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Unity Enterprise Holdings Limited

盈滙企業控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2195)

MAJOR TRANSACTION IN RELATION TO ACQUISITION OF 100% EQUITY INTEREST IN THE TARGET COMPANY INVOLVING THE ISSUE OF CONSIDERATION SHARES UNDER GENERAL MANDATE AND THE ISSUE OF PROMISSORY NOTE

INTRODUCTION

The Board is pleased to announce that on 22 October 2024 (after trading hours), the Purchaser, being a direct wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Vendor and the Target Company, pursuant to which the Purchaser has conditionally agreed to acquire, and the Vendor has conditionally agreed to sell the entire equity interest in the Target Company for a Consideration of HK\$45,700,000, which shall be satisfied by the allotment and issue of the Consideration Shares and the issue of the Promissory Note by the Company and the Purchaser, respectively, to the Vendor or its nominee(s) on Completion or any other dates as the parties otherwise agree in writing.

Upon Completion, the Target Company will become a wholly-owned subsidiary of the Company and the financial results of the Target Company will be consolidated into the consolidated financial statements of the Company.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the Acquisition to be contemplated under the Sale and Purchase Agreement exceeds 25% but is less than 100%, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is subject to, amongst others, the announcement and shareholders' approval requirements under the Listing Rules.

GENERAL

The EGM will be convened and held for the Shareholders to consider, and if thought fit, approve the Sale and Purchase Agreement and the transaction contemplated thereunder.

A circular containing, among other things, (i) further details of the Sale and Purchase Agreement and the transactions contemplated thereunder; (ii) other information required to be disclosed under the Listing Rules; and (iii) a notice of the EGM and a form of proxy, is expected to be despatched to the Shareholders on or before 11 November 2024.

Shareholders and potential investors of the Company should note that Completion is subject to a number of Conditions Precedent which may or may not be fulfilled, as the Acquisition may or may not proceed, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.

INTRODUCTION

The Board is pleased to announce that on 22 October 2024 (after trading hours), the Purchaser, being a direct wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Vendor and the Target Company, pursuant to which the Purchaser has conditionally agreed to acquire, and the Vendor has conditionally agreed to sell the entire equity interest in the Target Company for a Consideration of HK\$45,700,000, which shall be satisfied by the allotment and issue of the Consideration Shares and the issue of the Promissory Note by the Company and the Purchaser, respectively to the Vendor or its nominee(s) on Completion or any other dates as the parties otherwise agree in writing.

SALE AND PURCHASE AGREEMENT

The principal terms of the Sale and Purchase Agreement are summarised as follows:

Date

22 October 2024 (after trading hours)

Parties

- (i) the Vendor;
- (ii) the Purchaser; and
- (iii) the Target Company.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor is an Independent Third Party.

Upon the allotment and issue of the Consideration Shares to the Vendor as settlement of part of the Consideration at Completion, the Vendor will become a Substantial Shareholder and thus a Connected Person.

Subject matter

Pursuant to the Sale and Purchase Agreement and subject to the fulfillment (or waiver where applicable) of the Conditions Precedent, the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, the Sale Shares, representing the entire equity interest in the Target Company as at the date of this announcement.

Upon Completion, the Group will be interested in 100% of the equity interest of the Target Company. As such, the Target Company will become a wholly-owned subsidiary of the Group and the financial results of the Target Company will be consolidated into the accounts of the Group.

Consideration

Pursuant to the Sale and Purchase Agreement, the total Consideration for the Acquisition of HK\$45,700,000 shall be satisfied by way of (i) the allotment and issue of 234,920,635 Consideration Shares at the issue price of HK\$0.057 per Consideration Share and (ii) the issue of the Promissory Note by the Company and the Purchaser, respectively to the Vendor or its nominee(s) on Completion or any other dates as the parties otherwise agree in writing.

Basis of Consideration

The Consideration was arrived at after arm's length negotiations between the Vendor and the Purchaser and was determined with reference to the (i) Valuation Report which provides that, as at the Valuation Date, the appraised value of 100% equity interest in the Target Company on the basis of the approach of Guideline Publicly-traded Comparable Method (i.e. by comparing the valuations of companies listed on the Stock Exchange engaged in the provision of repair, maintenance, alteration and addition and related works in Hong Kong) was approximately HK\$45,700,000; (ii) historical financial performance of the Target Company for the two years ended 31 December 2022 and 2023; and (iii) the prospect of the Target Company and the potential synergies between the Target Company and the Company as assessed by the Company, further details of which are set out in the section headed "Reasons for and benefits of the Acquisition".

