% of the fair market value of one Share, as determined in good faith by the independent advisor or financial advisor acting as an expert, on the day immediately preceding the date of such issue or grant;

- (vii) save in the case of an issue of securities arising from a conversion or exchange of other securities in accordance with the terms applicable to such securities themselves falling within the provisions of this sub-paragraph (vii), if and whenever the Company or any subsidiary of the Company (otherwise than as mentioned in sub-paragraphs (iv), (v) or (vi) above), or (at the direction or request of or pursuant to any arrangements with the Company or any subsidiary of the Company) any other company, person or entity, shall issue wholly for cash any securities (other than the Convertible Bonds) which by their terms of issue carry rights of conversion into, or exchange or subscription for, Shares to be issued by the Company upon conversion, exchange or subscription, at a consideration per Share which is less than 95% of the fair market value of one Share, as determined in good faith by the independent advisor or financial advisor acting as an expert, on the day immediately preceding the date of the issue of such securities;
- (viii) if and whenever there shall be any modification of the rights of conversion, exchange or subscription attaching to any such securities as are mentioned in sub-paragraph (vii) above (other than in accordance with the terms applicable to such securities) so that the consideration per Share receivable by the Company is less than 95% of the fair market value of one Share, as determined in good faith by the independent advisor or financial advisor acting as an expert, on the day immediately preceding the date of such modification;

- (ix) if and whenever the Company or any subsidiary of the Company or (at the direction or request of or pursuant to any arrangements with the Company or any subsidiary of the Company) any other company, person or entity issues, sells or distributes any securities in connection with an offer pursuant to which Shareholders generally (meaning for these purposes the holders of at least 60% of the Shares outstanding at the time such offer is made) are entitled to participate in arrangements whereby such securities may be acquired by them (except where the Conversion Price falls to be adjusted under sub-paragraphs (iv) to (vii) above).

In the event that when the Bondholder exercises its Conversion Rights, due to or as a result of adjustments to the Conversion Price made in accordance with the terms and conditions contained in the CB Instrument, the number of Conversion Shares which shall have to be issued and allotted by the Company to the Bondholder for meeting the exercise of such Conversion Rights may exceed the authorisation under the General Mandate. Under such circumstance, the Company shall pay to the Bondholder an amount of cash in Hong Kong dollars in lieu of allotment and/or issuance of excess Conversion Shares (the number of excess Conversion Shares shall be equivalent to the difference between the number of Conversion Shares to be issued and allotted by the Company to meet the conversion of the Convertible Bonds in entirety and the authorisation under the General Mandate) to the Bondholder within thirty (30) Business Days after the date of issuance of the relevant conversion notice.

**Conversion Shares:**

Upon full conversion of the Convertible Bonds at the Conversion Price, in aggregate of the First Convertible Bonds and the Second Convertible Bonds, a total of 125,000,000 Conversion Shares will be allotted and issued by the Company, representing:

- (i) approximately 5.05% of the existing total number of issued Shares as at the date of the Subscription Agreements; and

- (ii) approximately 4.81% of the total number of issued Shares as enlarged by the allotment and issue of the 125,000,000 Conversion Shares (assuming there will be no change in the total number of issued Shares from the date of the Subscription Agreements and up to the date of full conversion of the Convertible Bonds).

**Conversion period:**

The period commencing on the Business Day immediately after the expiration of six (6) months from the First Issue Date, and expiring on the date which falls on the fifth (5th) Business Day before the Maturity Date, both days inclusive, provided that if the Company fails to redeem the Convertible Bonds on the Redemption Date in accordance with the terms of the CB Instrument, the period shall continue until redemption in full occurs (the “**Conversion Period**”).

**Conversion rights:**

The Bondholder shall have the right, exercisable during the Conversion Period in the manner provided in the CB Instrument, to convert the whole or any part (subject to the CB Instrument, in multiples of HK\$100,000) of the outstanding principal amount of the Convertible Bonds held by the Bondholder into such number of Shares as will be determined by dividing the principal amount of the Convertible Bonds to be converted by the Bondholder by the Conversion Price in effect on the Conversion Date.

