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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)

VERY SUBSTANTIAL ACQUISITION

ADDITIONAL CAPITAL CONTRIBUTION TO ZHONGAN TECHNOLOGIES INTERNATIONAL GROUP LIMITED

References are made to the Announcement and the Circular regarding the Previous Sinolink Subscription.

ADDITIONAL CAPITAL CONTRIBUTION

The Board is pleased to announce that, on May 31, 2023 (after trading hours), the Company entered into the Share Purchase Agreement with JV Co, ZhongAn Technology, Warrior and the Opportunities Fund, pursuant to which the Company conditionally agreed to subscribe for, and JV Co conditionally agreed to issue and allot a maximum of 96,508,924 new JV Co Ordinary Shares for a total subscription price up to US\$63,695,889.84. The Additional Sinolink Subscription will take place in two tranches.

As at the date of this announcement, the voting interest in JV Co is held as to approximately 44.70% by ZhongAn Technology, approximately 44.75% by the Company, approximately 7.86% by Warrior and approximately 2.69% by the Opportunities Fund, respectively.

Upon completion of the capital injection in both tranches, JV Co will be accounted for using the equity method in the consolidated financial statements by the Company and will not become a subsidiary of the Company. The voting interest in JV Co shall be held as to approximately 43.22% by ZhongAn Technology, approximately 46.58% by the Company, approximately 7.60% by Warrior, and approximately 2.60% by the Opportunities Fund, respectively.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Additional Sinolink Subscription, when aggregated with the Previous Sinolink Subscription pursuant to Rule 14.22 of the Listing Rules, exceed 100%, the entering into of the Share Purchase Agreement and the consummation of the Additional Sinolink Subscription would constitute a very substantial acquisition of the Company and are subject to notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

The SGM will be convened and held for the Shareholders to consider, and if thought fit, approve the Share Purchase Agreement and the Additional Sinolink Subscription.

A circular containing, among other things, (i) information required under the Listing Rules regarding the Share Purchase Agreement and the Additional Sinolink Subscription; and (ii) a notice convening the SGM, will be despatched to the Shareholders as soon as practicable but not later than June 30, 2023, which will be more than 15 business days after publication of this announcement so as to allow sufficient time for the preparation of certain financial information for inclusion in the circular.

INTRODUCTION

The Board is pleased to announce that, on May 31, 2023 (after trading hours), the Company entered into the Share Purchase Agreement with JV Co, ZhongAn Technology, Warrior and the Opportunities Fund, pursuant to which the Company conditionally agreed to subscribe for, and JV Co conditionally agreed to issue and allot a maximum of 96,508,924 new JV Co Ordinary Shares for a total subscription price up to US\$63,695,889.84. The Additional Sinolink Subscription will take place in two tranches.

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MATERIAL TERMS OF THE SHARE PURCHASE AGREEMENT

Date

May 31, 2023

Parties

- (i) the Company;
- (ii) JV Co;
- (iii) ZhongAn Technology;
- (iv) Warrior; and
- (v) the Opportunities Fund.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, ZhongAn Technology, Warrior and the Opportunities Fund and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

Subject Matter

The Company conditionally agreed to subscribe for a maximum of 96,508,924 new JV Co Ordinary Shares for a total subscription price up to US\$63,695,889.84, which represents a subscription price of US\$0.66 per JV Co Ordinary Share.

Pursuant to the terms and conditions of the Share Purchase Agreement, the Additional Sinolink Subscription will take place in two tranches. The table below summarises information regarding the capital contribution to made by the Company at each of the Initial Closing and the Subsequent Closing pursuant to the terms and conditions of the Share Purchase Agreement:

Timeline	Amount of subscription price payable (US\$)	Percentage of the total subscription price	Corresponding new JV Co Ordinary Shares to be issued	Percentage of Company's shareholding in JV Co immediately after the Closing
At Initial Closing	44,587,123.02	70%	67,556,247	46.04%
At Subsequent Closing	<u>19,108,766.82</u>	<u>30%</u>	<u>28,952,677</u>	46.58%
Total	<u>63,695,889.84</u>	<u>100%</u>	<u>96,508,924</u>	—