Having considered the aforesaid factors, the Board considered that the Consideration is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

Consideration Shares

The issue price of each Consideration Share is HK\$0.057, which represents:

- (i) a discount of approximately 23.0% to the closing price of HK\$0.074 per Share as quoted on the Stock Exchange on 22 October 2024, being the date of the Sale and Purchase Agreement;

- (ii) a discount of approximately 16.2% to the average closing price of HK\$0.068 per Share as quoted on the Stock Exchange for the five (5) trading days immediately prior to the date of the Sale and Purchase Agreement; and
- (iii) a discount of approximately 36.0% to the average closing price of HK\$0.089 per Share as quoted on the Stock Exchange for the 20 trading days immediately prior to the date of the Sale and Purchase Agreement.

The issue price was arrived at after arm's length negotiations between the Vendor and the Purchaser to the Sale and Purchase Agreement after taking into account, among others, the prevailing market price of the Shares, the financial performance of the Group and the current market conditions. The Directors considered that the issue price is fair and reasonable and in the interests of the Company and its Shareholders as a whole.

An aggregate of 234,920,635 Consideration Shares will be allotted and issued to Vendor as set out in the section headed "Consideration" above, which represent approximately 20% of the issued share capital of the Company as at the date of this announcement and approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Consideration Shares.

The Consideration Shares shall be allotted and issued pursuant to the General Mandate, credited as fully paid, and shall rank *pari passu* in all respects among themselves and with the Shares in issue on the date of such allotment and issue, including the right to receive all dividends and distributions which may be declared, made or paid after the closing and will be issued free and clean of all liens, encumbrances, equities or other third party rights.

The allotment and issue of the Consideration Shares under the General Mandate is within the limit of the General Mandate and is not subject to the approval of the Shareholders.

Application of Listing

An application will be made to the Stock Exchange by the Company for the listing of, and permission to deal in, the Consideration Shares.

The Promissory Note

Subject to the terms and conditions of the Sale and Purchase Agreement, the Purchaser shall issue the Promissory Note to the Vendor for settlement of part of the Consideration. The principal terms and conditions of the Promissory Note are as follows:

Issuer:	The Purchaser
Noteholder:	The Vendor
Principal amount:	HK\$32,309,523.81
Interest:	Nil

Maturity date:	The second anniversary date of the date of issue of Promissory Note.
Security:	The obligations of the Purchaser under the Promissory Note are unsecured.
Amendments:	The terms and conditions of the Promissory Note may be varied, expanded or amended by agreement in writing between the Purchaser and the Vendor.
Transferability:	The Promissory Note may be transferred or assigned by the Vendor to any persons (except for Connected Persons of the Company) provided that the Vendor shall serve a prior written notice to Purchaser of not less than ten (10) Business Days.
Early redemption:	The Promissory Note may be repaid in whole or in part by Purchaser at its absolute discretion at any time prior to its maturity without premium or penalty by Purchaser giving the Vendor not less than three (3) Business Days' prior written notice specifying the amount to be so prepaid.

Conditions precedent

Completion of the Acquisition shall be conditional upon fulfilment (or where applicable, waiver thereof by the Purchaser) of the following conditions:

- (a) the Vendor being the legal and beneficial owner of the Sale Shares free from all Encumbrances and having the capacity and power to sell and assign the Sale Shares to the Purchaser free from all encumbrances at Completion;
- (b) the Purchaser is satisfied with the process and results of the due diligence of the Target Company;
- (c) all other applicable laws, rules and regulations including but not limiting to the Listing Rules for the transactions contemplated under the Sale and Purchase Agreement shall have been complied with by the Company and the Purchaser;
- (d) the approval for the listing of, and permission to deal in the Consideration Shares by the Stock Exchange having been obtained by the Company, and such approval not having been revoked or withdrawn prior to the date of Completion;
- (e) the clearance of all announcement(s) and circular(s) (if required) to be issued by the Company under the Listing Rules and granting of all approvals, if necessary, by the Stock Exchange or by Shareholders in respect of the Sale and Purchase Agreement and the transaction contemplated thereunder;
- (f) the Vendor shall have provided the Purchaser the management accounts of the Target Company in accordance with the clauses under the Sale and Purchase Agreement;

