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**Sino Vision Worldwide Holdings Limited**  
**新維國際控股有限公司**

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*  
**(Stock Code: 8086)**

**PLACING OF NEW SHARES UNDER SPECIFIC MANDATE**

**Placing Agent**



**PLACING OF NEW SHARES UNDER SPECIFIC MANDATE**

The Board is pleased to announce that on 9 October 2020 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Placing Agent conditionally agreed to place as the Company's placing agent on a best effort basis the Placing Shares up to 1,500,000,000 new Shares to not less than six places at the Placing Price of HK\$0.016 per Placing Share.

The Placing Shares represent (i) approximately 40.77% of the existing total number of issued Shares as at the date of this announcement; and (ii) approximately 28.96% of the total number of issued Shares as enlarged by the allotment and issue of the Placing Shares in full, assuming there will be no change in the issued share capital of the Company between the date of this announcement and the Closing Date.

Assuming that all the Placing Shares are successfully placed by the Placing Agent, the maximum gross proceeds from the Placing are estimated to be HK\$24.00 million, and the maximum net proceeds, after deducting the placing fee, brokerage, professional fees and all related expenses which may be borne by the Company, from the Placing are estimated to be approximately HK\$22.86 million.

The net proceeds from the Placing of approximately HK\$22.86 million are intended to be used for the settlement of the December 2017 CB or the Group's other debts and liabilities as they fall due.

The Placing is subject to the Shareholders' approval. The SGM will be convened and held for the purposes of considering and, if thought fit, approving the Placing Agreement and the transactions contemplated thereunder, including the issue of the Placing Shares under the Specific Mandate.

A circular containing, among other things, (i) further details of the Placing; and (ii) a notice convening the SGM will be despatched to the Shareholders as soon as practicable in accordance with the GEM Listing Rules.

**Completion of the Placing is subject to the satisfaction of the conditions precedent under the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

The Board is pleased to announce that on 9 October 2020 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Placing Agent conditionally agreed to place as the Company's placing agent on a best effort basis the Placing Shares up to 1,500,000,000 new Shares at the Placing Price of HK\$0.016 per Placing Share.

## **THE PLACING AGREEMENT**

The principal terms and conditions of the Placing Agreement are as follows:

### **Date**

9 October 2020 (after trading hours)

### **Parties**

Issuer: The Company

Placing Agent: DL Securities (HK) Limited

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.

## **Placing Fees**

The Placing Agent will charge the Company a placing commission of 3.5% of the amount equal to the Placing Price multiplied by the number of Placing Shares actually placed. The Placing commission was negotiated on an arm's length basis between the Company and the Placing Agent, and determined with reference to, amongst other things, the market rate and the price performance of the Shares.

## **Placees**

Pursuant to the Placing Agreement, the Placing Agent will procure the Placing Shares to be placed to not less than six Placees, who/which will be professional, institutional and other investors selected and procured by or on behalf of the Placing Agent on a best effort basis.

The Placing Agent will, to the extent practicable and lawful, use its reasonable endeavours to ensure that the Placees (if applicable, together with their respective ultimate beneficial owners) will be (i) Independent Third Parties; and (ii) independent from, not connected or associated with, and not acting in concert with one another or any of the Directors, chief executive or substantial Shareholders of the Company and any of its subsidiaries and their respective associates to the effect that any Placing to such Placee(s) shall not trigger any mandatory offer obligation under Rule 26.1 of the Takeovers Code. The Placing Agent shall also use its best endeavours to ensure that no Placee shall become a substantial Shareholder of the Company as a result of the Placing (taking into account other securities held by such Placee(s) at the time of his/her/its subscription of the Placing Shares).

## **Number of Placing Shares**

The Company has conditionally agreed to place, through the Placing Agent on a best effort basis, 1,500,000,000 new Shares, representing (i) approximately 40.77% of the existing total number of issued Shares, and (ii) approximately 28.96% of the total number of issued Shares as enlarged by the allotment and issue of the Placing Shares in full, assuming there will be no change in the issued share capital of the Company between the date of this announcement and the Closing Date.