The subscription price is determined after arm's length negotiations among the parties taking into account market conditions, the subscription price of the Previous Sinolink Subscription, the business and growth prospects of JV Co and the financial needs of JV Co for the operation and expansion of its business. In particular, part of the total subscription price is expected to contribute towards supporting the business development of JV Co's key business segments as needed, including but not limited to ZA Bank Limited (an indirect wholly-owned subsidiary of JV Co) ("**ZA Bank**") and technology export in overseas markets, with the remainder to be used for general corporate purposes of JV Co, including purchasing additional shares of certain non-wholly-owned subsidiaries from their respective other shareholders as appropriate. The subscription price for the Additional Sinolink Subscription payable to JV Co will be funded by internal resources of the Company.

As at the date of this announcement, the Company has no plans to make further capital contribution to the JV Co in the next 12 months.

Conditions precedent for the Initial Closing and Subsequent Closing

The Initial Closing shall be conditional upon the satisfaction or, if applicable, waiver of, certain customary conditions, including:

- (i) the representations and warranties of each of JV Co and the Company remaining true and correct and not misleading as of the date of the Initial Closing;
- (ii) each of JV Co and the Company having performed and complied with all agreements, obligations and conditions contained in the Share Purchase Agreement that are required or contemplated to be performed or complied with on or before the Initial Closing;
- (iii) all consents of any competent governmental authority or of any other person that are required to be obtained in connection with the Share Purchase Agreement (other than the consents that are required to be obtained at or after the Initial Closing) having been duly obtained and effective as of the Initial Closing;
- (iv) the Additional Sinolink Subscription having been approved by the shareholders of the Company as required by the applicable Listing Rules;
- (v) all requirements of the regulatory authorities or any applicable laws, regulations and the listing rules which requires compliance by JV Co and/or its shareholders (including the approval by the shareholders of ZAOIL) having been complied with;
- (vi) all corporate and other proceedings in connection with the transactions contemplated under the Share Purchase Agreement and all documents and instruments incidental to such transactions being reasonably satisfactory in form and substance to the Company;
- (vii) the articles of association of JV Co in effect as of the date of the Share Purchase Agreement having been duly amended;

(viii) there having been no material adverse effect on the financial condition, business, prospects or operations of JV Co and its subsidiaries taken as a whole since the date of the Share Purchase Agreement.

The Subsequent Closing shall be conditional upon the satisfaction or, if applicable, waiver of, certain customary conditions, including:

- (i) the representations and warranties of each of JV Co and the Company remaining true and correct and not misleading as of the date of the Subsequent Closing;
- (ii) each of JV Co and the Company having performed and complied with all agreements, obligations and conditions contained in the Share Purchase Agreement that are required or contemplated to be performed or complied with on or before the Subsequent Closing;
- (iii) all consents of any competent governmental authority or of any other person that are required to be obtained in connection with the Share Purchase Agreement (other than the consents that are required to be obtained at or after the Subsequent Closing) having been duly obtained and effective as of the Subsequent Closing;
- (iv) there having been no material adverse effect on the financial condition, business, prospects or operations of JV Co and its subsidiaries taken as a whole since the date of the Share Purchase Agreement.

Except for conditions precedent (iv) and (v) with respect to the Initial Closing, the conditions precedent in respect of JV Co may be waived by the Company in writing and the conditions precedent in respect of the Company may be waived by JV Co in writing.

As at the date of this announcement, none of the conditions precedent have been satisfied or waived.

The Initial Closing and the Subsequent Closing are not inter-conditional.

Closing

Each Closing shall take place no later than ten Business Days after the satisfaction or waiver of the applicable conditions precedent, or at such other time and place as JV Co and the Company shall mutually agree in writing.

It is currently intended that the Initial Closing and Subsequent Closing will take place by the end of July 2023 and the end of September 2023, respectively.

Termination

The Share Purchase Agreement may be terminated prior to each Closing (a) by mutual written consent of the parties, (b) by the Company or JV Co, if no Closing has been consummated on or prior to December 31, 2023, provided that no party shall be entitled to terminate the Share Purchase

Agreement if such party is responsible for the failure of any Closing prior to such date, (c) solely with respect to the transactions under the Share Purchase Agreement between the Company and JV Co, by the non-defaulting party, if a material breach of the Share Purchase Agreement has been committed by one party and such breach has not been waived or cured within 30 days after the receipt of the notice by the other party thereof, and such termination shall not relieve the breaching party of liability for such breach or otherwise.