- (g) all necessary consents, licences and approvals and/or waiver required to be obtained and all matters required to be fulfilled in respect of the Sale and Purchase Agreement and the transactions contemplated thereby having been obtained and remain in full force and effect;
- (h) all necessary governmental, regulatory and other third parties' consents, authorizations and approvals required to be obtained in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder having been obtained;
- (i) the Purchaser being satisfied with the legal, financial and business position and prospects of the Target Company, from the date of the Sale and Purchase Agreement and up to the date of Completion;
- (j) the Purchaser being satisfied with all the warranties, representations and undertakings given by the Vendor under the Sale and Purchase Agreement being and remaining true, accurate, correct and not misleading in all material respects and no relevant information being withheld, from the date of the Sale and Purchase Agreement until and up to Completion;
- (k) the Purchaser being satisfied with the compliance with and performance of all undertakings and obligations of the undertakings by the Vendor, from the date of the Sale and Purchase Agreement until and up to Completion; and
- (l) upon request(s), the Purchaser being provided with any proofs or documentations in respect of the fulfilment of any/all of the conditions precedent above.

Save as Conditions Precedent (c), (d) and (h), the Purchaser is entitled to waive in whole or in part any of the Conditions Precedent by written notice. In the event that any of the Conditions Precedents are deemed not to have been fulfilled or are not fulfilled or waived (if applicable), in each case, at or before 1:00 p.m. on the Long Stop Date, the Sale and Purchase Agreement and everything contained in it shall terminate and be null and void and of no further effect and no party to the Sale and Purchase Agreement shall have any liability to any other party, save in respect of any prior breaches of the Sale and Purchase Agreement.

Completion

After the fulfilment or waiver (if applicable) of all the Conditions Precedent, Completion shall take place on the Completion Date. Upon Completion, the Target Company will become an indirect wholly-owned subsidiary of the Company and therefore, the financial information of the Target Company will be consolidated into the consolidated financial statements of the Group.

Profit Guarantee

Pursuant to the Sale and Purchase Agreement, the Vendor warrants and undertakes to the Purchaser that the audited consolidated net profit after tax excluding all extraordinary items of the Target Company (including the management fees charged by the Company) (the “**First Batch Actual Net Profit**”) for the three years ending 31 December 2026, as derived in its respective audited financial statements shall not be less than HK\$15 million in aggregate (“**Guaranteed Profit**”).

If the First Batch Actual Net Profit in aggregate for the three years ending 31 December 2026 is less than the Guaranteed Profit in aggregate for the three years ending 31 December 2026, the Vendor shall be obliged to pay to the Purchaser in cash an amount equivalent to three (3) times the shortfall between the First Batch Actual Net Profit and the Guaranteed Profit (“**Profit Difference Compensation**”), within 14 days after the issuance of the Target Company’s audited financial statements for the three years ending 31 December 2026 to the Purchaser, which are expected to be issued on or before 30 June 2027.

The Profit Difference Compensation is capped at the amount of the Consideration, which is HK\$45,700,000.

Breakeven Guarantee

Pursuant to the Sale and Purchase Agreement, the Vendor warrants and undertakes to the Purchaser that the audited consolidated net profit after tax excluding all extraordinary items of the Target Company (the “**Second Batch Actual Net Profit**”) for each of the two years ending 31 December 2027 and 31 December 2028, as derived in its respective audited financial statements shall not be less than zero.

If the Second Batch Actual Net Profit for the two years ending 31 December 2028 is less than zero, the Vendor shall be obliged to pay to the Purchaser in cash an amount equivalent to the absolute amount of loss (“**Breakeven Compensation**”) for the two years ending 31 December 2028, within 14 days after the issuance of the Target Company’s respective audited financial statements for each of the two years ending 31 December 2028 to the Purchaser, which are expected to be issued on or before 30 June 2029.

VALUATION OF THE TARGET COMPANY

The Company has engaged Valtech Valuation Advisory Limited to carry out valuation (“**Valuation**”) of the entire equity interest of the Target Company, which was appraised to be at approximately HK\$45,700,000 on the Valuation Date in accordance with the Guideline Publicly-traded Comparable method under the market approach as set out in the Valuation Report.

Key Assumptions of the Valuation

Details of the principal assumptions, including commercial assumptions, upon which the Valuation Report was based are as follows:

General assumptions

The Independent Valuer has made certain key assumptions in the Valuation, which, to the Directors' best information and knowledge, are consistent with market practice and information available to the Company, including but not limited to:

1. the current political, legal, commercial and banking regulations, fiscal policies, foreign trade and economic conditions which prevail in the regions in which the Target Company are being operated will have no material adverse change;
2. competent management, key personnel and technical staff will be available to support the ongoing operation of the Target Company;
3. all relevant legal approvals, business certificates, trade permits have been procured, in place and in good standing prior to commencement of operations by the Target Company under the ordinary and normal course of business; and
4. the information regarding the Target Company provided is true and accurate.

