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SYNERGIS HOLDINGS LIMITED

昇捷控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 02340)

VOLUNTARY ANNOUNCEMENT – BUSINESS UPDATE

References are made to the annual report of Synergis Holdings Limited (the “Company”) for the year ended 31 December 2016, the voluntary announcements regarding business update of the Company dated 24 May 2017, 18 August 2017 and 11 January 2018 (the “Announcements”), the interim report of the Company for the six months ended 30 June 2017 and the annual report of the Company for the year ended 31 December 2017 (the “Annual Report 2017”). Capitalised terms used herein shall have the same meanings as those defined in the Announcements.

The board of directors (the “Board”) of the Company has noted that an announcement was issued by Hsin Chong on 18 May 2018 regarding its failure to pay the amount outstanding under the US\$300 million 8.75% senior notes due 2018 on 18 May 2018. As mentioned in the Annual Report 2017, the Company has entered into the Supplemental Agreement with Hsin Chong on 17 August 2017 in addition to the Settlement Agreement dated 27 March 2017 for the recovery of the remaining balance of receivables of approximately HK\$66.7 million as of 31 December 2016 plus interest by installments, pursuant to which the deadline of the repayment period had been deferred from 31 July 2017 to 1 June 2018. However, other than the repayment of approximately HK\$3.3 million plus interest on 30 October 2017 under the Supplemental Agreement, the Company has not received further repayment from Hsin Chong as at the date of this announcement. The Company has done all endeavours to ensure the recovery of the remaining amount of receivables of approximately HK\$63.4 million from Hsin Chong.

Hsin Chong requested to reschedule the repayment date of the remaining balance of receivables under Supplemental Agreement in late May 2018. After arm’s length negotiation, the Company entered into a second settlement agreement, which supersedes the previous Settlement Agreement and the Supplemental Agreement, with Hsin Chong on 1 June 2018 for the repayment of the receivables of approximately HK\$75.8 million as of 30 April 2018 plus interest by five installments over the period from 1 June 2018 to 30 April 2019 (the “2018 Settlement Agreement”).

The Directors of the Company consider that the terms under the 2018 Settlement Agreement are acceptable in the present circumstances and are in the interests of the Company and its shareholders as a whole. The Company is monitoring the situation closely and seeking legal advice as to actions it may take to protect its rights, and will make further announcement as and when appropriate.

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

By order of the Board
Synergis Holdings Limited
Kingston Chu Chun Ho
Chairman

Hong Kong, 1 June 2018

As at the date of this announcement, the Board comprises Mr. Kingston Chu Chun Ho (Chairman) and Mr. Terence Leung Siu Cheong (Deputy Chairman and Managing Director) as Executive Directors; and Mr. Lau Man Tak, Mr. Eric Lee Hon Man and Dr. Wong Yun Kuen as Independent Non-executive Directors.