The aggregate nominal value of the maximum number of Placing Shares amounts to HK\$15,000,000.00.

## **Placing Price**

The Placing Price of HK\$0.016 represents:

- (i) a premium to approximately 6.67% to the closing price of HK\$0.015 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and
- (ii) a discount of approximately 5.88% to the average closing price of HK\$0.017 per Share as quoted on the Stock Exchange for the last five trading days immediately prior to the date of the Placing Agreement.

The Placing Price was determined with reference to the prevailing market price and the recent trading volume of the Shares and was negotiated on an arm's length basis between the Company and the Placing Agent.

The net issue price per Placing Share (after deduction of the Placing commission and other related expenses as described above) is approximately HK\$0.015, assuming that the Placing is completed in full.

During the 12 month period immediately preceding the date of this announcement, save for the placing of 613,208,000 Shares under general mandate which was completed in May 2020 (the “**May 2020 Placing**”), the Company has not undertaken (whether by reference to the date of announcement or the date of share issue) any rights issue, open offer or specific mandate placing. The cumulative theoretical dilution effect (as defined under Rule 10.44A of the GEM Listing Rules) for the Placing under the Specific Mandate is approximately 4.04%.

## **Ranking of the Placing Shares**

The Placing Shares, when allotted and issued, will rank *pari passu* in all respects with the other existing Shares in issue on the date of allotment and issue of the Placing Shares.

## **Conditions of the Placing**

Completion of the Placing is conditional upon the satisfaction or waiver (where permissible) of the following conditions:

- (a) the passing of a resolution at the SGM by the Shareholders to approve, amongst other things, the Placing Agreement, the Specific Mandate to issue the Placing Shares and the transactions contemplated thereunder;
- (b) the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the Placing Shares (and such listing and permission not subsequently revoked);

- (c) the Company will be able to meet the public float requirement under the GEM Listing Rules upon Completion;
- (d) all necessary consents, approvals, authorisations and/or waivers having been obtained by the Company to effect the execution, completion and performance of the obligations and other terms of the Placing Agreement;
- (e) the representations, warranties and undertakings of the Company being true and correct in all material respects as of Closing Date as though made on and as of such date except to the extent that any such representation and warranty expressly speaks as of an earlier date, in which case such representation and warranty shall be true and correct as of such earlier date; and
- (f) each of the Placing Agent and the Company shall have performed or complied in all material respects with all agreements and covenants required by the Placing Agreement to be performed or complied with by it on or prior to the Closing Date.

The conditions set out in paragraphs (a) to (d) cannot be waived by the Company or the Placing Agent. Each of the Company and the Placing Agent shall use their respective best endeavours to procure the satisfaction of the conditions set out above.

### **Completion of the Placing**

Completion of the Placing shall take place within 5 Business Days after satisfaction of all the conditions of the Placing or such other time or date as the Company and the Placing Agent shall agree in writing.

### **Specific Mandate to issue the Placing Shares**

The Placing Shares proposed to be issued under the Placing Agreement will be allotted and issued under the Specific Mandate, which is subject to the Shareholders' approval at the SGM.

### **Application for listing**

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

## **Termination of the Placing Agreement**

During the period from the date of the Placing Agreement to completion of the Placing Agreement on the Closing Date:

