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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)

**ISSUE OF CONVERTIBLE BOND
UNDER GENERAL MANDATE**

THE CONVERTIBLE BOND SUBSCRIPTION AGREEMENT

The Board is pleased to announce that on 9 June 2023 (before trading hours), the Company entered into the Convertible Bond Subscription Agreement with the Subscriber pursuant to which the Subscriber has conditionally agreed to subscribe, and the Company has conditionally agreed to issue the Convertible Bond in an aggregate principal amount of US\$15,000,000 at the Issue Price.

The Company intends to use the entire amount of the net proceeds from the issue of the Convertible Bond for the business of the Group including capital expenditures, potential acquisitions and as general working capital.

INFORMATION ON THE SUBSCRIBER

The Subscriber is Asia JIT Capital Investment L.L.C., a limited liability company incorporated under the laws of Abu Dhabi, UAE.

GENERAL MANDATE TO ISSUE AND ALLOT THE CONVERSION SHARES

By a resolution of the Shareholders passed at the annual general meeting of the Company held on 31 August 2022, the Company granted the General Mandate to the Directors to allot and issue up to 20% of the total number of Shares of the Company in issue as at 31 August 2022, i.e. 2,385,668,000 Shares. As at the date of this announcement, the Directors have not exercised the power to allot and issue any new Shares and are therefore entitled to issue up to 477,133,600 Shares pursuant to the General Mandate. It is intended that the Conversion Shares will be allotted and issued under the General Mandate.

The issue of the Convertible Bond and the Conversion Shares (upon conversion of the Convertible Bond) is not subject to Shareholders' approval.

GENERAL

Completion is subject to the satisfaction of the conditions precedent set out in the Convertible Bond Subscription Agreement. In addition, the Convertible Bond Subscription Agreement may be terminated in certain circumstances.

As the Convertible Bond Subscription Agreement may or may not proceed, holders of securities of the Company and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

On 9 June 2023 (before trading hours), the Company entered into the Convertible Bond Subscription Agreement with the Subscriber pursuant to which the Subscriber has conditionally agreed to subscribe, and the Company has conditionally agreed to issue the Convertible Bond in an aggregate principal amount of US\$15,000,000 at the Issue Price.

Details of the terms of the Convertible Bond Subscription Agreement and the Convertible Bond are summarized below.

THE CONVERTIBLE BOND SUBSCRIPTION AGREEMENT

Date

9 June 2023

Parties

- (i) the Company; and
- (ii) the Subscriber.

The Subscriber is Asia JIT Capital Investment L.L.C., a limited liability company incorporated under the laws of Abu Dhabi, UAE. To the best of the knowledge, information and belief of the Directors, and having made all reasonable enquiries, the Subscriber and its ultimate beneficial owners are Independent Third Parties. For further information of the Subscriber, please refer to the paragraph headed “Information on the Subscriber” below.

Subscription of the Convertible Bond

Subject to the terms and conditions of the Convertible Bond Subscription Agreement, the Company agrees to issue and the Subscriber agrees to, subject to satisfaction of the Conditions Precedent, subscribe in cash for the Convertible Bond of an aggregate principal amount of US\$15,000,000 at the Issue Price.

Conditions Precedent

The obligations of the Subscriber to subscribe for the Convertible Bond are subject to the fulfilment of the following conditions precedent:

- (a) the Subscriber being reasonably satisfied with the results of the financial, legal or other due diligence review of the assets, liabilities, operations and affairs of the Company and its Subsidiaries as the Subscriber may reasonably consider appropriate;
- (b) all issued Shares remaining listed on, and not having been revoked or withdrawn from, the Stock Exchange and the Stock Exchange not having indicated that it will object to such listing and there being no events or circumstances existing based on which the Stock Exchange could reasonably be expected to raise such objections and trading of the Shares on the Stock Exchange not being suspended for more than three consecutive trading days of the Stock Exchange at any time prior to, and not being suspending on, the Closing Date;
- (c) the listing of, and permission to deal in, all of the Conversion Shares upon conversion of the Convertible Bond having been granted by the Listing Committee of the Stock Exchange (either unconditionally or if subject to conditions, such conditions being reasonably acceptable to the Subscriber and if required by the Stock Exchange to be fulfilled before Closing, such conditions being fulfilled or satisfied before Closing) and such listing and permission remaining in full force and effect and not subsequently being revoked;
- (d) the Subscriber shall have received a copy, certified as a true copy by a director of the Company, of the resolutions of the board of directors of the Company which is in full force and effect, approving the Convertible Bond Subscription Agreement and the transactions contemplated therein;
- (e) none of the Warranties given by the Company 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, which would result in a Material Adverse Effect; and
- (f) as at the date of the Convertible Bond Subscription Agreement and up to the Closing Date, there shall have been no occurrence of any circumstances or events which individually or together, is or is likely to have a Material Adverse Effect or a prolonged suspension or material limitation of trading in the Shares.

The Subscriber may, at its absolute discretion, waive compliance with, in part or in full, all or any of the items above (i.e. items (a) to (f)) provided no such waiver shall prejudice the Subscriber's right to elect to treat any further or other such breach, failure or event as releasing or discharging the Subscriber from its obligation to subscribe for the Convertible Bond.

The Company shall use its best commercial endeavours to ensure that items (b) to (f) above of the Conditions Precedent are fulfilled as soon as reasonably practicable and in any event no later than 21 July 2023 (or such other later date as the Company and the Subscriber may agree in writing).

If the Conditions Precedent are not fulfilled on or before the aforesaid deadline, the Convertible Bond Subscription Agreement (save for the provisions relating to confidentiality, termination, notices and governing law and jurisdiction) shall lapse and become null and void and both the Company and the Subscriber will be released from all obligations under the Convertible Bond Subscription Agreement, save for the liabilities for any antecedent breaches thereof.

Closing

Closing shall take place on the tenth Business Day after fulfilment of the Conditions Precedent (or such other time and date as the Subscriber and the Company may agree in writing).

PRINCIPAL TERMS OF THE CONVERTIBLE BOND

Principal Amount

US\$15,000,000.

Issue Price

100% of the aggregate principal amount of the Convertible Bond.

Form

The Convertible Bond will be issued in registered form.

Status

The Convertible Bond constitutes direct, unconditional and unsubordinated obligations of the Company and shall at all times rank *pari passu* and without any preference among themselves and with the Company's existing loans and equity-linked securities and all other present outstanding unsecured unsubordinated obligations of the Company on or before the issuance date of the Convertible Bond, and shall rank prior to future loans, convertible bond and equity-linked securities of the Company, but in the event of insolvency of the Company, only to the extent permitted by the applicable laws relating to the creditors rights.

Maturity Date

The Convertible Bond will mature on the date falling on the second anniversary of the date of issuance of the Convertible Bond.

Interest

The Convertible Bond shall bear interest at 8% per annum but no interest shall be payable thereon if and to the extent Conversion Right is exercised or deemed to have been exercised.

Conversion Price

The conversion price is initially HK\$0.330 per Conversion Share, subject to adjustments in accordance with the Conditions.

The Conversion Price represents:

- (a) a discount of approximately 19.5% to the closing price of HK\$0.41 per Share as quoted on the Stock Exchange on the date of signing the Convertible Bond Subscription Agreement;
- (b) a discount of approximately 17.9% to the average of the closing prices of HK\$0.402 per Share as quoted on the Stock Exchange for the last five consecutive trading days of the Shares up to and including the last trading day immediately preceding the date of signing the Convertible Bond Subscription Agreement; and

- (c) a discount of approximately 16.0% to the average of the closing prices of HK\$0.393 per Share as quoted on the Stock Exchange for the last ten consecutive trading days of the Share up to and including the last trading day immediately preceding the date of signing the Convertible Bond Subscription Agreement.

The Conversion Price was determined based on arm's length negotiations between the parties with reference to the prevailing market prices of the Shares as quoted on the Stock Exchange.

