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UNITAS HOLDINGS LIMITED

宏海控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8020)

VOLUNTARY ANNOUNCEMENT

BUSINESS UPDATE AND LETTER FROM AMBASSADOR SHAREHOLDER

Financial adviser to the Company



This announcement is made by Unitas Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis, for the purpose of providing updated development of the resumption of trading of the Group to the shareholders and potential investors of the Company.

Reference is made to (i) the announcements of the Company dated 21 January 2022, 28 January 2022, 22 February 2022, 4 May 2022, 17 May 2022, 8 June 2022, 16 August 2022, 22 November 2022, 22 February 2023, 28 June 2023, 10 July 2023 and 15 August 2023 (the “**Announcements**”); (ii) the annual report of the Company for the year ended 31 March 2023 (the “**Annual Report 2022/2023**”); and (iii) the first quarterly report of the Company for the three months ended 30 June 2023 (the “**2023 First Quarterly Report**”). Unless otherwise specified, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements and the Annual Report 2022/2023 and the 2023 First Quarterly Report.

BUSINESS UPDATE

Development of dry bulk shipping and logistic services business

The board of directors of the Company (the “**Board**”) informs the shareholders of the Company (the “**Shareholders**”) and potential investors that, as stated in Annual Report 2022/2023 and the 2023 First Quarterly Report, after the restoration of the logistics services business in the fourth quarter of 2021, the Group continues to strive and expand the logistics services business segment with the effort of the management of the Group in exploring new customer base and expanding the business scale.

Thus, on 20 May 2023, Greater Yield Logistics Limited (“**Great Yield**”), a wholly owned subsidiary of the Company, entered into a service contract with Joy Line Inc., an import and export trading company incorporated in British West Indies, pursuant to which Greater Yield provides logistic services to Joy Line Inc., to import and/or export goods, among others, cigarettes and alcohols in free trade zone between Taiwan and the Philippines.

On the other hand, on 25 June 2023, Greater Yield Logistics Limited entered into a service contract with Earnest Free Trade & Container Terminal Corp., a cargo space agent located in Taiwan, pursuant to which Greater Yield could be able to secure cargo space of 2 bulk/container ships with definite ship registration certificates for ocean shipments between Taiwan and the Philippines with intended monthly transaction amount of not less than US\$200k with a view to satisfy the transportation for the orders from Joy Line Inc. as mentioned above.

The Board is pleased to inform the Shareholders and potential investors that the first shipment of cigarettes has already been made in mid-August 2023 and has generated revenue of more than US\$210,000 for the Group, which positively respond the concern over the substance, viability and sustainability of the business. Based on the communication with Joy Line Inc, the Company expects that it would place its next order in September 2023 with one to two orders regularly in every month.

After securing the new business relationship with Joy Line Inc. and Earnest Free Trade & Container Terminal Corp., the Company’s dry bulk shipping and logistic services business is set to experience continuous growth. This new business opportunity has injected a fresh wave of momentum into the Group’s operations, propelling the Company towards even greater success.

Development of IP automation and entertainment business

As stated in Annual Report 2022/2023 and the 2023 First Quarterly Report, after the previous series of waves of Pandemic, restriction has been removed since early 2023, people are eager for entertainment and leisure activities, the Company has consolidated its experience and resources and further expand its business leveraging the milestone of launching the integrated edutainment playground. As an extended business development on the cooperation model of Sooper Yoo, being the first mega integrated edutainment and sports experience playground established and operated by the Group which is located at the Westwood, Sai Wan, Hong Kong, the Group has already started to operate the other two edutainment and sports experience playgrounds in Huizhou, the PRC and Baoan, the PRC in May 2023 and August 2023 respectively.

Sooper Yoo

As stated in Annual Report 2022/2023, the Group entered into an agreement with a Hong Kong local TV operator for design, construction and operation services for Sooper Yoo, the integrated edutainment and sports experience kids playground, pursuant to the Group acts as the operator for the design, development, construction, project management, operation management and daily operation of Sooper Yoo at The Westwood, Sai Wan. After a series of construction, renovation, preparation and trial operation, Sooper Yoo opened and started official operation in 3rd quarter of 2022.

Sooper Yoo offers a comprehensive program that promotes both intellectual and physical development through a combination of engaging activities. Sooper Yoo carefully crafted initiatives are designed to stimulate the minds and bodies of participants. Among the highlights is Sooper Yoo's distinctive multi-level obstacle course, which provides a thrilling experience. Additionally, facilities in Sooper Yoo include races, chases, and challenges that incorporate interactive technology, enabling children to actively participate, compete, and even provide commentary. The virtual studio in Sooper Yoo further allows kids to explore and enhance their broadcasting abilities. Overall, Sooper Yoo provides a professional and formal setting for children to engage in dynamic activities that foster their holistic growth.