- (a) if any of the conditions of the Placing shall not have been satisfied to the satisfaction of or waived by the Placing Agent and the Company by 30 November 2020, being the Long Stop Date, the Placing Agreement and the respective obligations of the Placing Agent and the Company thereunder shall cease and terminate immediately at that time (without any further action of any party required);
- (b) the Placing Agreement may be terminated by the mutual agreement of the parties thereof; or
- (c) if there develops, occurs or comes into force any of the following during the period from the date of the Placing Agreement to 8:00 a.m. on the Closing Date:
  - (i) any new law or regulation or any change in existing laws or regulations which in the sole and absolute opinion of the Placing Agent has or may be or is likely to have a material adverse effect on the financial position of the Company or any of its subsidiaries as a whole;
  - (ii) any event, or series of events, beyond the reasonable control of the Placing Agent or any event or circumstances in the nature of force majeure (including, without limitation, acts of government, strikes, labour disputes, lock-outs, fire, explosion, flooding, civil commotion, economic sanctions, epidemic, terrorism, acts of war and acts of God), in each case involving or affecting any of Bermuda, Hong Kong or any jurisdiction relevant to any member of the Group;
  - (iii) a general moratorium on commercial banking activities declared by relevant authorities in any of Bermuda, Hong Kong or any jurisdiction relevant to any member of the Group or a material disruption in commercial banking or foreign exchange trading or securities settlement or clearance services in any of Bermuda, Hong Kong or any jurisdiction relevant to any member of the Group;
  - (iv) any material adverse change in or affecting any taxation, exchange controls, currency exchange rates or foreign exchange regulations or the implementation of any exchange control in any of Bermuda, Hong Kong or any jurisdiction relevant to any member of the Group;
  - (v) any prohibition on the Company for whatever reason from offering, allotting or issuing any of the Placing Shares pursuant to the terms of the Placing Agreement;

- (vi) the commencement by any regulatory or political body or organisation of any criminal or regulatory investigation or action against any member of the Group, any Director or an announcement by any regulatory or political body or organisation that it intends to take any such action;
- (vii) the chief executive officer or chief financial officer of the Company being charged with an indictable offence or prohibited by operation of law or otherwise disqualified from taking part in the management of the Company;
- (viii) any order or petition for the winding up of any member of the Group or any composition or arrangement being made by any member of the Group with its creditors or any scheme of arrangement being entered into by any member of the Group or any resolution for the winding up of any member of the Group being entered into by any member of the Group or the appointment of a provisional liquidator, receiver or manager over all or part of the material assets or undertaking of any member of the Group or anything analogous thereto occurring in respect of any member of the Group;
- (ix) any material adverse change (whether or not permanent) in local, national or international financial, political, economic conditions, financial, banking, capital markets, currency exchange rates, credit default swap prices, secondary bond prices, exchange controls, or the occurrence of any event or series of events outside of the Placing Agent's or the Company's control; or
- (x) any moratorium, suspension or material restriction on trading in shares or securities generally on the Stock Exchange due to exceptional financial circumstances or other similar reasons,

which, in the sole and absolute opinion of the Placing Agent, (i) likely to or does prejudice materially (A) the success of the offering and distribution of the Placing Shares or (B) dealings in the Placing Shares in the secondary market, or (ii) make it (A) impractical or (B) inadvisable, to market the Placing Shares, then and in any such case, the Placing Agent may terminate the Placing Agreement without liability to the Company by giving notice in writing to the Company, and the Company shall not be liable to pay any commission pursuant to the Placing Agreement.

## REASONS FOR AND BENEFITS OF THE PLACING

The Group is principally engaged in (i) e-commerce and provision of online sales platform; (ii) money lending business; and (iii) intellectual property (“IP”) rights licensing and international IP development, media integrated marketing and distribution agency and trading of sports and related products business. As disclosed in the Company’s unaudited annual results announcement for the year ended 30 June 2020 (the “**2020 Unaudited Annual Results Announcement**”), the Group’s total current liabilities as at 30 June 2020 was approximately HK\$188,750,000; whilst the Group’s total current asset as at 30 June 2020 was approximately HK\$199,228,000, of which the total amount of cash and cash equivalents was approximately HK\$28,157,000. The increase in current liabilities was mainly attributable to (a) zero coupon convertible bonds (the “**August 2017 CB**”) issued in August 2017 with an aggregated principal amount of HK\$30,000,000 held by Sense Capital Investment I Limited (“**Sense Capital**”); and (b) 2.5% coupon convertible bonds (the “**December 2017 CB**”) issued in December 2017 with an aggregated principal amount of HK\$100,000,000 held by Excel Action Global Limited (“**Excel Action**”).

In May 2020, the Company completed the May 2020 Placing raising net proceeds of approximately HK\$20.73 million, which were intended to be used for the settlement of the principal and interest of the August 2017 CB and the December 2017 CB if the Company is called upon to redeem these convertible bonds without conversion or to apply for settlement of the Group’s other debts and liabilities as they fall due, if the August 2017 CB and the December 2017 CB are converted without redemption. The net proceeds remained unutilised as at 30 June 2020 and up to the date of this announcement.