For the purpose of calculating the number of Conversion Shares which the Bondholder is entitled to, the conversion rate of US\$1.0 to HK\$7.8 shall be used.

Adjustments to the Conversion Price

The Conversion Price shall be adjusted as provided in each of the following cases:

- (a) an alteration of the nominal amount of the Shares by reason of any consolidation or subdivision;
- (b) an issue by the Company of Shares credited as fully paid by way of capitalisation of profits or reserves (including any share premium account, contributed surplus account or capital redemption reserve fund);
- (c) a capital distribution being made by the Company, whether on a reduction of capital or otherwise, to holders of the Shares in their capacity as such;
- (d) an offer or grant being made by the Company to holders of Shares by way of rights or of options or warrants to subscribe for new Shares at a price which is less than the Conversion Price;

- (e) an issue wholly for cash being made by the Company of securities convertible into or exchangeable for or carrying rights of subscription for new Shares, if in any case the aggregate consideration initially receivable by the Company for any securities issued upon (and assuming) the conversion or exchange thereof or the exercise of such subscription rights divided by the number of Shares to be issued plus the additional minimum consideration (if any) to be received by the Company per Share is less than the Conversion Price, or in the case of a proposed modification of the rights of conversion or exchange or subscription attached to any such securities, the said total consideration per Share initially receivable for such securities is less than the Conversion Price;
- (f) an issue being made by the Company wholly for cash of Shares at a price per Share less than the Conversion Price; and
- (g) an issue being made by the Company of Shares for the acquisition of asset at an aggregate consideration credited as being paid for such Shares by the Company on acquisition of the relevant asset without deduction of commissions, discounts or expenses divided by the number of Shares issued thereof is less than the Conversion Price.

Conversion Right

Subject to the terms contained in the Convertible Bond, the Bondholder shall have the Conversion Right to convert all of the principal amount of its Convertible Bond at once into the Conversion Shares at any time during the period commencing from the issuance date of the Convertible Bond to the Maturity Date provided that Conversion Right may only be exercised in respect of an amount of US\$1,000,000 or its integral multiples.

Without prejudice to the above, if the average closing price per Share as stated in the daily quotation sheet issued by the Stock Exchange for 20 consecutive trading days during the period commencing from the issuance date of the Convertible Bond to the Maturity Date is equal to or exceeds 150% of the Conversion Price, the Bondholder must exercise the Conversion Right and deliver to the Company the Conversion Notice within 5 Business Days after the last trading day of such 20 consecutive trading day, failing which the Bondholder shall be deemed to have exercised the Conversion Right and the Conversion Notice with the address of the Bondholder shall be deemed to have been issued by the Bondholder on the expiry of such 5 Business Days subject to the Company's right to elect early redemption under the Conditions in case of the Bondholder's failure to issue a Conversion Notice.

The Conversion Right shall only be exercisable so long as it will not result in the Company's non-compliance with the minimum public shareholding requirement under Rule 8.08 or similar provisions of the Listing Rules.

Conversion Shares

Based on the initial Conversion Price and on full conversion of the Convertible Bond, a maximum number of 354,545,454 Conversion Shares will be allotted and issued by the Company, representing approximately 14.86% of the existing issued share capital of the Company and 12.94% of the issued share capital of the Company as enlarged by the issue of the Conversion Shares. No fraction of a Conversion Share shall be issued on conversion and in lieu thereof.

The Conversion Shares shall be allotted and issued pursuant to the General Mandate.

Conversion Period

The Bondholder shall be entitled to exercise the Conversion Right any time during the period commencing from the issuance date of the Convertible Bond to the Maturity Date.

Transferability

The outstanding Convertible Bond is transferable and may be assigned or transferred in whole or in part to any party by the Bondholder.

In the case of a transfer in part, the amount of the Convertible Bond to be transferred shall be US\$500,000 or its integral multiple. Once delivered, the Transfer Notice shall be irrevocable and take effect immediately. If the Transfer Notice is not duly completed and is inaccurate, the Company may reject the same and any intended transfer shall not be treated as taking effect until a duly completed and accurate Transfer Notice is received by the Company.

