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百仕達控股有限公司*

SINOLINK WORLDWIDE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1168)

DISCLOSEABLE TRANSACTIONS — PROVISION OF LOANS

PROVISION OF LOANS

The Board announces that, (i) after the trading hours on 30 September 2019, Lender A, a wholly-owned subsidiary of the Company, entered into Loan Agreement A with Borrower A, pursuant to which Lender A agreed to lend, and Borrower A agreed to borrow, Loan A in the principal amount of RMB220,000,000 (equivalent to approximately HK\$244,444,000); (ii) after the trading hours on 25 May 2020, Lender A, Borrower A and the Assignee entered into the Assignment Agreement, pursuant to which Borrower A agreed to sell, and the Assignee agreed to purchase, Loan A in the principal amount of RMB220,000,000 (equivalent to approximately HK\$239,130,000); (iii) after the trading hours on 14 October 2020, Lender A, Borrower A and the Assignee entered into the Supplemental Assignment Agreement, pursuant to which the parties agreed to extend the maturity date of Loan A in the principal amount of RMB220,000,000 (equivalent to approximately HK\$252,874,000) to 29 September 2023; (iv) after the trading hours on 17 August 2021, Lender B, a wholly-owned subsidiary of the Company, entered into Entrusted Loan Agreement with Borrower B and the Trustee, pursuant to which Lender B agreed to lend, and Borrower B agreed to borrow, Entrusted Loan in the principal amount of RMB130,000,000 (equivalent to approximately HK\$156,627,000); and (v) after the trading hours on 18 August 2022, Lender B entered into the Supplemental Entrusted Loan Agreement with Borrower B and the Trustee, pursuant to which the parties agreed to extend the maturity date of Entrusted Loan in the principal amount of RMB130,000,000 (equivalent to approximately HK\$151,163,000) to 18 August 2023.

LISTING RULES IMPLICATIONS

As the relevant percentage ratios (as defined under the Listing Rules) in respect of the transaction contemplated under each of the Agreements exceed 5% but are less than 25%, the transaction contemplated under each of the Agreements constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

However, due to inadvertent miscalculation of the applicable percentage ratios, the Company failed to comply with the notification and announcement requirements in respect of the Agreements at the relevant time of entering into of the Agreements in accordance with Chapter 14 of the Listing Rules.

PROVISION OF LOANS

The Board announces that, (i) after the trading hours on 30 September 2019, Lender A, a wholly-owned subsidiary of the Company, entered into Loan Agreement A with Borrower A, pursuant to which Lender A agreed to lend, and Borrower A agreed to borrow, Loan A in the principal amount of RMB220,000,000 (equivalent to approximately HK\$244,444,000); (ii) after the trading hours on 25 May 2020, Lender A, Borrower A and the Assignee entered into the Assignment Agreement, pursuant to which Borrower A agreed to sell, and the Assignee agreed to purchase, Loan A in the principal amount of RMB220,000,000 (equivalent to approximately HK\$239,130,000); (iii) after the trading hours on 14 October 2020, Lender A, Borrower A and the Assignee entered into the Supplemental Assignment Agreement, pursuant to which the parties agreed to extend the maturity date of Loan A in the principal amount of RMB220,000,000 (equivalent to approximately HK\$252,874,000) to 29 September 2023; (iv) after the trading hours on 17 August 2021, Lender B, a wholly-owned subsidiary of the Company, entered into Entrusted Loan Agreement with Borrower B and the Entrustee, pursuant to which Lender B agreed to lend, and Borrower B agreed to borrow, Entrusted Loan in the principal amount of RMB130,000,000 (equivalent to approximately HK\$156,627,000); and (v) after the trading hours on 18 August 2022, Lender B entered into the Supplemental Entrusted Loan Agreement with Borrower B and the Entrustee, pursuant to which the parties agreed to extend the maturity date of Entrusted Loan in the principal amount of RMB130,000,000 (equivalent to approximately HK\$151,163,000) to 18 August 2023.