**Conversion restrictions:**

The Bondholder shall not exercise any Conversion Rights if, as a result of such exercise, it will cause the public float of the Company to be unable to meet the relevant requirements under the Listing Rules.

The Bondholder shall not exercise any Conversion Rights, and the Company shall not be required to issue any Conversion Shares, if, as a result of the relevant exercise of the Conversion Rights, the Bondholder and/or parties acting in concert with it would be required to make a mandatory general offer under Rule 26 of the Takeovers Code for the Shares held by the Company’s other Shareholders (collectively, the “**Conversion Restrictions**”).

**Redemption at maturity:**

Any or all principal amount of the Convertible Bonds which have not been redeemed (by the Company) or converted (by the Bondholder) in accordance with the terms and conditions contained in the CB Instrument by the Maturity Date shall be redeemed by the Company on the Maturity Date at a redemption amount equals to 100% of the principal amount of the Convertible Bonds (or such outstanding part thereof, whichever shall be appropriate).

**Redemption prior to maturity:**

Any or all principal amount of the Convertible Bonds which have not been converted (by the Bondholder) in accordance with the terms and conditions contained in the CB Instrument may be redeemed by the Company at any time prior to the Maturity Date as the Company deems appropriate at such redemption amount equals to the principal amount of the Convertible Bonds (or such outstanding part thereof, whichever shall be appropriate) to be redeemed by the Company. For avoidance of any doubt, the Company may carry out such number of redemption for such principal amount of the Convertible Bonds (or such outstanding part thereof, whichever shall be appropriate) at such time interval(s) as it deems appropriate prior to the Maturity Date.

**Redemption on default:**

If any of the events (“**Event(s) of Default**”) specified below occur, the Company shall forthwith give notice thereof to the Bondholder and each Bondholder may (without prejudice to any other rights and remedies available to the Bondholder), at its option, opt to convert their Convertible Bonds in its entirety or, alternatively, give a redemption notice to the Company in respect of part or all of the Convertible Bonds held by it, whereupon such Convertible Bonds shall become immediately due and payable at a redemption amount equal to 100% of the principal amount of such Convertible Bonds. An Event of Default may arise upon:

- (i) any failure of the Company to pay the principal of the Convertible Bonds when due and such failure continues for a period of fifteen (15) Business Days;

- (ii) any default by the Company in the performance or observance of any undertaking, warranty or representation given by it under these terms (other than the covenant to pay the principal in respect of the Convertible Bonds) and such default is incapable of remedy (in which event no such notice as is referred to below shall be required), or if capable of remedy is not remedied within fifteen (15) Business Days of service by the Bondholder on the Company of notice requiring such default to be remedied;
- (iii) any other present or future indebtedness of the Company or any of its major subsidiaries for or in respect of any bonds, debentures, notes or similar instruments of indebtedness or any other monies borrowed or raised, becomes due and payable prior to its stated maturity otherwise than at the option (as the case may be) of the Company or the relevant major subsidiary of the Company, or any such indebtedness is not paid when due or, as the case may be, within any applicable grace period, or the Company or any of its major subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any such indebtedness provided that the aggregate amount of indebtedness and guarantees and indemnities in respect of which one or more events mentioned above have occurred equals or exceeds HK\$300,000,000 or its equivalent in any other currency, provided that the provisions of this sub-paragraph (iii) shall not apply to any alleged default if the Company or the relevant major subsidiary of the Company, as the case may be, is contesting the matter in good faith; or

- (iv) a resolution is passed or an order of a court of competent jurisdiction is made that the Company be wound up or dissolved otherwise than for the purposes of or pursuant to and followed by a consolidation, amalgamation, merger or reconstruction the terms of which shall have previously been approved in writing by a resolution of the Bondholder duly passed at a meeting of the Bondholder;
- (v) a resolution is passed or an order of a court of competent jurisdiction is made for the winding up or dissolution of any major subsidiary of the Company except (a) for the purposes of or pursuant to and followed by a consolidation or amalgamation with or merger into the Company or any other subsidiary of the Company, (b) for the purposes of or pursuant to and followed by a consolidation, amalgamation, merger or reconstruction (other than as described in (a) above) the terms of which shall have previously been approved by a resolution of the Bondholder duly passed at a meeting of the Bondholder, or (c) by way of a voluntary winding up or dissolution where there are surplus assets in such major subsidiary of the Company and such surplus assets attributable to the Company and/or any other subsidiary of the Company are distributed to the Company and/or any such other subsidiary of the Company;
- (vi) an encumbrancer takes possession or a receiver is appointed over the whole or a material part of the assets or undertaking of the Company or any major subsidiary of the Company;