Assessment of Key Specific Assumptions

Valuation methodology

In the Valuation, after comparing the common valuation methods including cost approach, income approach and market approach, the Independent Valuer adopted the Guideline Publicly-traded Comparable method of the market approach for the following reasons:

1. the cost approach was considered unsuitable as the Target Company has commenced its operation since 2000 with track record of earnings in 2023 and 2024 (up to the Valuation Date). Its profiting nature and unique background make it not easily be replaced or reproduced by other market participants;
2. the income approach was considered unsuitable as income projection would generally take into account various management assumptions (e.g. synergy with existing and/or prospective management, capital expenditure, financing and operating assumptions etc);
3. the market approach was adopted as it reflects the market participants' current assessment without material management assumptions on projections. It is particularly useful to apply to project-based company with high uncertainty on financial projection; and
4. the Independent Valuer, having identified a sufficient pool of 21 relevant and sufficient Guideline Publicly-traded Comparable with sufficient and reliable financial information disclosed, is satisfied that the Guideline Publicly-traded Comparable Method of the market approach could be used to determine the value of the Target Company.

Having considered (i) the rationale of the Independent Valuer in selecting market approach instead of cost approach and income approach as the appropriate valuation approach; and (ii) the Valuation was prepared by the Independent Valuer in accordance with the applicable requirements and standards, the Board is of the view that the adoption of market approach for the Valuation is fair and reasonable.

The Directors also agree with the Independent Valuer that the market approach has the benefits of simplicity, clarity, speed and the need for fewer assumptions, and introduces objectivity in application as publicly available inputs are used.

Market Comparables

In the course of valuing the Target Company pursuant to the Guideline Publicly-traded Comparable Method, the Independent Valuer has taken into account the Price-to-Earnings (“P/E”) ratio multiple, which is appropriate for evaluating business with track record of profits. The Independent Valuer has further taken into account the valuation adjustments for control premium and discount for lack of marketability.

The Independent Valuer has selected 21 comparable listed companies (“**Comparables**”), which recognised more than 50% of their respective revenue from provision of repair, maintenance, alteration and addition works and related services, and such revenue was generated from Hong Kong market.

Key inputs of the Valuation

The summary statistics of the P/E multiple from the Comparables identified by the Independent Valuer as of as at 31 August 2024 is listed as follows:

No. of valid Comparables	6 <i>Note</i>
Upper quartile (P/E Times)	11.97x
Median (P/E Times)	6.79x
Lower quartile (P/E Times)	4.16x

Note: 14 Comparables were excluded due to the recognition of net losses in the most recent published financial period; and 1 Comparable was recorded net losses in preceding financial periods but turned into thin profit in the most recent published financial period, implying a high 14x P/E during its turnaround. To prudently avoid distortion, its P/E multiple was also excluded.

The Independent Valuer, in arriving at the estimated unadjusted valuation, selected a P/E multiple of 6.79 times, being the median of the P/E multiples of the Comparables.

The Directors are of the view that the Comparables identified by the Independent Valuer were sufficient to determine the benchmark multiple. It is fair and reasonable to assess the value of the Target Company with reference to the P/E multiples of the Comparables.

Control Premium and Discount for Lack of Marketability

The Independent Valuer imposed a control premium (“**Control Premium**”) on the valuation of the Target Company, since there is a difference between a controlling business interest and those of the minority interests. The Independent Valuer has made reference to the 2024 Factset Review to arrive at a 15.6% Control Premium in the Valuation.

The Independent Valuer imposed a discount for lack of marketability (“**DLOM**”) on the valuation of the Target Company, since there is a difference between a privately-owned asset and those of its comparable public companies which is its lack of marketability. The Independent Valuer has made reference to 2023 Edition Stout Restricted Stock Study to arrive at a 15.7% DLOM in the Valuation.