Mandatory Redemption on Maturity Date

The principal amount of the Convertible Bond which remains outstanding on the Maturity Date shall be automatically redeemed by the Company on the Maturity Date at of its outstanding principal amount, plus interest calculated at the rate of 8% per annum on the principal amount so redeemed in accordance with the Conditions from the date of issue of the Convertible Bond up to and including the day the Company fully pays the redemption price to the Bondholder. Such redemption premium shall accrue from day to day and shall be calculated on the basis of the actual number of days elapsed and a 360-day year.

Unless prior written consent from the Bondholder has been sought and subject to the early redemption by the Company below, the Company shall have no right to redeem any part of the outstanding principal amount of the Convertible Bond prior to the Maturity Date.

Early Redemption by the Company

If the Bondholder shall fail to deliver to the Company the Conversion Notice in accordance with the Convertible Bond Subscription Agreement, the Company may, notwithstanding that the Conversion Right is deemed to have been exercised and a Conversion Notice is deemed to have been delivered, elect not to proceed to issue the Conversion Shares, but to redeem all the outstanding Convertible Bond.

In respect of such redemption, the redemption price payable on redemption of the Convertible Bond shall be the principal amount of the Convertible Bond so redeemed, plus interest calculated at the rate of 8% per annum on the principal amount so redeemed in accordance with the Conditions from the date of issue of the Convertible Bond up to and including the day the Company fully pays the redemption price to the Bondholder. Such redemption premium shall accrue from day to day and shall be calculated on the basis of the actual number of days elapsed and a 360-day year.

Events of Default

In the event if the Company fails to take any remedial steps within 14 days after the receipt of the written notice served by the Bondholder specifying the occurrence of any of the following events of default, the Bondholder may give notice to the Company in writing that the Convertible Bond is, and shall become immediately due and payable:

- (a) there is failure by the Company to pay any principal, interest or any other amount due in respect of the Convertible Bond;
- (b) there is any failure by the Company to deliver any Shares as and when the Shares are required to be delivered following conversion of the Convertible Bond;
- (c) if any action or steps are taken or legal proceedings are started (under any applicable law) by the Company, and/or any of its Subsidiaries and/or any third party for the winding up, administration or reorganisation of the Company or any of its Subsidiaries;
- (d) if the Company and/or any of its Subsidiaries changes its principal and core business or the Company and/or any of its Subsidiaries has discontinued or materially changed the nature of its business, or merges or consolidates with any other company or legal entity without obtaining the prior approval of the Bondholder;
- (e) there has been any material breach of and non-compliance with any applicable law, regulation or Listing Rules by the Company which will result in a Material Adverse Effect;
- (f) the Shares cease to be listed on the Stock Exchange or a recognised stock exchange or are suspended from trading on the Stock Exchange for a continuous period of 30 trading days due to the default of the Company, excluding any suspension in connection with the clearance of any announcement, circular or other documents pursuant to the Listing Rules or the Takeovers Code;
- (g) it is or will become unlawful for the Company to perform or comply with any one or more of its covenants, conditions, provisions or obligations under the Convertible Bond;

- (h) the Company breaches any of the Warranties which has a material adverse effect on the financial position of the Group as a whole or defaults in performance or compliance with any of its obligations contained in the Conditions, which breach or default is incapable of remedy or, if capable of remedy, is not remedied within fourteen (14) Business Days after notice of such breach or default is sent from the Bondholder to the Company;
- (i) an encumbrancer takes possession or a receiver, manager or other similar officer is appointed of the whole or any material part of the undertaking, property, assets or revenues of the Group;
- (j) the Company or any of its Subsidiaries becomes insolvent or is unable to pay its debts as they mature or applies for or consents to the appointment of any administrator, liquidator or receiver of the whole or any material part of its undertaking, property, assets or revenues or enters into a general assignment or compromise with or for the benefit of its creditors; or
- (k) any other debentures, bonds, notes or other instruments of indebtedness or any other loan indebtedness (“**Indebtedness**”) of the Company or any securities convertible into or exchangeable for Shares (“**Equitable Securities**”) of the Company become prematurely repayable following a default in respect of the terms thereof which shall not have been remedied, or the Company defaults in the repayment of the Indebtedness or Equitable Securities at the maturity thereof or at the expiration of any applicable grace period thereof, or any guarantee of or indemnity in respect of any Indebtedness or Equitable Securities of others given by the Company shall not be honoured when due and called upon.