The Board is also pleased to inform the Shareholders and potential investors that in an exciting development, the Smurfs (藍精靈), the beloved blue characters from the iconic comic series, becomes one of the collaborators with Sooper Yoo. This collaboration opens up a world of possibilities for Sooper Yoo, as it has incorporated the Smurfs' enchanting characters into its imaginative playground offerings. This collaboration is set to bring joy and wonder to children and families who visit Sooper Yoo's venues.

The Smurfs, also known as Les Schtroumpfs or De Smurfen, are a lovable group of tiny blue creatures who live in a magical forest village. Each Smurf has a unique personality and skill, adding depth and variety to the enchanting world they inhabit. Sooper Yoo's collaboration with the Smurfs allows the integration of these distinctive characters throughout its venues, bringing the magic of the Smurfs to life.

Sooper Yoo has always strived to create whimsical and immersive experiences for children, fostering their imagination and encouraging creative play. With the inclusion of the Smurfs, the playground will be transformed into a colourful world where children can interact with their favourite characters from the cherished comic series.

The collaboration between Sooper Yoo and the Smurfs marks an exciting chapter for the Group. Sooper Yoo's dedication to providing exceptional play experiences, combined with the charm and popularity of the Smurfs, guarantees that children will embark on unforgettable adventures within the playground's vibrant world. With this collaboration, Sooper Yoo reiterates its commitment to delivering innovative, immersive, and educational entertainment for children and their families.

Please refer to Appendix I of this announcement for the latest interior design of Sooper Yoo after the collaboration with the Smurfs.

The Huizhou Playground

The Board is pleased to inform the Shareholders and potential investors that the abovementioned kids play zones in Huizhou (the “**Huizhou Playground**”) has commenced operation in May 2023.

The Huizhou Playground is the first upscale children’s sports park established by the Group in Shenzhen. It is located within the Muyun Creek Valley in Huizhou, covering a vast area of 1500 square meters. Specifically tailored for children aged 3 to 15, the Huizhou Playground offers a diverse range of engaging games and exploratory experiences that combine technology and physical activities to enhance children’s physical fitness and imagination.

The playground features a wide array of recreational facilities and sports challenges, organized into three main areas, namely (i) “Joyful Ocean” Active Zone: Sponge pool obstacle courses, trampoline jumping, devil slides, climbing walls, and roller-skating rinks; (ii) “Body-Mind Parallel” Active Zone: Various challenge modes of projected football and tennis courts, arcade games such as basketball machines, rugby, and bowling; and (iii) “Little Social Circle” Party Room. With over 30 different activities available for unrestricted access throughout the day, the Huizhou Playground aims to create a joyful recreational haven for both parents and children, providing an ideal destination for interactive parent-child bonding during vacations.

Please refer to Appendix II of this announcement for the interior design of the Huizhou Playground.

The Baoan Playground

The Board is pleased to inform the Shareholders and potential investors that the abovementioned kids play zones in Baoan (the “**Baoan Playground**”), which are designed and contracted by the Group, has already commenced operation in August 2023, which is earlier than the expected time of commencement of September 2023 as the Board initially expected. It is expected that the aforesaid two kids play zone could be able to generate sustainable revenue to the Group continuously for a term of 10 years.

The Board is delighted that the Group’s IP automation and entertainment business has achieved a significant milestone with the successful commencement of operation of two new kids play zones in Huizhou and Baoan. These grand openings of those playgrounds serve as a testament to the remarkable and sustainable growth and development of the Group’s IP automation and entertainment business.

The Baoan Playground stands as a comprehensive entertainment space that seamlessly blends sports, entertainment, food, and beverage offerings. Designed to cater to the diverse preferences of urban youth, this venue provides a dynamic environment for both relaxation and competitive sports. With an extensive range of entertainment facilities, exclusive games, a boutique bar, and a delightful selection of specialty teas and drinks, the Baoan Playground transforms entertainment and socializing into a simplified, enriched, and captivating experience.

One of the key attractions of the Baoan Playground lies in its ability to offer an array of entertainment options to suit the tastes and preferences of a diverse audience. Urban young people seeking entertainment and relaxation will find a wide selection of social games, enabling them to gather and unwind in a vibrant and engaging atmosphere.

