

Restructuring – Successfully obtained Court approvals, Business will continue as usual

Shandong Ruyi Group acquired Hong Kong Trinity Group (“Trinity”) in 2018. Trinity is the only premium menswear brand holding group in Greater China and owns Gieves & Hawkes, Kent & Curwen, Cerruti 1881 and other world-renowned brands. Since the acquisition, Ruyi Group, as the controlling shareholder, has taken its advantages of industrial chain and internationalization, especially with the synergy in China market, to promote reforming measures and support Trinity’s performance improvement. After completing the acquisition, a total of HK\$ 1 billion of bank loans were repaid, which greatly reduced liabilities and financial costs.

In December 2020, Standard Chartered Bank filed a winding-up petition against Trinity to the court. On 8 March 2021, Trinity submitted an application to the Bermuda Court to appoint provisional liquidator for the purpose of “re-structuring” on a light touch basis (commonly known as “Bankruptcy Protection”).

On 26 March 2021, hearing at the Bermuda Court was already conducted. The Bermuda Court ordered that:

“...save as are specifically set out in the Appointment Order, **the Board shall continue to manage the Company’s affairs in all respects and exercise the powers conferred upon it by the Company’s Memorandum of Association and Bye-laws**, provided always that, should the JPLs consider at any time that the Board is not acting in the best interests of the Company and its creditors and shareholders, the JPLs shall have the power to report same to this Court and seek such directions from this Court as the JPLs are advised are appropriate.”

Simply speaking, business will continue as usual, existing Board of Directors and senior executives will continue to run the operations.

The provisional liquidator will perform its supervisory duties and reasonably assist the company to complete the debt re-structuring, while Trinity’s Board of Directors and management continue to be responsible for operating the business. In other words, Trinity will continue to operate as usual. Therefore, “re-structuring” is indeed a considerable action which can best protect the interests of all stakeholders (including customers, suppliers, employees, investors, banks, etc.).

Ruyi Group, the controlling shareholder of Trinity, fully supports the initiative to benefit all parties, and indicates that their support to Trinity’s businesses will remain the same as before and will not change. After Ruyi Group became a major shareholder, through a series of reforms such as the optimization and adjustment of its business model and organizational structure, it turnaround the business in the fourth quarter of 2018 and recorded a profit in 2019. Ruyi Group will continue to strive to improve Trinity’s profitability and international development, and assist Trinity to develop new business models and expand its revenue sources: including e-commerce business, made to measure business, etc.

We firmly believes that with the support of all stakeholders, Trinity will be able to achieve another height!

29 March 2021