Listing

The Convertible Bond will not be listed on the Stock Exchange or any other stock exchange.

An application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.

Voting Rights

The Bondholder shall not be entitled to attend or vote at any meetings of the Company by reason only of being the holders of the Convertible Bond.

SECURITY FOR PERFORMANCE OF THE LIABILITIES OF THE COMPANY UNDER THE CONDITIONS

The Convertible Bond is secured by a Charge Over Receivables to be executed by Synergy Lighting Limited (as chargor) in favour of the Subscriber (to secure the performance of the liabilities of the Company under the Conditions with respect to the outstanding Convertible Bond held by the Subscriber) under which a first floating charge over all book and other debts, revenues, income and claims both present and future (excluding bank deposits and credit balances) and all things in action and choses in action due or owing or which may become due or owing to or purchased or otherwise acquired by Synergy Lighting Limited and the full benefit of all rights and remedies relating thereto is created.

GENERAL MANDATE TO ISSUE AND ALLOT THE CONVERSION SHARES

By a resolution of the Shareholders passed at the annual general meeting of the Company held on 31 August 2022, the Company granted the General Mandate to the Directors to allot and issue up to 20% of the total number of Shares of the Company in issue as of 31 August 2022, i.e. 2,385,668,000 Shares. As at the date of this announcement, the Directors have not exercised the power to allot and issue any new Shares and are therefore entitled to issue up to 477,133,600 Shares pursuant to the General Mandate. It is intended that the Conversion Shares will be allotted and issued under the General Mandate.

The issue of the Convertible Bond and the Conversion Shares (upon conversion of the Convertible Bond) is not subject to Shareholders' approval.

REASONS FOR THE CONVERTIBLE BOND ISSUE AND USE OF PROCEEDS

The Directors consider raising funds by issuing the Convertible Bond is justifiable considering the recent market conditions which represent an opportunity for the Group to enhance its working capital and strengthen its financial position for its business including capital expenditures and potential acquisitions. The Directors also consider that the issue of the Convertible Bond is an appropriate means of raising additional capital for the Group since it will not have an immediate dilution effect on the shareholding of the existing Shareholders and if the Conversion Right is exercised, the shareholder base of the Company will be broadened. It also signifies the confidence of the Subscriber which is an internationally renowned investment fund in the market, in the potential of the Company and demonstrates their willingness to support the Company.

The Directors consider that the terms of the Convertible Bond Subscription Agreement, which were arrived at after arm's length negotiations between the Company and the Subscriber, are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

The net proceeds of approximately HK\$115 million from the issue of the Convertible Bond will be used for the business of the Group including capital expenditures, potential acquisitions and as general working capital.

EQUITY FUND RAISING ACTIVITIES IN THE PAST 12 MONTHS

Save as disclosed in the announcement of the Company dated 14 April 2023 in relation to the issue of the Settlement Shares under the Specific Mandate, the Company has not conducted any equity fund raising activity in the 12 months immediately preceding the date of this announcement.

Shareholders and potential investors should note that the allotment and issue of the Settlement Shares is subject to the satisfaction of certain conditions and accordingly, it may or may not proceed.

For further information about the issue of the Settlement Shares under the Specific Mandate, please refer to the announcements of the Company respectively dated 14 April 2023 and 8 May 2023, as well as the circular of the Company dated 23 May 2023.