For those seeking an adrenaline rush, the venue also offers a range of competitive sports games that cater to the thrill-seeking nature of individuals. Whether it's engaging in heart-pounding challenges or participating in high-energy team activities, the Baoan Playground provides an exhilarating platform for those who prefer more action-packed experiences.

The Baoan Playground boasts over 20 different entertainment facilities, each carefully curated to provide a unique and immersive experience. The wide variety of options ensures that visitors can choose activities that align with their interests and preferences. The Baoan Playground offers a diverse range of experiences that cater to different age groups and interests.

The Baoan Playground has successfully redefined entertainment and socialization for urban youth by combining sports, entertainment, food, and social games into a comprehensive and engaging experience. With its wide range of entertainment facilities, exclusive games, and a vibrant social atmosphere, the Baoan Playground provides a haven for individuals to relax, bond, and unleash their competitive spirit. The Baoan Playground sets the stage for memorable experiences and lasting connections in a simple, rich, and fun-filled environment.

The Board would like to express its gratitude to the dedicated team of the Group whose unwavering commitment and tireless efforts have made these accomplishments possible. Their expertise, creativity, and attention to detail have been instrumental in bringing the Group's vision to life and creating exceptional experiences for the guests of those playground.

Please refer to Appendix III of this announcement for the interior design of the Baoan Playground.

Sale and distribution of “Pokémon Card Game” products and host of official Pokémon Trading Card Game (TCG) GYM (寶可夢卡牌遊戲道館)

On 28 July, 2023, Shenzhen Yuzhijia Culture Medial Company Limited* (深圳市御之家文化傳媒有限責任公司) (“**Shenzhen Yuzhijia**”), a non-wholly owned subsidiary of the Company, entered into a legally-binding distribution agreement with Shanghai Fengka Game Co., Ltd.* (上海風卡遊戲有限公司), the largest “Pokémon Card Game” official dealer/wholesaler in the PRC, pursuant to which Shenzhen Yuzhijia shall act as an authorized distributor for distributing certified “Pokémon Card Game” products; and (ii) the host of official Pokémon TCG GYM for organizing “Pokémon Card Game” competitions for the period from 28 July 2023 to 27 September 2024 with terms for auto renewal for further two years should both parties have no disagreement 30 days before the expiry of the agreement.

Official Pokémon TCG GYM is an officially recognized venue in the respective area where Pokémon Trading Card Game tournaments are held. It provides an opportunity to learn the rules and mechanics of the Pokémon Card Game, construct the own deck of the players, and engage in battles against various players. This setting is ideal for enhancing your skills and abilities.

Official tournaments held at the Pokémon TCG GYM offer several exciting features. Participants have the chance to obtain special prizes that may not be available elsewhere. Additionally, winning these tournaments can grant players the privilege of competing in the next stage of the competition. It serves as an official platform for competitive play within the store environment. To enhance customer satisfaction and drive sales, the Pokémon TCG GYM can be utilized as a promotional activity that fosters a connection with customers. It can be employed as a means to incentivize purchases and increase overall sales revenue.

Organizing officially recognized Pokémon Trading Card Game tournaments brings numerous advantages to both players and store owners. These tournaments serve as a platform for competitive play and provide unique opportunities for participants to enhance their collections and showcase their skills. These tournaments offer dedicated promotional cards and merchandise as participation rewards and prizes for winners. These exclusive items serve as coveted collectibles and incentivize participation in the tournaments. Meanwhile, the tournaments' details and announcements are widely disseminated through official platforms such as the official website and Facebook page. This ensures broader visibility and awareness among the Pokémon Card Game community, attracting more players to participate. The tournaments also provide stickers and promotional materials featuring the "Pokémon TCG Gym" logo, which can be displayed within the store premises. These branding materials contribute to creating a distinct and recognizable identity for the in-store Pokémon TCG GYM, further enhancing its visibility and appeal to customers.

The Company is of the view that the aforesaid collaboration represents a significant milestone in the Pokémon Card Game industry and will streamline distribution channels, allowing fans to easily access genuine Pokémon Card products. This will not only enhance the customer experience but also combat counterfeit and unauthorized sales, ensuring that players can confidently purchase authentic cards.

As such, Shenzhen Yuzhijia rented a shop in Shenzhen, the PRC as the venue for organising the "Pokémon Card Game" competitions and for distributing the relevant certified products. Such venue has commenced its operation in August 2023. Shenzhen Yuzhijia underscores its commitment to providing a world-class experience for participants.