Basis of Valuation and Consideration

The Directors considered the Valuation to be fair and reasonable, having taken into account (i) the use of the median of the P/E multiple (which is less sensitive to outliers than the traditional average rule), 6.79x, of the Comparables to value the Target Company; (ii) the consideration of 15.6% Control Premium and 15.7% DLOM which reflect the necessary business consideration, and have a minimal net effect on valuation after offsetting.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors’ knowledge, information and belief after having made all reasonable enquiries, the existing shareholding structure of the Company and the effect of allotment and issue of the Consideration Shares on the shareholding structure of the Company upon Completion is set out as below:

Name of Shareholders	As at the date of this announcement		Immediately after the Completion, the allotment and issue of all Consideration Shares ⁽¹⁾	
	No. of shares	Approximate % of number of Shares in issue	No. of shares	Approximate % of number of Shares in issue
Harvest Land Company Limited⁽²⁾	525,000,000	44.70%	525,000,000	37.25%
Yui Cheung Yung Vendor	150,000,000	12.77%	150,000,000	10.64%
Public Shareholders	—	—	234,920,635	16.67%
	<u>499,603,175</u>	<u>42.53%</u>	<u>499,603,175</u>	<u>35.44%</u>
Total	<u>1,174,603,175</u>	<u>100.00%</u>	<u>1,409,523,810</u>	<u>100.00%</u>

Notes

- (1) Assuming no change in total issued share capital of the Company other than allotment and issue of all Consideration Shares.
- (2) Harvest Land Company Limited is beneficially owned as to 100% by Mr. Yeung Wing Sun (“**Mr. Yeung**”). Mr. Yeung and Harvest Land Company Limited are regarded as a group of controlling shareholders of Company under the Listing Rules acting in concert to exercise their voting rights in the Company and they together will be interested in a total of 44.70% of the issued share capital of the Company. Mr. Yeung is deemed to be interested in the Shares held by Harvest Land Company Limited pursuant to the SFO.

INFORMATION OF THE PARTIES

The Group and the Purchaser

The Group is a contractor specialising in repair, maintenance, alteration and addition (“RMAA”) works in Hong Kong.

The Purchaser is a direct wholly-owned subsidiary of the Company and is principally engaged in investment holding.

The Vendor

The Vendor is an individual who is principally engaged in the construction business. As at the date of this announcement, the Target Company is wholly-owned by the Vendor.

INFORMATION OF THE TARGET COMPANY

The Target Company is a company incorporated in Hong Kong and principally engaged in (i) provision of contracting services for civil engineering and building construction, including but not limited to building renovation works, constructing structural works, drainage works, plumbing works, building services works, roofing and waterproofing works, and interior fit-out works for various types of buildings, such as industrial buildings, office buildings, and residential buildings; and (ii) provision of consulting services for electronic vehicle charging system.

The Target Company has registered as a Specialist Contractor, an Electrical Contractor and a General Building Contractor which were approved by Building Authority, Electrical and Mechanical Services Department (EMSD), and Building Authority in June 2021, April 2022 and May 2022, respectively. It also possesses various management assurance certifications since 2007 including ISO 9001:2000, ISO 14001:2004 and OHSAS 18001:2007.

Set out below is the unaudited financial information of the Target Company for the each of two years ended 31 December 2022 and 2023 prepared in accordance with the generally accepted accounting principles in Hong Kong:

	For the year ended 31 December 2022 (unaudited) HK\$'000	For the year ended 31 December 2023 (unaudited) HK\$'000
Revenue	37,938	27,457
Net (loss) profit (before taxation and extraordinary items)	(2,088)	5,339
Net (loss) profit (after taxation and extraordinary items)	(2,088)	5,339

As at 30 June 2024, the unaudited net assets of the Target Company was approximately HK\$4.1 million.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is a contractor specialising in RMAA works in Hong Kong. The Group is currently taking proactive steps to expand its business operations in order to maximise Shareholders' returns.

The Directors are of the view that given the past performance and the reputation of the Target Company in the construction engineering industry in Hong Kong, the Acquisition will enable the Company to enhance its capacity and competitiveness to bid more tenders for larger project size. Further, with more resources being integrated into the Group, the Group is able to step towards the optimization of its business.

The Directors are of the view that the Acquisition is in line with the overall business development strategy of the Group and in the interests of the Company and its Shareholders as a whole.

Based on the above, the Directors considered that although the Acquisition is not in the ordinary course of business of the Group given the nature of the transaction, the terms and conditions of the Sales and Purchase Agreement and the transactions contemplated thereunder are fair and reasonable and are entered into on normal commercial terms and in the interests of the Group and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the Acquisition to be contemplated under the Sale and Purchase Agreement exceeds 25% but is less than 100%, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is subject to, amongst others, the announcement and shareholders' approval requirements under the Listing Rules.

