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Unity Group Holdings International Limited
知行集團控股國際有限公司

(incorporated in the Cayman Islands with limited liability)
(Stock Code: 1539)

VOLUNTARY ANNOUNCEMENT
DEEDS OF ASSIGNMENT IN RELATION TO
THE SCHEME OF ARRANGEMENT

References are made to the announcements of Unity Group Holdings International Limited (formerly known as Synergy Group Holdings International Limited, the “**Company**”) dated 3 August 2022, 14 October 2022 and 11 November 2022 (the “**Announcements**”) in relation to, among others, the scheme of arrangement of the Company (the “**Scheme**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

THE TERMS OF THE SCHEME

As disclosed in the Announcements, the Scheme was sanctioned by the High Court on 11 November 2022. Under the terms of the Scheme, the Scheme Creditors will be entitled to settlement of their respective Admitted Claims by selecting either the Equity Option or the Cash Option (but not both) in accordance with the terms of the Scheme. The total amount of Admitted Claims subject to the Scheme is approximately HK\$178 million.

For the Equity Option, the Company will allot, issue and register such number of New Shares, credited as fully paid, at a premium of 25% over the average closing price of the shares of the Company as quoted on the Stock Exchange for the last five consecutive trading days prior to the Effective Date for the total amount of Admitted Claims of the Scheme Creditors who opt for the Equity Option as at the Effective Date.

For the Cash Option, a cash amount equivalent to 5% of the outstanding principal of all the liabilities of the Scheme Creditors as at the Effective Date of the Scheme will be paid from the Subscription Proceeds Subject to the Scheme by the Company to the SchemeCo as the Initial Cash Payment, and (subject to payment of Preferential Claims and Scheme Costs) payable to Scheme Creditors who elect to have their Admitted Claims settled by the Cash Option on the First Distribution Date.

Subject to the amount of Admitted Claims of Scheme Creditors who opt for the Cash Option, the Repayment Obligation in the maximum amount of 95% of the Principal and full amount of interest calculated at 2.5% per annum on the Principal then outstanding incurred as from the Effective Date will be paid out from the remainder of the Subscription Proceeds Subject to the Scheme after the First Distribution, and the net cash flow to be generated by the Group over a period of not more than 30 months with the Minimum Yearly Payment after the settlement of Preferential Claims (if any) and the deduction of Scheme Costs.

THE DEEDS OF ASSIGNMENT

On 17 February 2023, the Company received notices of assignment (the “**Notices of Assignments**”) from certain Scheme Creditors (the “**Assignors**”) in relation to their respective assignment of their respective Admitted Claims to Mr. Mansfield Wong (the “**Assigned Debtor**”), an executive director of the Company, pursuant to certain deeds of Assignment (the “**Deeds of Assignment**”).

Pursuant to the Deeds of Assignment, among others, it is agreed that the Assignors shall transfer their respective Admitted Claims, and all the interests, rights and benefits therein including the right to select the Equity Option or the Cash Option, to the Assigned Debtor. The total amount of Admitted Claims transferred under the Deeds of Assignment is approximately HK\$87 million.

Pursuant to the Notices of Assignment, the Company will settle the Admitted Claims transferred by the Assignors under the Deeds of Assignment with the Assigned Debtor directly by way of the Cash Option or the Equity Option. If the Assigned Debtor selects the Equity Option for all the Admitted Claims transferred by the Assignors, approximately HK\$87 million out of HK\$178 million of the total Admitted Claims under the Scheme, representing approximately 49% of the total Admitted Claims under the Scheme, will be converted into equity of the Company. Such conversion will (i) significantly alleviate the repayment pressure of the Company under the Scheme; (ii) enable the Group to retain cash flow for its future business development; (iii) strengthen the financial position of the Group; and (iv) lower the gearing ratio of the Group, which will be greatly beneficial to the Company and its shareholders as a whole.

Further announcement(s) regarding the Assigned Debtor's selection of the Cash Option or the Equity Option will be made by the Company as and when appropriate.

By order of the Board

Unity Group Holdings International Limited

Wong Man Fai Mansfield

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 17 February 2023

As at the date of this announcement, the executive director of the Company is Mr. Wong Man Fai Mansfield; the non-executive director of the Company is Mr. Tsang Sze Wai Claudius; and the independent non-executive directors of the Company are Mr. Chung Koon Yan, Mr. Cheung Yick Hung Jackie, Dr. Wong Chi Ying Anthony and Mr. Tang Warren Louis.

The English version of this announcement shall prevail if there is any inconsistency or ambiguity between the contents of the English version and Chinese version of this announcement.