On Sunday, 3 September 2023, Shenzhen Yuzhijia has organized its first "Pokémon Card Game" competitions in its shop in Shenzhen. The event witnessed an overwhelmingly enthusiastic response from participants, showcasing the enduring appeal and enduring nostalgia of the beloved trading card game. Shenzhen Yuzhijia's first "Pokémon Card Game" competition was undoubtedly a resounding success. Shenzhen Yuzhijia's commitment to fostering a vibrant gaming community was evident throughout the event.

Pursuant to the distribution agreement, Shenzhen Yuzhijia is also entitled to generate revenue and profit from the sales of the popular Pokémon Card products within the price range officially designated by Shanghai Fengka Game Co., Ltd. in the PRC.

Meanwhile, the abovementioned competitions, scheduled to commence in the fourth quarter of 2023, will offer enthusiasts a platform to showcase their strategic prowess and engage in friendly competition. These highly anticipated events will bring together players of all skill levels for thrilling battles and camaraderie. Participants can expect well-organized tournaments with fair gameplay, exciting prizes, and a vibrant community atmosphere.

Please refer to Appendix IV of this announcement for the venue of Shenzhen Yuzhijia for organising the “Pokémon Card Game” competitions and for distributing the relevant certified products.

FURTHER SHAREHOLDER LETTER

On 4 September 2023, the Company received a letter addressed to the Board (the “**Ambassador Shareholder Letter**”) from a Shareholder, who is the goodwill ambassador of the Embassy of the Republic of Palau in the Republic of China (the “**Ambassador Shareholder**”) addressed to the Company.

According to the Ambassador Shareholder Letter, the Ambassador Shareholder expressed that as a company with annual revenue approaching HK\$100 million and a relatively balanced income and expenditure, the Company should worth more than its current value, i.e. the market capitalisation of the Company before its suspension.

The Ambassador Shareholder acknowledge that the Company has a considerable business and actively seeks new business. Despite the Company providing evidence, it was not accepted, and it has been notified of the impending delisting.

The Ambassador Shareholder concerned about the resumption progress of the Company. When noticing the GLC Decision, the Ambassador Shareholder feels not only the disappointment and helplessness of the Board but also extreme anger towards the absurdity of the GLC Decision.

As stated in the Ambassador Shareholder Letter, the Ambassador Shareholder is of the view that regulatory parties are expected to protect investors. However, in the case of the Company, the Stock Exchange, as the entity responsible for overseeing listed companies, has become the perpetrator of destroying investor assets. If the Company finally delisted pursuant to decision of the Stock Exchange, those minority shareholders of the Company will be left with nothing. The Ambassador Shareholder would feel anger if he incur losses because of the subjective judgment of the Stock Exchange that forces the delisting of a listed company.

Meanwhile, the Ambassador Shareholder is even more shocking that the GEM Listing Committee has disregarded the appeals and the evidence presented by the Company, which has been stated also in the announcement of the Company dated 10 July 2023.

The Ambassador Shareholder endorses the Board and the management of the Group stand united in their unwavering dedication to safeguarding the assets and interests of the Shareholders during the epidemic, while proactively fostering the continued advancement of the business of the Group. As for the Company's diversified and active IP automation and entertainment business in recent years, it has further enriched the Company's overall business foundation.

Unfortunately, the Stock Exchange has brought challenges to the substance of these businesses. The Ambassador Shareholder would like to convey the message that the GEM Listing Committee should reflect upon its delisting decision and not simply follow procedures, disregarding the actual operational situation and arbitrarily delisting a listed company.

The Ambassador Shareholder stated that as a free port, Hong Kong's success comes from the freedom of trade and the spirit of the rule of law, the essence of which includes "presumption of innocence" and "benefit of the doubt". The Stock Exchange is merely a regulatory organization for a listed company, whether its power to delist a company is equivalent to having the authority to determine the life or death of that company. However, the members of the GEM Listing Committee have the power to suspend or delist listed companies, often without taking into consideration objective factors, including the impact of the COVID-19 pandemic, the Company's sufficient business. Such actions can be seen as an abuse of power, as they fail to consider relevant factors and act unilaterally.

From the Ambassador Shareholder's perspective, the delisting regime is equivalent to the sentence of the listed company. The Ambassador Shareholder highlights that delisting a listed company can similarly be considered cruel, irreparable, and result in more severe consequences compared to other punishments. Therefore, the regulators should use and employ delisting sparingly and with caution.