- (vii) a distress, execution or seizure order before judgment is levied or enforced upon or sued out against the whole or a material part of the property, assets or revenues of the Company or any major subsidiary of the Company (as the case may be) and is not discharged or stayed within thirty (30) Business Days or such longer period as the Bondholder, by a resolution of the Bondholder duly passed at a meeting of the Bondholder, may consider appropriate in relation to the event concerned;
- (viii) the Company or any of its major subsidiaries of is insolvent or unable to pay its debts as and when they fall due or the Company or any of its major subsidiaries shall initiate or consent to proceedings relating to itself under any applicable administration, bankruptcy, composition or insolvency law or scheme of arrangement while insolvent (except, for the avoidance of doubt, for the purposes of a dissolution or winding-up permitted under paragraphs (iv) or (v) above) or makes a general assignment for the benefit of, or enters into any composition with, its creditors;
- (ix) proceedings shall have been initiated against the Company or any major subsidiary of the Company under any applicable bankruptcy, reorganisation or insolvency law, and such proceedings shall not have been discharged or stayed within thirty (30) Business Days thereafter (or such longer period as the Bondholder by a resolution of the Bondholder duly passed at a meeting of the Bondholder may consider appropriate in relation to the jurisdiction concerned);
- (x) it is or becomes unlawful for the Company to perform or comply with any of its obligations under the CB Instrument or any principal amount of the Convertible Bonds, or due to no fault on the part of the Bondholder any such obligation is not or ceases to be enforceable or is claimed by the Company not to be enforceable;

- (xi) any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or substantially all or (other than on arm's length terms or with respect to a part of the relevant entity's business or operations which has not materially contributed to the consolidated operating profit of the Company and its subsidiaries for at least three years prior to the day on which this paragraph operates) a material part of the assets of the Company or any of its major subsidiaries;
- (xii) any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done in order (a) to enable the Company lawfully to enter into, exercise its rights and perform and comply with its obligations under the Convertible Bonds or the CB Instrument, (b) to ensure that those obligations are legally binding and enforceable, and (c) to make the Convertible Bonds or the CB Instrument admissible in evidence in the courts of Hong Kong, is not taken, fulfilled or done by the requisite time;
- (xiii) any breach of the representations, warranties and undertakings made by the Company to the Bondholder in reliance of which the Bondholder subscribes the Convertible Bonds; or
- (xiv) any event occurs which has an analogous effect to any of the events referred to in sub-paragraphs (i) to (xiii) above of this paragraph.

<b>Ranking of the Conversion Shares:</b>	Subject to the CB Instrument, the Conversion Shares issued upon exercise of the Conversion Rights shall rank <i>pari passu</i> in all respects with all other Shares existing or outstanding on the Conversion Date and all Conversion Shares shall include rights to participate in all dividends and other distributions the record date of which falls on or after the Conversion Date.
<b>Transferability:</b>	The Convertible Bonds shall not be transferrable.
<b>Status of the Convertible Bonds:</b>	The obligations of the Company arising under the Convertible Bonds constitute general, unsecured and unsubordinated obligations of the Company and rank equally among themselves and <i>pari passu</i> with all other present and future unsecured and unsubordinated obligations of the Company except for obligations accorded preference by mandatory provisions of applicable law.

## **INFORMATION ON THE SUBSCRIBERS**

### **The First Subscriber**

The First Subscriber is a proprietary company limited by shares incorporated in Australia. The First Subscriber and its subsidiaries are, inter alia, engaged in setting up and/or providing costs effective platforms for crypto-currency investments as well as specialised in infrastructure projects within the crypto-asset landscape, and they have set up not only Bitcoin trusts but also Bitcoin ETFs and Ethereum ETFs (ETF denotes exchange traded fund) in Australia and Singapore. As at the date of the First Subscription Agreement, the entire ordinary shares of Monochrome are held by Core Tech Ventures Pty Ltd. Mr. Yew Zi Quan is the sole beneficiary of Core Tech Ventures Pty Ltd.