Despite the redemption of the August 2017 CB in August 2017 by Sense Capital and the completion of the May 2020 Placing, the Group faces imminent pressure to settle (i) the outstanding principal and interests of the December 2017 CB which will due in November 2020; and (ii) other current liabilities of approximately HK\$61,497,000 due or falling due within twelve months.

The Directors have considered various fund raising methods and consider that under the prevailing market conditions, the Placing represents the most efficient method for the Company to raise additional capital for the Company. Compared with rights issue or open offer, the timetable for the Placing is much shorter. Compared with debt financing, the issue of shares under the Placing does not incur any interest cost. In view of (a) the adverse impact and unfavorable market conditions brought about by the unexpected pandemic associated with the novel coronavirus (COVID-19) started in early 2020, which is expected to continue impacting the global financial market and the business operation of the Group for the remainder of 2020; and (b) the urgency to satisfy the Group’s one-off repayment obligations of its current liabilities (including the December 2017 CB which will due at the end of November 2020), the Directors considered that the Placing represents an opportunity to lessen the immediate financial needs of the Group to repay the existing debts, to strengthen the cash position of the Group and to broaden the Shareholder base.



Assuming that all the Placing Shares are successfully placed by the Placing Agent, the maximum gross proceeds from the Placing are estimated to be HK\$24.00 million, and the maximum net proceeds, after deducting the placing fee, brokerage, professional fees and all related expenses which may be borne by the Company, from the Placing are estimated to be approximately HK\$22.86 million.

The net proceeds from the Placing of approximately HK\$22.86 million are intended to be used for the settlement of the December 2017 CB or the Group's other debts and liabilities as they fall due.

Having considered above, the Directors (including the independent non-executive Directors) consider that the terms of the Placing Agreement and the transactions contemplated thereunder (including the Placing, the Placing Price and the Placing commission payable to the Placing Agent) are fair and reasonable, and are in the interests of the Group and the Shareholders as a whole.

#### **FUND RAISING ACTIVITIES BY THE COMPANY IN THE PAST TWELVE MONTHS**

Apart from the fund raising activity mentioned below, the Company has not conducted any other fund raising activities involving the issue of its equity securities in the 12 months immediately preceding the date of this announcement.

<b>Date of announcement</b>	<b>Fund raising activity</b>	<b>Net proceeds raised (approximately)</b>	<b>Proposed use of the net proceeds</b>	<b>Actual use of net proceeds</b>
21 April 2020	Placing of up to 613,214,099 new Shares at the placing price of HK\$0.035 per Share under general mandate, which was completed on 14 May 2020	HK\$20.73 million	Settlement of the principal and interest of the August 2017 CB and the December 2017 CB if the Company is called upon to redeem these convertible bonds without conversion or to apply for settlement of the Group's other debts and liabilities as they fall due, if the August 2017 CB and the December 2017 CB are converted without redemption	The net proceeds remained unutilised as at the date of this announcement.

## CHANGES IN SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) as at the date of this announcement, and (ii) immediately after completion of the Placing, assuming that all of the Placing Shares are placed in full and no further Shares have been issued or repurchased before completion of the Placing and there will be no change in the issued share capital of the Company between the date of this announcement and the Closing Date:

	As at the date of this announcement		Immediately after completion of the Placing <i>(assuming that all of the Placing Shares are placed in full and there will be no change in the issued share capital of the Company between the date of this announcement and the Closing Date)</i>	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Mr. Wang He <i>(Note)</i>	904,559,072	24.59%	904,559,072	17.47%
<b>Public Shareholders</b>				
Places	–	–	1,500,000,000	28.96%
Other public Shareholders	<u>2,774,719,424</u>	<u>75.41%</u>	<u>2,774,719,424</u>	<u>53.57%</u>
<b>Total</b>	<b><u>3,679,278,496</u></b>	<b><u>100.00%</u></b>	<b><u>5,179,278,496</u></b>	<b><u>100.00%</u></b>

*Notes:* Mr. Wang He (“**Mr. Wang**”) is an executive Director. These 904,559,072 Shares deemed to be interested by Mr. Wang comprised (a) 882,639,072 Shares held by Sense Capital Investment I Limited, a controlled corporation wholly-owned by Sense Media Group Holdings Limited which was controlled as to 35% by Mr. Wang; and (b) 21,920,000 Shares held by Mr. Wang personally.