THE AGREEMENTS

The principal terms of the Agreements are summarised as follows:

	Loan Agreement A	Assignment Agreement	Supplemental Assignment Agreement	Entrusted Loan Agreement	Supplemental Entrusted Loan Agreement
Date:	30 September 2019	25 May 2020	14 October 2020	17 August 2021	18 August 2022
Parties:	(i) Lender A; and (ii) Borrower A	(i) Lender A; (ii) Borrower A; and (iii) Assignee	(i) Lender A; (ii) Borrower A; and (iii) Assignee	(i) Lender B; (ii) Borrower B; and (iii) Entrustee	(i) Lender B; (ii) Borrower B; and (iii) Entrustee
Principal amount:	RMB220,000,000 (equivalent to approximately HK\$244,444,000)	RMB220,000,000 (equivalent to approximately HK\$239,130,000)	RMB220,000,000 (equivalent to approximately HK\$252,874,000)	RMB130,000,000 (equivalent to approximately HK\$156,627,000)	RMB130,000,000 (equivalent to approximately HK\$151,163,000)
Interest:	6% per annum and payable on the maturity date	6% per annum and payable on the maturity date	6% per annum and payable on the maturity date	5% per annum and payable quarterly in arrears	5% per annum and payable quarterly in arrears
Term:	30 September 2019 to 29 September 2020	25 May 2020 to 29 September 2020	25 May 2020 to 29 September 2023	19 August 2021 to 18 August 2022	18 August 2022 to 18 August 2023
Repayment:	Subject as otherwise provided in the Agreements, the Borrowers shall repay the principal amount of the Loans on the maturity date.				
Prepayment:	The Borrowers may at any time prepay all or part of the Loans and the accrued interests by giving prior written notice to the Lenders.				
Security and guarantee:	Nil	Nil	Nil	Nil	Nil

Before granting each of the Loans, the Company has conducted borrower identification and obtained the corporate documents of the counterparties such as certificate of incorporation, business registration, registers of members and directors, articles of association and performed background search to ascertain their background and ultimate beneficial owners.

In addition, the Group has followed strict credit assessment procedures to verify the creditworthiness of the counterparties and has obtained and reviewed their financial information, such as bank and security statements, audited financial statements, the latest management accounts, projected cashflows and conducted different searches such as company search, bankruptcy or winding up search, land search and litigation search to ascertain if the counterparties have any prior legal cases

in the past, which may cast doubt on credit worthiness and repayment ability. As part of the Group's credit risk management, the debtors are assessed individually by the management of the Group by reference to past default experience, current past due exposure of the debtor, the nature and prospect of the debtors' operation. The Group also visited the office of the counterparties to interview with their management and review their business plan and model.

After borrower identification and credit assessment are performed, the Group will determine the terms of the loans. The interest rates and requirements of guarantees and/or collaterals are determined with reference to the credit risks of the counterparties, their repayment ability, the prevalent market interest rates, length and amount of the loan. The interest rates of each of the Loans were on normal commercial terms or better when compared to the then prevalent market interest rates (with reference to the quoted borrowing interest rate by the People's Bank of China) and could bring better returns to the Group than bank deposits. In particular, Loan A was determined with reference to the long-term borrowing interest rate plus a margin to cover the risk of unsecured situation and Entrusted Loan was also determined with reference to the long-term borrowing interest rate plus a lower-margin as compared with Loan A, as Entrusted Loan was an entrusted loan in nature.

Each of the Loans was not required to be secured by collaterals and guarantees since at the time of granting the Loans, the Group was satisfied with the results of credit risk assessment and considered the counterparties were creditworthy, in good financial and liquidity positions and had the ability to repay the Loans and interests on time.

In October 2019, the General Office of China Banking and Insurance Regulatory Commission issued the Notice of the General Office of China Banking and Insurance Regulatory Commission of Strengthening the Supervision and Administration of Commercial Factoring Enterprises, which prohibited financial assistance between commercial factoring enterprises. In order to comply with the newly issued regulations, Borrower A has identified the Assignee and after credit risk assessment, Lender A agreed to enter into the Assignment Agreement with Lender A and the Assignee.

FUNDING OF THE LOANS

The Group financed the Loans with its internal resources.