### **The Second Subscriber**

The Second Subscriber is a company which was incorporated in Singapore and is an exempt private company limited by shares. It is engaged in various business activities including arranging for sale of natural gas and provision of management consultancy services. As at the date of the Second Subscription Agreement, the Second Subscriber is wholly-owned by Ms. Maria Isabella.

## **REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS AND USE OF PROCEEDS**

The Group is an established financial services group committed to delivering premier financial services and products that fulfill various investment and wealth management needs of clients in the Greater China region and extended into property investment as well. The Group's expertise includes (i) provision of financial services comprising securities brokering and dealing, financing services, corporate finance and other advisory services, asset management and insurance brokerage; (ii) proprietary trading; and (iii) property investment.

The gross proceeds from the Subscriptions will be HK\$5,000,000, while the net proceeds from the Subscriptions are estimated to be approximately HK\$4.9 million (after deducting the professional fees and other related costs and expenses incurred in the Subscriptions) which will be used for (i) repayment of liabilities of approximately HK\$2 million ; and (ii) the balance of approximately HK\$2.9 million for general working capital including but not limited to rental expenses, salary expenses and other office overhead.

The Directors are of the view that (i) the terms of the Subscription Agreements were determined after arm's length negotiations between the Company and the Subscribers and are on normal commercial terms; (ii) the Conversion Price is premium over the recent market price of the Shares; (iii) the Subscriptions represent a good opportunity for the Company to raise additional funds as well as to broaden the capital base and shareholder base of the Company if the Subscribers choose to convert the Convertible Bonds into the Conversion Shares; (iv) the Convertible Bonds will not have an immediate dilution effect on the shareholding of the existing Shareholders; and (v) the net proceeds from the Subscriptions will enhance the cash level of the Group. Accordingly, the Directors consider the terms of the Subscription Agreements (including the Conversion Price) are fair and reasonable and the Subscriptions are in the interests of the Company and the Shareholders as a whole.

**Shareholders and potential investors of the Company should note that the completion of the Subscriptions is subject to the fulfillment of the conditions precedent under the Subscription Agreements. As the Subscriptions may or may not proceed, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.**

The First Subscription Agreement and the Second Subscription Agreement are not inter-conditional upon each other.

## **GENERAL MANDATE**

The Conversion Shares will be allotted and issued under the General Mandate, subject to the limit up to 494,704,608 Shares (representing 20% of the then issued Shares as at the date of the AGM). As at the date of this announcement, 144,000,000 Shares have been utilised by the 2024 CB under the General Mandate and the remaining balance of the General Mandate is 350,704,608 Shares. As the General Mandate is sufficient for the allotment and issue of the 125,000,000 Conversion Shares, the allotment and issue of the Conversion Shares will not be subject to the Shareholders' approval.

## **EQUITY FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS**

<b>Date of announcements</b>	<b>Fund raising activity</b>	<b>Net proceeds raised</b>	<b>Intended use of the net proceeds</b>	<b>Actual use of the net proceeds</b>
9 September 2024 and 26 September 2024	Placing of convertible bonds under general mandate	Approximately HK\$14 million	(i) settlement of Company's indebtedness of HK\$6 million; and  (ii) general working capital including but not limited to rental expenses, salary expenses and other office overheads of approximately HK\$8 million	Fully utilised as intended

22 February 2024, 13 March 2024 and 7 August 2024	Placing of convertible bonds under specific mandate	Nil	(i) general working capital including but not limited to rental expenses, salary expenses and other office overhead of approximately HK\$11.4 million;	The placing agreement was lapsed as announced by the Company on 7 August 2024.
			(ii) brokerage business of approximately HK\$30.0 million;	
			(iii) repayment of liabilities of approximately HK\$10.0 million; and	
			(iv) potential investment in the future when opportunities arise of approximately HK\$30.0 million	

Save as disclosed above, the Company has not conducted any other equity fund raising activities in the past 12 months prior to the date of this announcement.