THE SHAREHOLDERS AGREEMENT

The Share Purchase Agreement provides that the execution and delivery of the Shareholders Agreement is a condition precedent to the Initial Closing, a summary of which is set out below:

Restrictions on transfer

Except as permitted under the Shareholders Agreement, none of the JV Co shareholders shall itself, nor shall it permit its affiliates to sell, assign, transfer, encumber, hypothecate, pledge or otherwise alienate or dispose of, directly or indirectly (“**Transfer**”) all or any part of its JV Co Ordinary Shares without the prior written consent of other JV Co shareholders.

Board of directors of JV Co

The number of directors on the board of directors of JV Co shall be no more than five, of whom ZhongAn Technology shall be entitled to nominate three directors, and Sinolink shall be entitled to nominate up to two directors. With effect immediately from the date of the Initial Closing, Sinolink shall be entitled to nominate one additional director.

Resolutions of a meeting of the board of directors of JV Co shall be adopted by unanimous consent of the directors present and voting at such meeting, and each director shall have one vote.

Pre-emptive right

If JV Co issues any new equity interests, each of the JV Co shareholders shall have a pre-emptive right to purchase their pro rata share of all or any part of such new equity interests.

Rights of first refusal

If any JV Co shareholder proposes to Transfer all or any part of its JV Co Ordinary Shares, then all other JV Co shareholders shall have a right of first refusal to purchase pro rata such JV Co Ordinary Shares in accordance with the Shareholders Agreement.

Co-sale right

In the event that any of ZhongAn Technology, the Company and/or Warrior proposes to effect a Transfer of its JV Co Ordinary Shares (the “**Selling Shareholder**”) and to the extent the Investors do not exercise their respective rights of first refusal pursuant to the Shareholders Agreement, the Investors shall have the right to participate in the sale of equity interest in JV Co to a third party by the Selling Shareholder for the same price and on the same terms and conditions as those offered by the Selling Shareholder.

Anti-dilution

In the event that at any time after the Initial Closing, JV Co issues any new securities (not including the JV Co Ordinary Shares subscribed under the Share Purchase Agreement) without consideration or for a consideration per JV Co Ordinary Share received by JV Co (net of any selling concessions, discounts or commissions) that is less than the original purchase price at which the Investors subscribed for its JV Co Ordinary Shares, i.e. US\$0.66 per JV Co Ordinary Share (the “**Original Purchase Price**”), the Original Purchase Price shall be adjusted in accordance with the Shareholders Agreement and JV Co shall issue additional number of JV Co Ordinary Shares to each of the Investors that such Investor should receive upon such adjustment.

REASONS FOR AND BENEFITS OF THE SINOLINK SUBSCRIPTION

The principal business activities of the Company are increasingly focusing on Fintech investment and management, along with property development, property management, property investment, financial services and asset financing. Meanwhile, the Company has also been actively exploring opportunities to promote Fintech development via various means, including the establishment of JV Co with ZhongAn Technology. Investment in JV Co enables the Company to partner with ZhongAn Technology to explore international business development, collaboration and investment opportunities in the areas of Fintech and Insurtech.

JV Co, as a Fintech company, will take time to build and require substantial upfront investment in development of hardware and underlying technologies before it is capable of generating profit. Fintech industry is fast growing and it is believed that the industry may dramatically alter the financial services model in the coming decade. The Board considers that the investment by the Company in JV Co is a long-term investment and believes that the performance of JV Co will improve over the next few years, in particular, considering the recent financial performance of JV Co and the trend of historical and projected financials and operating data with respect to ZA Bank, one of JV Co’s principal subsidiaries. Further, given the considerable impact of Fintech and Hong Kong government’s continuing support for the industry, the Board considers its further investment in JV Co presents numerous opportunities which are beneficial to the Company. In light of the nature of the Company’s investment and the aforementioned business outlook of JV Co, the Directors are of the view the proposed subscription price for the Additional Sinolink Subscription, which is the same as that for the Previous Sinolink Subscription, is fair and reasonable.