INFORMATION ON THE GROUP AND THE LENDERS

The principal business activities of the Company are increasingly focusing on financial technology (Fintech) investment and management, along with property development, property management, property investment, financial services and asset financing. Lender A is principally engaged in business factoring and other loan financing services while Lender B is principally engaged in finance leasing.

INFORMATION ON THE BORROWERS AND THE ENTRUSTEE

Each of the Borrowers is a company established in the PRC with limited liability. Borrower A is principally engaged in business factoring and other loan financing services and its ultimate beneficial owner at the time of entering into Loan Agreement A was X Financial, a company incorporated in the Cayman Islands whose shares are listed on the New York Stock Exchange (Stock Code: XYF). The Assignee is principally engaged in business consulting services and its ultimate beneficial owners are Xiong Jin and Kou Dandan. Borrower B is principally engaged in radio and TV program production and management and is ultimately owned as 70% by Yang Maoyong and 30% by Han Xueyuan. The Entrustee is the Shanghai branch of China Merchants Bank Co., Ltd., a joint stock company incorporated in the People's Republic of China whose shares listed on the Main Board of the Stock Exchange (Stock Code: 03968 and Preference Share Stock Code: 04614). China Merchants Bank Co., Ltd is principally engaged in retail finance and wholesale finance and the controlling shareholder of its largest shareholder is China Merchants Group Ltd. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the Borrowers, the Entrustee and their ultimate beneficial owners is an Independent Third Party.

REASONS FOR AND BENEFITS OF THE PROVISION OF THE LOANS

The terms of the Agreements (including the interest rates) were arrived at by the Lenders and the Borrowers after arm's length negotiation, having regard to the commercial practice and the amount and term of the Loans. The provision of the Loans would provide interest income at the rate ranging from 5% to 6% per annum to the Group, which would bring better returns to the Group than bank deposits. Having considered the financial background of the Borrowers and the interest income to be brought to the Group, the Board considered that the terms of the Agreements were on normal commercial terms and were fair and reasonable and in the interest of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As the relevant percentage ratios (as defined in the Listing Rules) in respect of the transaction contemplated under each of the Agreements exceed 5% but are less than 25%, the transaction contemplated under each of the Agreements constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

However, due to inadvertent miscalculation of the applicable percentage ratios, the Company failed to comply with the notification and announcement requirements in respect of the Agreements at the relevant time of entering into of the Agreements in accordance with Chapter 14 of the Listing Rules.

REMEDIAL ACTIONS

The Company deeply regrets its non-compliance with the requirements under Chapter 14 of the Listing Rules in respect of the Agreements and would like to stress that such non-compliance was inadvertent.

In order to avoid reoccurrence of similar events in the future, the following remedial actions will be taken by the Company to ensure strict and full compliance by the Company with the Listing Rules:

- (1) the Company will provide further guidance materials and training to the Directors, senior management and relevant staff of the Group regarding how to define a transaction and proper calculation methodology of percentage ratios relating to notifiable transactions under the Listing Rules in order to strengthen and reinforce their existing knowledge with respect to notifiable transactions;
- (2) the Company will review, strengthen and continue to monitor the reporting procedure, to ensure any proposed transactions which may constitute notifiable transactions would be promptly reported to the chief financial officer of the Company, who shall further assess the proposed transactions and ensure the proposed transactions will be conducted in compliance with the applicable requirements under the Listing Rules and the relevant rules and regulations; and
- (3) the Company shall, as and when appropriate and necessary, consult professional advisers before entering into possible notifiable transactions and seek their advice to ensure compliance with the relevant requirements under the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meanings as set out below:

“Agreements”	collectively Loan Agreement A, the Assignment Agreement, the Supplemental Assignment Agreement, Entrusted Loan Agreement and the Supplemental Entrusted Loan Agreement
“Assignee”	Shanghai Zhoucai Business Consulting Co., Ltd.* (上海舟才商務諮詢有限公司), a company established in the PRC with limited liability
“Board”	the board of Directors
“Borrower A”	Yingzhong Tongda (Tianjin) Commercial Factoring Co., Ltd.* (贏眾通達(天津)商業保理有限公司), a company established in the PRC with limited liability