## **EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY**

The table below illustrates the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately upon full conversion of the Convertible Bonds (assuming there will be no change in the total number of issued Shares from the date of this announcement and up to the date of full conversion of the Convertible Bonds); and (iii) immediately upon (a) full conversion of the Convertible Bonds; and (b) full conversion of all other outstanding convertible bonds of the Company (assuming there will be no change in the total number of issued Shares from the date of this announcement and up to the date of full conversion of the Convertible Bonds or the date of full conversion of all other outstanding convertible bonds of the Company, whichever is later):

	(i) As at the date of this announcement		(ii) Immediately upon full conversion of the Convertible Bonds		(iii) Immediately upon (a) full conversion of the Convertible Bonds; and (b) full conversion of all other outstanding convertible bonds of the Company	
	<i>Number of Shares</i>	<i>Approximate</i>	<i>Number of Shares</i>	<i>Approximate</i>	<i>Number of Shares</i>	<i>Approximate</i>
<b>Directors</b>						
Mr. Wong Chung Kin, Quentin	500,000	0.02%	500,000	0.02%	500,000	0.02%
Mr. Fu Yiu Man, Peter	20,000,000	0.81%	20,000,000	0.77%	20,000,000	0.73%
<b>Substantial Shareholder</b>						
Mr. Chung Chi Shing, Eric	339,408,000	13.72%	339,408,000	13.06%	339,408,000	12.38%
<b>First Subscriber</b>	–	–	75,000,000	2.89%	75,000,000	2.73%
<b>Second Subscriber</b>	–	–	50,000,000	1.92%	50,000,000	1.82%
<b>Holder of 2024 CB</b>	–	–	–	–	144,000,000	5.25%
<b>Public Shareholders</b>	<u>2,113,615,040</u>	<u>85.45%</u>	<u>2,113,615,040</u>	<u>81.34%</u>	<u>2,113,615,040</u>	<u>77.07%</u>
<b>Total</b>	<u><u>2,473,523,040</u></u>	<u><u>100.00%</u></u>	<u><u>2,598,523,040</u></u>	<u><u>100.00%</u></u>	<u><u>2,742,523,040</u></u>	<u><u>100.00%</u></u>

## (II) MEMORANDUM OF UNDERSTANDING IN RELATION TO PROSPECTIVE INVESTMENT

The Board is pleased to announce that, on 13 June 2025 (after trading hours), the Company entered into a memorandum of understanding with Monochrome, which is the First Subscriber, pursuant to which the Group is considering to invest in equity, debt vehicles or other financial instruments in the Monochrome Group, set up joint ventures and/or start-up operation with Monochrome Group to develop business in financial technology sector. And Monochrome Group may subscribe for further equity, convertible bonds and/or other derivatives issued by the Company (the “**Prospective Investment**”). The Group and Monochrome mutually intend to collaborate on developing the crypto infrastructure and crypto business (the “**Contemplated Cooperation**”).

## **The MOU**

**Date:** 13 June 2025

**Parties:** (1) the Company

(2) Monochrome

(each a “**MOU Party**” and collectively, the “**MOU Parties**”)

As at the date of the MOU, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, Monochrome and its ultimate beneficial owners are third parties independent of and not connected with the Company or its connected persons (as defined in the Listing Rules).

The principal terms of the MOU are as follows:

### **Consideration**

The consideration to be paid by either MOU Party to the other MOU Party for the Prospective Investment and the Contemplated Cooperation or any part thereof as well as the time, mode and manner for settlement thereof shall be set out in the Formal Agreement(s) (as defined below).

### **Due diligence investigations**

Forthwith upon the execution of the MOU or as soon as practicable thereafter, the Company shall conduct due diligence investigations in the legal, financial, commercial, compliance and such other respects of Monochrome as the Company shall deem fit and appropriate (the “**DD Investigations**”), and Monochrome shall endeavour to facilitate the Company in the conduct of the DD Investigations, and furnish the Company with all requested documents, information and particulars as soon as practicable.