EFFECT OF SUBSCRIPTION ON SHAREHOLDINGS

To the best knowledge of the Directors and the Company assuming that no other Shares will be issued, (i) the shareholding structure of the Company as at the date of this announcement; (ii) the shareholding structure of the Company immediately upon completion of allotment and issue of the Settlement Shares under the Specific Mandate; (iii) the shareholding structure of the Company assuming full exercise of the Conversion Rights under the Convertible Bond Subscription Agreement (but without inclusion of any of the Settlement Shares under the Specific Mandate) and (iv) the shareholding structure of the Company upon completion of allotment and issue of the Settlement Shares under the Specific Mandate and assuming full exercise of the Conversion Rights under the Convertible Bond Subscription Agreement are as below:

Name of Shareholders	Note	As at the date of this announcement		Immediately upon completion of allotment and issue of the Settlement Shares		Immediately after full conversion of the Convertible Bond under the Convertible Bond Subscription Agreement (but without allotment and issue of the Settlement Shares) (Note 1)		Upon completion of allotment and issue of the Settlement Shares and immediately after full conversion of the Convertible Bond under the Convertible Bond Subscription Agreement (Note 2)	
		No. of Shares	Approx. %	No. of Shares	Approx. %	No. of Shares	Approx. %	No. of Shares	Approx. %
Abundance Development Limited	3	1,240,547,360	52.000	1,240,547,360	39.816	1,240,547,360	45.272	1,240,547,360	35.748
Mr. Wong Mpplication Group Limited	4	18,477,844	0.775	623,733,441	20.019	18,477,844	0.674	623,733,441	17.974
Mr. Lam	5	10,080,000	0.423	10,080,000	0.324	10,080,000	0.368	10,080,000	0.290
Mr. Tsang Sze Wai Claudius	6	24,100,000	1.010	134,335,985	4.312	24,100,000	0.879	134,335,985	3.871
Dragon Founder		18,000,000	0.755	18,000,000	0.578	18,000,000	0.657	18,000,000	0.519
Mr. Cheung Yick Hung Jackie	7	–	–	14,569,650	0.468	–	–	14,569,650	0.420
Mr. Chung Koon Yan	8	118,000	0.005	118,000	0.004	118,000	0.004	118,000	0.003
Mr. Wong Chi Ying Anthony	9	18,000	0.001	18,000	0.001	18,000	0.001	18,000	0.001
Subscriber		–	–	–	–	354,545,454	12.939	354,545,454	10.217
Other public Shareholders		1,074,308,796	45.032	1,074,308,796	34.480	1,074,308,796	39.205	1,074,308,796	30.956
Total		2,385,668,000	100.000	3,115,729,232	100.000	2,740,213,454	100.000	3,470,274,686	100.000

Notes:

1. Assuming that the shareholding structure of the Company has not changed after the date of this announcement and upon completion and immediately after full conversion of the Convertible Bond (but without allotment and issue of the Settlement Shares).
2. Assuming that the shareholding structure of the Company has not changed after the date upon completion of allotment and issue of the Settlement Shares and immediately after full conversion of the Convertible Bond.
3. Abundance Development Limited is a company incorporated in the British Virgin Islands with limited liability, which is wholly and beneficially owned by Mr. Wong.
4. As at the date of this announcement, Mr. Wong, the chairman, chief executive officer and executive Director, holds 100% interest in both Abundance Development Limited and Mpplication Group Limited and is deemed to be interested in 1,240,547,360 Shares held by Abundance Development Limited and 10,080,000 Shares held by Mpplication Group Limited respectively; Mr. Wong personally holds 18,477,844 Shares.
5. Mpplication Group Limited is a company incorporated in Hong Kong with limited liability, which is wholly and beneficially owned by Mr. Wong.
6. Mr. Tsang Sze Wai Claudius is a non-executive Director.
7. Mr. Cheung Yick Hung Jackie is an independent non-executive Director.
8. Mr. Chung Koon Yan is an independent non-executive Director.
9. Mr. Wong Chi Ying Anthony is an independent non-executive Director.

INFORMATION ON THE SUBSCRIBER

The Subscriber is Asia JIT Capital Investment L.L.C., a limited liability company incorporated under the laws of Abu Dhabi, UAE. The principal business activities of the Subscriber are (i) health services enterprises investment, institution and management, (ii) private funds investment, (iii) commercial enterprises investment, institution and management, (iv) real estate enterprises investment, development, institution and management and (v) investing in technology projects, their establishment and management.