“Borrower B”	Shanghai Weixun Network Technology Co., Ltd.* (上海威尋網路技術有限公司), a company established in the PRC with limited liability
“Borrowers”	collectively Borrower A, the Assignee and Borrower B
“Company”	Sinolink Worldwide Holdings Limited, a company incorporated in Bermuda with limited liability whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 1168)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Entrustee”	Shanghai branch of China Merchants Bank Co., Ltd., a joint stock company incorporated in the People’s Republic of China whose shares listed on the Main Board of the Stock Exchange (Stock Code: 03968 and Preference Share Stock Code: 04614)
“Entrusted Loan”	an entrusted loan in the principal amount of RMB130,000,000 (equivalent to approximately HK\$156,627,000) provided by Lender B to Borrower B pursuant to the terms of Entrusted Loan Agreement, which was subsequently extended in the principal amount of RMB130,000,000 (equivalent to approximately HK\$151,163,000) pursuant to the terms of the Supplemental Entrusted Loan Agreement
“Entrusted Loan Agreement”	a loan agreement dated 17 August 2021 entered into between Lender B, Borrower B and the Entrustee in respect of the provision of Entrusted Loan
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	a third party independent of the Company and the connected persons of the Company
“Lender A”	Zhongan International Commercial Factoring Co., Ltd.* (眾安國際商業保理(天津)有限公司), a company established in the PRC with limited liability, which is a wholly-owned subsidiary of the Company

“Lender B”	Zhonglian Finance Leasing (Shanghai) Co., Ltd.* (眾聯融資租賃(上海)有限公司), a company established in the PRC with limited liability, which is a wholly-owned subsidiary of the Company
“Lenders”	collectively Lender A and Lender B
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan A”	a loan in the principal amount of RMB220,000,000 (equivalent to approximately HK\$244,444,000) provided by Lender A to Borrower A pursuant to the terms of Loan Agreement A, which was subsequently assigned to the Assignee in the principal amount of RMB220,000,000 (equivalent to approximately HK\$239,130,000) pursuant to the terms of the Assignment Agreement and further extended in the principal amount of RMB220,000,000 (equivalent to approximately HK\$252,874,000) pursuant to the terms of the Supplemental Assignment Agreement
“Loans”	collectively Loan A and Entrusted Loan
“Loan Agreement A”	a loan agreement dated 30 September 2019 entered into between Lender A and Borrower A in respect of the provision of Loan A
“Loan Assignment Agreement”	a loan assignment agreement dated 25 May 2020 entered into between Lender A, Borrower A and the Assignee in respect of the assignment of Loan A from Borrower A to the Assignee
“PRC”	the People’s Republic of China, and for the purpose of this announcement excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Assignment Agreement”	the supplemental assignment agreement dated 14 October 2020 entered into between Lender A, Borrower A and the Assignee in respect of the extension of Loan A
“Supplemental Entrusted Loan Agreement”	the supplemental entrusted loan agreement dated 18 August 2022 entered into between Lender B, Borrower B and the Trustee in respect of the extension of Entrusted Loan
“%”	per cent.

In this announcement, for the purpose of illustration only, amounts quoted in RMB have been converted into HK\$ at the rate of HK\$1 to RMB0.90, HK\$1 to RMB0.92, HK\$1 to RMB0.87, HK\$1 to RMB0.83 and HK\$1 to RMB0.86 in respect of Loan Agreement A, Assignment Agreement, Supplemental Assignment Agreement, Entrusted Loan Agreement and Supplemental Entrusted Loan Agreement respectively, based on the approximate exchange rate at the relevant time of entering into each of the Agreements. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

By Order of the Board
Sinolink Worldwide Holdings Limited
XIANG Ya Bo
Chairman and Chief Executive Officer

Hong Kong, 20 October 2022

As at the date of this announcement, the Board comprises Mr. Xiang Ya Bo (Chairman of the Board and Chief Executive Officer) and Mr. Chen Wei as executive Directors; Mr. Ou Yaping, Mr. Ou Jin Yi Hugo and Mr. Tang Yui Man Francis as non-executive Directors; and Mr. Tian Jin, Dr. Xiang Bing and Mr. Xin Luo Lin as independent non-executive Directors.

* *For identification purposes only*