### **Formal agreement**

The MOU Parties and/or such other members of the Group and/or the Monochrome Group shall, within six (6) months from the date of MOU or such longer period as the MOU Parties may agree in writing, execute the relevant agreement(s) or instrument(s) material relevant to the conduct, implementation, completion, supervision, governing and/or effectuating the Prospective Investment and the Contemplated Cooperation (collectively, the “**Formal Agreement(s)**”).

## **Completion**

Completion of the Prospective Investment and the Contemplated Cooperation (the “**Investment Completion**”) shall be subject to such conditions precedent (if any) as well as the representations, warranties and/or undertakings of the respective MOU Parties as set out in the Formal Agreement(s), and the date of the Investment Completion as well as the time, mode and venue of the Investment Completion shall also be set out in the Formal Agreement(s).

## **Binding effect**

The MOU shall be legally binding on the MOU Parties on and with respect to the provisions related to confidentiality, costs and governing law and submission to jurisdiction contained in the MOU and in such respect, shall be regulated, governed by and construed in accordance with the laws of Hong Kong. The MOU Parties irrevocably and unconditionally submit to the non-exclusive jurisdiction of the courts of Hong Kong for the purpose of resolving any dispute on or enforcing any claim arising out of the abovementioned provisions of the MOU.

## **INFORMATION ON MONOCHROME**

Please refer to the paragraph headed “**INFORMATION ON THE SUBSCRIBERS – The First Subscriber**” under the section headed “**(I) THE SUBSCRIPTIONS**” on page 18 in this announcement.

## **REASONS AND BENEFIT OF THE PROSPECTIVE INVESTMENT**

The Group is an established financial services group committed to delivering premier financial services and products that fulfill various investment and wealth management needs of clients in the Greater China region and extended into property investment as well. The Group’s expertise includes (i) provision of financial services comprising securities brokering and dealing, financing services, corporate finance and other advisory services, asset management and insurance brokerage; (ii) proprietary trading; and (iii) property investment.

The Directors believe that the Prospective Investment, if materialised, is a stepping stone for the Company to participate in crypto infrastructure and crypto business sector with potential long-term growth and opportunities, thereby enhancing the profitability of the Group's business as a whole. In view of the above, the Directors consider that the entering into of the MOU is in the interests of the Company and its shareholders as a whole.

## **GENERAL**

The Board wishes to emphasise that the MOU may or may not lead to the entering into of Formal Agreement(s). Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company. Further announcement(s) in respect of the Prospective Investment and the Contemplated Cooperation will be made by the Company as and when appropriate in accordance with the Listing Rules.

## **DEFINITIONS**

The following terms have the following meanings in this announcement unless the context otherwise requires:

“2024 CB”	the convertible bonds in the aggregate principal amount of HK\$14,400,000 entitling the holders to convert such convertible bonds into 144,000,000 Shares at the conversion price of HK\$0.10 per Share, details of which are disclosed in the announcements of the Company dated 9 September 2024 and 26 September 2024
“acting in concert”	has the meaning ascribed thereto in the Takeovers Code
“associate(s)”	has the meaning ascribed thereto in the Listing Rules
“AGM”	the annual general meeting of the Company held on 3 June 2024
“Board”	the board of Directors
“Bondholder”	the holder of the Convertible Bonds or any outstanding principal amount thereof for the time being

“Business Day”	any day (other than a Saturday, Sunday or public holiday or a day on which a typhoon signal no. 8 or above or black rainstorm signal is hoisted or the Extreme Conditions is announced in Hong Kong between 9:00 a.m. to 5:00 p.m.) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“CB Instrument”	the instrument to be executed by the Company as a deed under and pursuant to which the Convertible Bonds are to be constituted and issued
“Company”	Value Convergence Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Completion Date”	any Business Day within a period of three (3) Business Days after the fulfillment and/or satisfaction (or waiver, as appropriate) of the conditions precedent of the Subscription Agreements
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Conversion Date”	the date on which the Company receives or is deemed to have received a duly completed and executed conversion notice together with the bond certificate(s) for the Convertible Bond(s) being converted by the Bondholder pursuant to the CB Instrument or, insofar as is appropriate, the date on which it is automatically triggered under and pursuant to any agreement for or in relation to any subscription of the Convertible Bonds
“Conversion Price”	HK\$0.04 per Conversion Share, subject to adjustment pursuant to CB Instrument
“Conversion Rights”	the rights of conversion pursuant to the CB Instrument exercisable by the Bondholder to convert the principal amount or any part thereof into the Conversion Shares
“Conversion Share(s)”	in the case of the Conversion Rights having been exercised in full, the new Share(s) to be allotted and issued by the Company pursuant to the terms and conditions contained in the CB Instrument