As at the date of this announcement, the Subscriber is majority-owned and managed by Mr. Adel Abdulhameed Ibrahim Abdulla Alhosani (“**Mr. Adel**”).

Mr. Adel is a veteran fund manager and banker in UAE and is currently managing funds of ultra high networth, family offices and himself in Abu Dhabi Securities Exchange (“ADSE”) and Dubai Financial Market (“DFM”). Mr. Adel held senior roles previously at National Bank of Abu Dhabi, First Gulf Bank (now known as First Abu Dhabi Bank) and Al Wathba National Insurance Company, and has served on the respective boards of directors of Al Mal Capital P.S.C., Arqaam Capital Limited, Umm Al Qaiwain General Investment Company P.S.C., and Union Insurance Company Limited. Mr. Adel is currently a shareholder of International Holding Company (listed on ADSE with ticker IHC.AD) and Ethmar International Holding Limited.

As at the date of this announcement, to the best knowledge, information and belief of the Directors, and having made all reasonable enquiries, the Subscriber and its ultimate beneficial owners are Independent Third Parties and not connected persons (as defined in the Listing Rules) of the Company.

INFORMATION ON THE GROUP

The Company is an investment holding company. The Group is principally engaged in the provision of leasing services of energy saving systems, consultancy service and trading of energy saving products.

PUBLIC FLOAT

The Company will monitor closely and will ensure that it maintains the minimum public float percentage as prescribed under the Listing Rules from time to time. The Company’s public float will not fall below the minimum prescribed percentage under the Listing Rules upon the conversion of the Convertible Bonds.

GENERAL

Completion is subject to the satisfaction of the conditions precedent set out in the Convertible Bond Subscription Agreement. In addition, the Convertible Bond Subscription Agreement may be terminated in certain circumstances.

As the Convertible Bond Subscription Agreement may or may not proceed, holders of securities of the Company and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Bond Register”	the register of holders of the Convertible Bond which shall be maintained by the Company in accordance with the Conditions
“Bondholder”	any person for the time being entered in the Bond Register as the holder of the Convertible Bond
“Business Day”	a day other than a Saturday and Sunday on which commercial banks are opened for business in Hong Kong
“Certificate(s)”	the definitive registered certificate(s) given under the seal of the Company evidencing the title of the Bondholder to the Convertible Bond it holds
“Charge Over Receivables”	the charge over receivables to be executed by Synergy Lighting Limited in favour of the Subscriber to be issued on or before the Closing Date to secure the performance of the liabilities of the Company under the Conditions with respect to the outstanding Convertible Bond held by the Subscriber
“Closing”	the closing of the subscription and issue of the Convertible Bond
“Closing Date”	the date on which the Company will issue and deliver the Convertible Bond to the Subscriber
“Company”	Unity Group Holdings International Limited (知行集團控股國際有限公司), a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1539)

“Conditions”	the terms and conditions to the Convertible Bond to be attached to the Certificate substantially in the form set out in the Convertible Bond Subscription Agreement
“Condition(s) Precedent”	the condition(s) precedent set out in the Convertible Bond Subscription Agreement
“connected persons”	has the meaning ascribed to it in the Listing Rules
“Conversion Notice”	a conversion notice (substantially in the form attached to Exhibit 2 of the Conditions) in writing stating the intention of the Bondholder to exercise the Conversion Right and the address to which the share certificate(s) in respect of the Conversion Shares are to be delivered
“Conversion Price”	the price at which the Conversion Shares will be issued upon the exercise of the conversion right under the Convertible Bond, which is initially at HK\$0.330 per Conversion Share, subject to adjustments in accordance with the Conditions
“Conversion Right”	the right of the Bondholder to convert any Convertible Bond into fully paid Shares pursuant to the Conditions
“Conversion Shares”	new Shares which are fully paid, unencumbered, duly authorized and validly issued by the Company on conversion of the Convertible Bond, and each of which a “Conversion Share”
“Convertible Bond”	each convertible bond issued pursuant to the Convertible Bond Subscription Agreement which shall be in the principal amount stated on the certificate for such Convertible Bond
“Convertible Bond Subscription Agreement”	the convertible bond subscription agreement dated 9 June 2023 entered into between the Company and the Subscriber relating to the subscription of the Convertible Bond by the Subscriber