GENERAL

The EGM will be convened and held for the purpose of considering and, if thought fit, approving the Sale and Purchase Agreement and the transactions contemplated thereunder.

To the best of the knowledge, information and belief of the Directors, no Shareholder has a material interest in the transactions contemplated under the Sale and Purchase Agreement. As such, no Shareholder will be required to abstain from voting on the resolution to approve the Sale and Purchase Agreement and the transactions contemplated thereunder. Any vote exercised by the Shareholders at the EGM shall be taken by way of poll.

A circular containing, among other things, (i) further details of the Sale and Purchase Agreement and the transaction contemplated thereunder; (ii) other information required to be disclosed under the Listing Rules; and (iii) a notice of the EGM and a form of proxy, is expected to be despatched to the Shareholders on or before 11 November 2024.

Shareholders and potential investors of the Company should note that Completion is subject to a number of Conditions Precedent which may or may not be fulfilled, as the Acquisition may or may not proceed, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

“Acquisition”	the acquisition of the Sale Shares by the Purchaser from the Vendor pursuant to the Sale and Purchase Agreement
“Board”	the board of Directors
“Breakeven Guarantee”	the breakeven guarantee provided by the Vendor to the Purchaser in relation to actual consolidated net profit after tax excluding all extraordinary items of the Target Company for each of the two years ending 31 December 2028
“Business Day”	any day (other than a Saturday or a Sunday or public holiday or a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is issued in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not cancelled at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Company”	Unity Enterprise Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Completion”	the completion of the Acquisition pursuant to the terms and conditions of the Sale and Purchase Agreement
“Conditions Precedent”	the conditions precedent to the Completion, as more particularly set out under the paragraph headed “Sale and Purchase Agreement — Conditions Precedent” in this announcement
“Connected Person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration of HK\$45,700,000 for the Acquisition
“Consideration Shares”	an aggregate of up to 234,920,635 new Shares to be allotted and issued by the Company to the Vendor credited as fully paid for the purpose of the settlement of part of the Consideration

“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held to consider and, if thought fit, to approve the Sale and Purchase Agreement and the transactions contemplated thereunder
“General Mandate”	the mandate granted to the Directors by the Shareholders at the annual general meeting of the Company held on 21 June 2024 to issue, allot and deal with up to 20% of the then issued share capital of the Company as at the date of the annual general meeting
“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
“Hong Kong Government”	the government of Hong Kong
“Independent Third Party(ies)”	person(s) or company(ies) and whose ultimate beneficial owner who/which is/are independent of the Directors, chief executive and substantial shareholders of the Company and its subsidiaries and any of their respective associates as defined in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on Main Board of the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Long Stop Date”	31 December 2024, or such other date(s) as may be agreed in writing by the Vendor and the Purchaser
“Profit Guarantee”	the profit guarantee provided by the Vendor to the Purchaser in relation to the actual consolidated net profit after tax excluding all extraordinary items of the Target Company (including the management fees charged by the Company) for the three years ending 31 December 2026
“Promissory Note”	the promissory note in the principal amount of HK\$32,309,523.81 to be issued by the Purchaser in favour of the Vendor to settle part of the consideration under Sale and Purchase Agreement

“Purchaser”	Keybase Assets Limited, a company incorporated in British Virgin Islands with limited liability and a direct wholly-owned subsidiary of the Company
“Sale and Purchase Agreement”	the sale and purchase agreement dated 22 October 2024 entered into between the Purchaser, the Vendor and the Target Company in relation to the Acquisition
“Sale Shares”	200,000 shares of a par value of HK\$1 in share capital of the Target Company, representing the entire equity interest in the Target Company
“Share(s)”	ordinary share(s) of HK\$0.01 in the capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Target Company”	Suntec Construction & Engineering Limited, a company incorporated in Hong Kong with limited liability
“Valuation Date”	31 August 2024
“Valuation Report”	the report prepared by the Valuer on the indicative fair market valuation of the entire equity interest in the Target Company as at the Valuation Date
“Vendor”	Mr. Yau Chung Chor (邱忠楚), an Independent Third Party
“%”	per cent

By Order of the Board of
Unity Enterprise Holdings Limited
Chan Leung
Chairperson and Executive Director

Hong Kong, 22 October 2024

As at the date of this announcement, the Board comprises Mr. Chan Leung (Chairman and Chief Executive Officer) as an executive Director; Ms. Chan Mei Wah, Mr. Mak Alexander and Mr. Wu Hak Ping as independent non-executive Directors.