The Additional Sinolink Subscription will provide additional working capital and greater financial flexibility to JV Co which will further facilitate its business agenda of expanding the virtual banking business in Hong Kong and technology export business in overseas markets. In view of the expansion plan of the Company's Fintech business, namely the Fintech business carried on through ZA Bank, the Additional Sinolink Subscription will enable the Company to better align its investment objectives and strategy to achieve more stable return in respect of its investment in JV Co.

Having considered the above, the Directors (including the independent non-executive Directors) are of the view that the Share Purchase Agreement has been entered into on normal commercial terms, and the terms of the Share Purchase Agreement and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Mr. Ou Yaping, being a non-executive Director of the Company and a non-executive director and the chairman of ZAOIL, and Mr. Ou Jin Yi Hugo, being a non-executive Director of the Company and ZAOIL, had abstained from voting on the relevant resolutions of the Board in relation to the Additional Sinolink Subscription and matters contemplated therein.

INFORMATION ON THE PARTIES

The Company

The Company was incorporated in Bermuda with limited liability, with its shares listed on the Main Board of the Stock Exchange (stock code: 1168). The principal business activity of the Company are increasingly focused on Fintech investment and management, while it is also engaged in property development, property management, property investment, financial services and asset financing.

JV Co

JV Co is a company incorporated in Hong Kong with limited liability and is a non-wholly-owned subsidiary of ZAOIL. JV Co was established to explore international business development, collaboration and investment opportunities in the areas of Fintech and Insurtech, including virtual banking and digital-only insurance in Hong Kong and technology export in overseas market.

Set out below is certain financial information of JV Co based on its audited consolidated financial statements as at or for the years ended December 31, 2022 and 2021.

	As at/ For the year ended December 31, 2022	As at/ For the year ended December 31, 2021
	<i>audited</i>	<i>audited</i>
	<i>HKD (thousand)</i>	<i>HKD (thousand)</i>
Total equity	2,772,480	3,535,480
Total revenue and other income	1,526,642	686,579
Loss before income tax	(591,941)	(849,113)
Net loss for the year	(591,941)	(849,338)
Net loss attributable to owners of JV Co	(614,976)	(759,617)

The audited consolidated net asset value of JV Co was HK\$2,772,480,000 as at December 31, 2022.

ZhongAn Technology

ZhongAn Technology is a company incorporated in the PRC with limited liability and is a direct wholly-owned subsidiary of ZAOIL. ZAOIL is a joint stock limited company incorporated in the PRC with limited liability and carrying on business in Hong Kong as “ZA Online Fintech P & C” whose H shares are listed on the Main Board of the Stock Exchange (stock code: 6060). ZhongAn Technology is principally engaged in the business of technology development and technology consulting. ZAOIL is the first internet-based online Insurtech company in the PRC and is principally engaged in the provision of insurance products and solutions in the context of four major ecosystems, namely health, digital lifestyle, consumer finance, and auto ecosystems.

Warrior

Warrior is a company incorporated in the British Virgin Islands with limited liability. Its principal business activity is investment holding. It is a wholly-owned subsidiary of Chow Tai Fook Nominee Limited, which is held by the Cheng Yu Tung family.

The Opportunities Fund

The Opportunities Fund, a variable capital company incorporated in Singapore, is part of AIA Group Limited’s group-wide investment programme to facilitate capital deployment globally with a particular focus on balance sheet exposure to specialist and alternative investments. AIA Group Limited is a company listed on the Main Board of the Stock Exchange (stock code: 1299) and based on its latest published annual report, it does not have any controlling shareholders.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Additional Sinolink Subscription, when aggregated with the Previous Sinolink Subscription pursuant to Rule 14.22 of the Listing Rules, exceed 100%, the entering into of the Share Purchase Agreement and the consummation of the Additional Sinolink Subscription would constitute a very substantial acquisition of the Company and are subject to notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

The SGM will be convened and held for the Shareholders to consider, and if thought fit, approve the Share Purchase Agreement, the Additional Sinolink Subscription and the transactions contemplated thereunder.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholder has any material interest in the Additional Sinolink Subscription or the Share Purchase Agreement. As such, none of the Shareholders would be required to abstain from voting at the SGM to approve the Share Purchase Agreement and the Additional Sinolink Subscription.

