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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)

PROFIT WARNING

This announcement is made by Synergy Group Holdings International Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**” or the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the preliminary review of the draft unaudited consolidated management accounts of the Group for the financial year ended 31 March 2022 (the “**Year**”) and the information currently available to the Board, the Group is expected to record a consolidated loss attributable to owners of the Company for the Year of not less than HK\$380 million, as compared to the consolidated loss attributable to owners of the Company of approximately HK\$280 million for the year ended 31 March 2021.

Subject to finalisation of the annual results of the Group for the Year, the Board considers that the expected consolidated loss of the Group for the Year was mainly attributable to the following:

Effect in relation to the issue of Settlement Shares on 20 January 2022

References are made to (i) the announcement of the Company dated 20 January 2022 (the “**Announcement**”) and the announcements referred to therein; and (ii) the circular of the Company dated 15 November 2021 (the “**Circular**”) in relation to, among others, the issue of Subscription Shares, Conversion Shares and Settlement Shares. Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Circular.

As disclosed in the Announcement, a total of 474,196,000 Settlement Shares were duly allotted and issued as fully-paid by the Company to First Fidelity Capital (International) Limited, Ms. Yu Sze Wan Gisela, Red Hill Investment (BVI) Limited, Mr. Tong Man Chun, Kedah Company Limited and Ms. Wu Chit Wai (each being an Independent Third Party) at the Issue Price of HK\$0.1 per Settlement Share, for the purpose of settling the outstanding amounts and overdue indebtedness owed by the Company. The Issue Price is significantly lower than the closing price of HK\$0.74 per share as quoted on the Stock Exchange on 20 January 2022. As such, the Group recognised a loss of approximately HK\$303.5 million for the Year (2021: nil) from the issue of Settlement Shares in accordance with the relevant accounting standard.

As at the date of this announcement, the Company is in the process of finalising the annual results for the Year. The information contained in this announcement represents only a preliminary assessment by the Board based on the information currently available including the draft consolidated management accounts of the Group for the Year, which have not been audited by the Company’s auditor nor reviewed by the audit committee of the Company, and may be subject to amendments. Shareholders and potential investors are advised to read carefully the Company’s annual results announcement which is expected to be published by the end of June 2022 in accordance with the requirements under the Listing Rules.

Shareholders and potential investors should exercise caution when dealing or contemplating in dealing in the shares of the Company.

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

Hong Kong, 21 June 2022

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. Lam Arthur; 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.