### SGM

The SGM will be convened and held for the purposes of considering and, if thought fit, approving the Placing Agreement and the transactions contemplated thereunder, including the issue of the Placing Shares under the Specific Mandate.

A circular containing, among other things, (i) further details of the Placing; and (ii) a notice convening the SGM will be despatched to the Shareholders as soon as practicable in accordance with the GEM Listing Rules.

**Completion of the Placing is subject to the satisfaction of the conditions precedent under the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## **DEFINITIONS**

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

“acting in concert”	has the meaning ascribed thereto in the Takeovers Code
“associates”	has the meaning ascribed to it in the GEM Listing Rules
“Board”	means the board of Directors
“Business Day”	means any day (excluding Saturdays, Sundays and public holidays) on which banks generally are open for business in Hong Kong
“Closing Date”	means the date of Completion
“Company”	means Sino Vision Worldwide Holdings Limited 新維國際控股有限公司, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability and the Shares are listed on GEM (stock code: 8086)
“Completion”	means the completion of the Placing pursuant to the Placing Agreement, which shall take place on the Closing Date
“connected person(s)”	has the meaning ascribed to it in the GEM Listing Rules
“Director(s)”	means the director(s) of the Company
“GEM Listing Rules”	means the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“Group”	means the Company and its subsidiaries
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	means Hong Kong Dollars, the lawful currency of Hong Kong

“Independent Third Party(ies)”	independent third parties who are not connected person(s) of the Company and are independent of and not connected with the Company or Directors, chief executive, or substantial Shareholders of the Company or any of its subsidiaries or their respective associates
“Listing Committee”	means the listing committee appointed by the Stock Exchange for considering applications for listing and approving the listing of and dealing with securities on the Stock Exchange
“Placee(s)”	means any professional, institutional and other investor selected and procured by or on behalf of the Placing Agent to subscribe any of the Placing Shares on the terms and subject to the conditions set out in the Placing Agreement
“Placing”	means the placing, on a best effort basis, of a total of up to 1,500,000,000 new Shares to be allotted and issued under the Specific Mandate pursuant to the terms of the Placing Agreement
“Placing Agent”	means DL Securities (HK) Limited, a licensed corporation to carry out business in Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Agreement”	means the conditional placing agreement dated 9 October 2020 entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	means HK\$0.016 per Placing Share
“Placing Share(s)”	means up to 1,500,000,000 new Shares to be placed under the Placing
“SGM”	means the special general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, approve the Placing Agreement and the transactions contemplated thereunder, including the issue of the Placing Shares under the Specific Mandate
“Share(s)”	means ordinary share(s) of HK\$0.01 each in the share capital of the Company

“Shareholder(s)”	means holder(s) of the Shares
“Specific Mandate”	means the specific mandate granted to the Directors by the then Shareholders at the SGM to allot, issue and deal with the Placing Shares
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it in the GEM Listing Rules
“substantial Shareholder(s)”	has the meaning ascribed to it in the GEM Listing Rules
“Takeovers Code”	means the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission
“%”	means per cent.

For and on behalf of the Board  
**Sino Vision Worldwide Holdings Limited**  
**Wang He**  
*Chairman*

Hong Kong, 9 October 2020

*As at the date of this announcement, the executive Directors are Mr. Wang He, Mr. Bai Long, Mr. Huang Qing and Mr. Lo Pak Ho, and the independent non-executive Directors are Ms. Liu Pui Shan, Mr. Lou Sai Tong and Mr. Wei Wei.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for at least 7 days from the date of its publication and on the website of the Company at <http://www.sinovisionworldwide.com>.*