The Ambassador Shareholder is in the opinion that not the Stock Exchange and not Hong Kong either would benefit from delisting of listed company. The Ambassador Shareholder further addresses that the GEM and the Main Board in the Stock Exchange have lost their attractiveness to small and medium-sized companies in need of listing financing. Companies with significant business operations and certain scale, have already abandoned Hong Kong in recent years and eagerly pursued listings overseas.

As a foreign ambassador of a small country, the Ambassador Shareholder has always regarded the development of Hong Kong's financial market as a valuable experience. However, with the ever-changing market, the Ambassador Shareholder considers that the Stock Exchange has been falling behind in the past years. The Ambassador Shareholder thinks that the Stock Exchange redundantly focuses on catering to emerging economy enterprises, it is gradually diminishing its support for local enterprises and small and medium-sized businesses that have historically been the bedrock of the Stock Exchange's success. Alternatively, it is indeed time for the Stock Exchange to engage in profound introspection and take the first step towards exercising its power judiciously.

The Company is gratified by the Ambassador Shareholder's affirmation of the positive growth and enhanced profitability achieved in its financial and operational performance and the Company's efforts in the resumption process. Furthermore, the success of the Group's business diversification and expansion, coupled with the development of a sustainable and viable business model, has been met with approval from a Shareholder with international status.

Simultaneously, the Company holds the belief that the proactively taken actions, including the letter from Shareholders as mentioned in the announcement of the Company dated 15 August 2023, by those Shareholders have served to emphasise that the delisting of the Company would not be in the best interests of and supported by the Shareholders. Consequently, the Company expresses its desire for the Listing Review Committee to explore alternative options that would prioritize the best interests of the Shareholders, as well as the broader public investors, in addition to the delisting proposal.

The Board will present its view to the Listing Review Committee during the hearing and express its disagreement with the decision of the GEM Listing Committee at the meantime. The Board believes that having the operation scale as mentioned above, the Group shall be in compliance with Rule 17.26 of the GEM Listing Rules. The Company will use its best endeavours to safeguard the interests of the Shareholders and make every effort to pursue the resumption of trading in the shares of the Company.

SUSPENSION OF TRADING

Accordingly, trading in the shares of the Company on the Stock Exchange will be suspended with effect from 9:00 a.m. on 17 May 2022 and will remain suspended until further notice. Further announcement(s) will be made by the Company as and when appropriate and in accordance with the requirements of the GEM Listing Rules.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Unitas Holdings Limited
Maisy Ho
Chairlady

Hong Kong, 7 September 2023

As at the date of this announcement, the Company's executive Directors are Ms. Ho Chiu Ha Maisy (Chairlady), Mr. Lau Ling Tak and Ms. Man Wing Yee Ginny and the independent non-executive Directors are Mr. Siu Chi Yiu Kenny, Mr. Lee Chi Keung Jim and Dr. Chow Ho Wan, Owen.

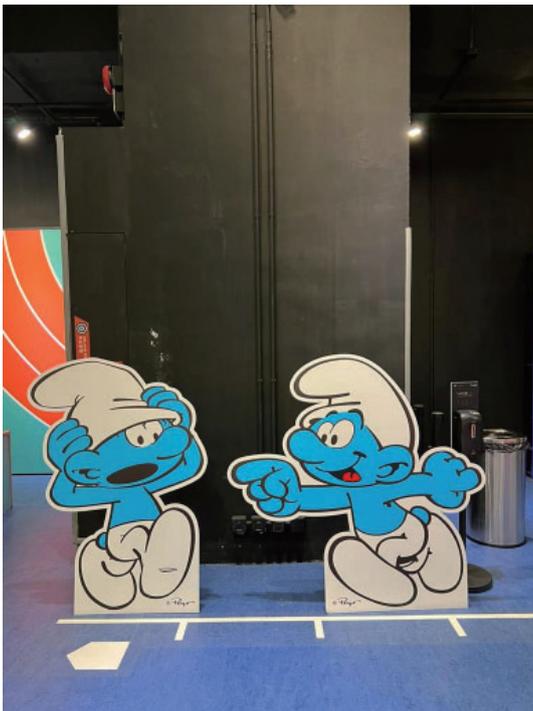
This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, (i) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive and (ii) there are no other matters the omission of which would make any statement in this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the website of the Stock Exchange at www.hkexnews.hk for a minimum period of seven days from the date of its posting. This announcement will also be published on the Company's website (www.unitas.com.hk).

APPENDIX I







APPENDIX II





APPENDIX III



APPENDIX IV