A circular containing, among other things, (i) information required under the Listing Rules regarding the Share Purchase Agreement and the Additional Sinolink Subscription; and (ii) a notice convening the SGM, will be despatched to the Shareholders as soon as practicable but not later than June 30, 2023, which will be more than 15 business days after publication of this announcement so as to allow sufficient time for the preparation of certain financial information for inclusion in the circular.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“%”	per cent.;
“Additional Sinolink Subscription”	the subscription by the Company of a maximum of 96,508,924 new JV Co Ordinary Shares for a total subscription price up to US\$63,695,889.84 pursuant to the terms and conditions of the Share Purchase Agreement;
“Announcement”	the announcements of the Company dated September 2, 2022 regarding the Previous Sinolink Subscription;
“Board”	the board of Directors;
“Business Day(s)”	any day that is not a Saturday, Sunday, legal holiday or a day on which banks are required to be closed in Hong Kong or the PRC;

“Circular”	the circulars of the Company dated December 29, 2022 regarding the Previous Sinolink Subscription;
“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);
“Closing(s)”	the Initial Closing and the Subsequent Closing, and each a “Closing”
“Director(s)”	the director(s) of the Company;
“Fintech”	financial technology;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“Initial Closing”	the initial closing of the Additional Sinolink Subscription, which shall take place in accordance with the terms and conditions of the Share Purchase Agreement;
“Insurtech”	use of technology innovations designed to achieve savings and efficiency from the traditional insurance industry model;
“Investors”	the Company, ZhongAn Technology, Warrior and the Opportunities Fund, with respect to JV Co Ordinary Shares each of them subscribed for;
“JV Co”	ZhongAn Technologies International Group Limited (眾安科技(國際)集團有限公司), a Hong Kong limited liability company jointly invested by, among others, the Company and ZhongAn Technology;
“JV Co Ordinary Shares”	the voting ordinary shares in the share capital of JV Co;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended and supplemented from time to time);
“Main Board”	the Main Board of the Stock Exchange;
“Opportunities Fund”	AIA VCC for a/c of AIA Opportunities Fund — Venture Capital 2021;
“PRC”	the People’s Republic of China, and for the purposes of this announcement, excludes, Hong Kong, Taiwan and Macau Special Administrative Region;
“Previous Sinolink Subscription”	the subscription of an aggregate of 156,060,606 JV Co Ordinary Shares for a subscription price of approximately US\$103 million, the details of which are set out in the Announcement and the Circular;

“SGM”	the special general meeting of the Company to be convened to approve the Share Purchase Agreement and the Additional Sinolink Subscription;
“Share(s)”	ordinary share(s) of the Company;
“Share Purchase Agreement”	the share purchase agreement entered into among the Company, JV Co, ZhongAn Technology, Warrior and the Opportunities Fund in relation to the Additional Sinolink Subscription dated May 31, 2023;
“Shareholder(s)”	the holder(s) of shares of the Company;
“Shareholders Agreement”	the shareholders agreement to be entered into between the Investors and JV Co in relation to the rights and obligations between and among the Investors and JV Co;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsequent Closing”	the second closing of the Additional Sinolink Subscription, which shall take place in accordance with the terms and conditions of the Share Purchase Agreement
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules;
“US\$”	United States dollars, the lawful currency of the United States;
“Warrior”	Warrior Treasure Limited, an investment holding limited liability company incorporated under the laws of the British Virgin Islands;
“ZAOIL”	ZhongAn Online P & C Insurance Co., Ltd.* (眾安在綫財產保險股份有限公司), a joint stock limited company incorporated in the PRC with limited liability and carrying on business in Hong Kong as “ZA Online Fintech P & C” whose H shares are listed on the Main Board of the Stock Exchange (stock code: 6060); and
“ZhongAn Technology”	ZhongAn Information and Technology Services Co., Ltd.* (眾安信息技術服務有限公司), a wholly-owned subsidiary of ZAOIL, incorporated in the PRC on July 7, 2016.

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

Hong Kong, May 31, 2023

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 Ms. Chen Hui, Mr. Tian Jin and Mr. Xin Luo Lin as independent non-executive Directors.

* For identification purposes only