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Synergy Group Holdings International Limited

滙能集團控股國際有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1539)

VOLUNTARY ANNOUNCEMENT IN RELATION TO THE INTRODUCTION OF STRATEGIC INVESTOR TO NEGAWATT UTILITY GROUP HOLDINGS LIMITED

This announcement is made by Synergy Group Holdings International Limited (“**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to inform its shareholders and its potential investors of the latest business development of the Group.

SUBSCRIPTION AGREEMENT

The board (“**Board**”) of directors (“**Directors**”) of the Company is pleased to announce that on 8 January 2019, Negawatt Utility Group Holdings Limited, an indirect non-wholly owned subsidiary of the Company (“**NU**”, together with its subsidiaries, the “**NU Group**”) and HPA Technology Limited (“**HPA**”) has entered into an agreement (“**Subscription Agreement**”) pursuant to which HPA has agreed to subscribe for new shares in NU (“**Subscription**”). The Subscription has been completed pursuant to the Subscription Agreement on the same date and HPA became interested in approximately 5.0% of the shareholding in NU and the Group would be interested in approximately 57.0% of the shareholding in NU.

INFORMATION ABOUT THE GROUP AND NU GROUP

The Group is one of the leading integrated energy saving and management solutions providers based in Hong Kong. The Group is principally engaged in design and customisation, investment, installation and commissioning, operation and maintenance of energy efficiency technology, and investment in (i) renewable energy and (ii) energy storage and distributed energy resources.

NU Group is primarily engaged in research and application of smart technology which offers a distinctive five-in-one modular Building Operating System (BOS) to assist customers with Energy & Resources Management, Building Sustainability Management and Chiller Analytic Management. Using cloud and AI technologies, the management platforms effectively implement massive data collection, energy and environmental monitoring and data analysis functions. By applying in concert smart meters, comprehensive data acquisition, big data analysis with true data trending and AI techniques, a user-friendly dash board and reporting, plus dedicated software and hardware, the BOS system enables the optimisation of building performance and identifies energy saving measures.

INFORMATION ABOUT HPA

Based on the information available and to the best knowledge of the Directors, HPA is a limited liability company incorporated in Hong Kong and is ultimately controlled by Mr. Bosco Ho, who is also the founder of Ho & Partners Architects Engineers & Development Consultants Ltd (“**HPA Architects**”). HPA Architects is a respected architectural design consultancy in Hong Kong with projects in Hong Kong, Mainland China and overseas. Based on public information and so far as the Directors are aware, HPA Architects is also in “Band 1” in the architectural category of the list of consultants of Architectural and Associated Consultants Selection Board of the Hong Kong government. HPA Architects has projects completed, including large-scale high-rise residential developments, villas, public housing, Grade-A office buildings, corporate headquarters, hotels, etc., in more than 60 cities across 12 countries.

REASONS FOR AND BENEFITS OF INTRODUCING HPA AS A STRATEGIC INVESTOR OF NU

The Hong Kong government proposed the Hong Kong Smart City Blueprint in 2017, aiming at building a prosperous and world class smart city with good living quality through innovation and the adoption of technology. Introduction of green and smart building design is one of the directions to enhance energy efficiency. The Directors believe that with this strategic partnership, the Group can pool the complementary strengths of the Group and HPA and explore new customer sources. With HPA as a strategic investor, NU Group will gain financial strength, and the Group, together with HPA, can expand customer base to include property developers, property management companies and major retailers in Hong Kong, Mainland China and from overseas in the future. As for HPA, it will incorporate NU Group’s artificial intelligence (AI) and big data technologies that allow real-time energy efficiency monitoring and analysis in its architectural design proposals, which could allow them to optimise its one-stop professional ancillary service offering, and access at all times the latest technologies for enhancing its designs and building a stronger and integrated consultancy platform. The Directors believe that the introduction of HPA as a strategic investor of NU is in line with the energy saving and smart city development trends embraced by the Hong Kong government, authorities in the Guangdong-Hong Kong-Macao Greater Bay Area and governments all over the world, which can enhance the competitiveness of the Group and is in the interests of the Company and its shareholders as a whole.

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

Hong Kong, 8 January 2019

As at the date of this announcement, the executive Directors are Mr. Wong Man Fai Mansfield and Mr. Lam Arthur; and the independent non-executive Directors are Mr. Chung Koon Yan, Mr. Cheung Yick Hung Jackie and Dr. Wong Chi Ying Anthony.