“Director(s)”	director(s) of the Company
“Dragon Founder”	Dragon Founder Limited, a company incorporated in Hong Kong with limited liability, an Independent Third Party
“General Mandate”	the general mandate granted to the Directors to allot and issue up to 20% of the total number of Shares of the Company in issue on 31 August 2022, by a resolution of the Shareholders passed at the annual general meeting of the Company held on 31 August 2022
“Group”	the Company and its Subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of the Company and the connected persons (as defined in the Listing Rules) of the Company
“Issue Price”	the price equivalent to 100% of the aggregate principal amount of the Convertible Bond at which the Convertible Bond shall be subscribed
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Material Adverse Effect”	a condition, a development or a circumstance which, individually or together, would have a material adverse effect on: (a) the condition (financial or otherwise), prospects, results of operation, assets or liabilities of the companies within the Group; or (b) the ability of the Company to perform any of its obligations under the Convertible Bond Subscription Agreement, the Convertible Bond; (c) the validity or enforceability of the Convertible Bond Subscription Agreement, the Convertible Bond and/or the instrument constituting the Convertible Bond
“Maturity Date”	the date falling on the second anniversary of the date of issuance of the Convertible Bond
“Mr. Lam”	Mr. Lam Arthur, a former Director
“Mr. Wong”	Mr. Wong Man Fai Mansfield, the chairman, chief executive officer and executive Director
“Settlement Shares”	a total of 730,061,232 new Shares to be allotted and issued by the Company pursuant to the three settlement agreements, which are (i) the settlement agreement dated 14 April 2023 entered into between the Company and Dragon Founder for the allotment of 14,569,650 Shares to Dragon Founder, (ii) the settlement agreement dated 14 April 2023 entered into between the Company and Mr. Lam for the allotment of 110,235,985 Shares to Mr. Lam and (iii) the settlement agreement dated 14 April 2023 entered into between the Company and Mr. Wong for the allotment of 605,255,597 Shares to Mr. Wong
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of the Share(s)

“Specific Mandate”	the specific mandate to be obtained at an extraordinary general meeting to be held and convened for the purposes of approving, among others, the ordinary resolutions in respect of the allotment and issue of the Settlement Shares to grant the authority to the Board for the allotment and issue of Settlement Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Asia JIT Capital Investment L.L.C., a limited liability company incorporated under the laws of Abu Dhabi, UAE as the subscriber of the Convertible Bond
“Subscription”	the subscription of the Convertible Bond by the Subscriber in accordance with the terms of the Convertible Bond Subscription Agreement
“Subsidiary(ies)”	as defined in the Listing Rules
“Synergy Lighting Limited”	Synergy Lighting Limited (匯能燈光有限公司), a wholly-owned subsidiary of the Company and the chargor under the Charge Over Receivables
“Takeovers Code”	the Code on Takeovers and Mergers and Share Buybacks in Hong Kong
“Transfer Notice”	a transfer notice (substantially in the form attached to Exhibit 1 of the Conditions) to the Company stating the intention of the Bondholder to exercise the right to transfer and the address to which the new Certificate(s) is/are to be delivered
“UAE”	United Arab Emirates
“US\$”	United States dollar, the lawful currency of the United States of America

“Warranties” the representations, warranties and undertakings contained in the Convertible Bond Subscription Agreement

“%” per cent.

By order of the Board
Unity Group Holdings International Limited
Wong Man Fai Mansfield
Chairman, Chief Executive Officer and executive Director

Hong Kong, 9 June 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.

In case of inconsistency, the English text of this announcement shall prevail over its Chinese text.