“Convertible Bonds”	collectively, the First Convertible Bonds and the Second Convertible Bonds
“Director(s)”	the director(s) of the Company
“Extreme Conditions”	the extreme conditions as announced by any Hong Kong Government department or body or otherwise, whether or not under or pursuant to the revised “Code of Practice in Times of Typhoons and Rainstorms” issued by the Labour Department in June 2019 in the event of serious disruption of public transport services or government services, extensive flooding, major landslides or large-scale power outage after typhoons or incidents similar in seriousness or nature
“First Anniversary”	the first anniversary of the First Issue Date
“First Convertible Bonds”	the convertible bonds in the principal amount of HK\$3,000,000 at the coupon rate of 1% per annum with 2-year maturity convertible into not more than 75,000,000 Conversion Shares at the Conversion Price of HK\$0.04 per Conversion Share in accordance with the CB Instrument
“First Issue Date”	the initial date of issue of the Convertible Bonds under and pursuant to the CB Instrument
“First Subscriber” or “Monochrome”	Monochrome Corporation Pty Ltd
“First Subscription”	the subscription of the First Convertible Bonds pursuant to the First Subscription Agreement
“First Subscription Agreement”	the conditional subscription agreement entered into between the Company and the First Subscriber dated 13 June 2025 in relation to the First Subscription
“General Mandate”	the general mandate granted to the Directors to allot, issue and deal with not more than 494,704,608 new Shares at the AGM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	25 June 2025
“Monochrome Group”	Monochrome and its subsidiaries
“MOU”	the memorandum of understanding entered into between the Company and Monochrome Corporation Pty Ltd dated 13 June 2025 in relation to the Prospective Investment
“Redemption Date”	in respect of each Convertible Bond, the date (if any) on which the Convertible Bond shall be redeemed or become due for redemption in accordance with the CB Instrument, which date shall be a Business Day falling within the period commencing on the First Issue Date and expiring on the Maturity Date
“Second Convertible Bonds”	the convertible bonds in the principal amount of HK\$2,000,000 at the coupon rate of 1% per annum with 2-year maturity convertible into not more than 50,000,000 Conversion Shares at the Conversion Price of HK\$0.04 per Conversion Share in accordance with the CB Instrument
“Second Subscriber”	CJEF Capital Partners Pte. Ltd.
“Second Subscription”	the subscription of the Second Convertible Bonds pursuant to the Second Subscription Agreement
“Second Subscription Agreement”	the conditional subscription agreement entered into between the Company and the Second Subscriber dated 13 June 2025 in relation to the Second Subscription
“Share(s)”	the ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of the Share(s) from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscribers”	collectively, the First Subscriber and the Second Subscriber
“Subscriptions”	collectively, the First Subscription and the Second Subscription

“Subscription Agreements”	collectively, the First Subscription Agreement and the Second Subscription Agreement
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs published by the Securities and Futures Commission of Hong Kong
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board of  
**Value Convergence Holdings Limited**  
**Fu Yiu Man, Peter**  
*Chairman & Executive Director*

Hong Kong, 13 June 2025

*As at the date of this announcement, the Board comprises four executive Directors, namely, Mr. Fu Yiu Man, Peter (Chairman), Mr. Wong Kam Fat, Tony (Vice Chairman), Mr. Lin Hoi Kwong, Aristo, and Ms. Li Cindy Chen; and three independent non-executive Directors, namely, Mr. Wong Chung Kin, Quentin, Mr. Siu Miu Man, Simon, MH and Mr. Au Tin Fung, Edmund.*