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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)

**PROPOSED CAPITAL REORGANISATION
AND
SUPPLEMENTAL AGREEMENT IN RELATION TO THE ISSUE OF
CONVERTIBLE BONDS**

PROPOSED CAPITAL REORGANISATION

The Board proposes to implement the Capital Reorganisation which will involve the Capital Reduction, the Capital Diminution and the Capital Increase.

(i) Capital Reduction

The Capital Reduction will involve the reduction of par value of the all issued Existing Shares from HK\$0.1 each to HK\$0.01 each by cancelling the paid-up capital of the Company to the extent of HK\$0.09 on each issued Existing Share. The credit arising from the Capital Reduction will be credited to the contributed surplus account of the Company for use by the Directors in any manner permitted by the laws of Bermuda and the Bye-laws.

(ii) Capital Diminution

Subject to and immediately upon the Capital Reduction taking effect, the Capital Diminution will take place which will involve the cancellation of all authorised but unissued share capital of the Company (which shall include, without limitation, the authorised but unissued share capital arising from the Capital Reduction) in its entirety resulting in the diminution of the authorised share capital of the Company by such amount representing the amount of Shares cancelled.

(iii) Capital Increase

Immediately upon the Capital Diminution, the Capital Increase will take place which will involve the increase in the authorised share capital of the Company to HK\$1,500,000,000 by the creation of such number of additional New Shares as shall be sufficient to increase the authorised share capital of the Company to HK\$1,500,000,000 divided into 150,000,000,000 New Shares of par value of HK\$0.01 each.

The Capital Reorganisation is conditional upon fulfillment of the conditions as set out in the section headed “Conditions of the Capital Reorganisation” in this announcement.

SUPPLEMENTAL AGREEMENT IN RELATION TO THE ISSUE OF CONVERTIBLE BONDS

On 31 May 2024 (after trading hours), the Company entered into a Supplemental Agreement with the Subscriber, pursuant to which the Company and the Subscriber agreed to amend and supplement certain terms of the Subscription Agreement, including the inclusion of a term that the Subscription Completion is conditional upon the Capital Reorganisation having become effective.

LISTING RULES IMPLICATIONS

As at the date of this announcement, (i) the Subscriber is a controlling Shareholder; and (ii) the Subscriber and his close associates in aggregate hold 3,285,423,039 Shares, representing approximately 51.54% of the existing number of issued Shares. The Subscriber is therefore a connected person of the Company and the Subscription constitutes a connected transaction of the Company and is subject to reporting, announcement and Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

GENERAL

The Independent Board Committee comprising all the independent non-executive Directors, namely, Ms. Chen Hui, Mr. Tian Jin and Mr. Xin Luo Lin, has been established to advise the Independent Shareholders in respect of the Subscription Agreement and the transactions contemplated thereunder, including the issue of the Convertible Bonds.

Lego Corporate Finance Limited has been appointed as the Independent Financial Adviser to make recommendation to the Independent Shareholders and the Independent Board Committee as to whether the terms of the Subscription Agreement, including the terms of the Convertible Bonds, are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The SGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Capital Reorganisation and the Subscription. A circular containing, among other things, (i) details of the Capital Reorganisation; (ii) details of the Subscription and the Convertible Bonds; (iii) recommendation from the Independent Board Committee in respect of the Subscription; (iv) the advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Subscription; and (v) a notice convening the SGM and related form of proxy, is expected to be despatched to the Shareholders on or before Friday, 21 June 2024.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as no Shareholder has a material interest in the Capital Reorganisation, no Shareholder will be required to abstain from voting on the special resolution in relation to the Capital Reorganisation at the SGM. The Subscriber and his associates will abstain from voting on the proposed resolution to approve the Subscription at the SGM. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save as disclosed above, no other Shareholder has a material interest in the Subscription and is required to abstain from voting on the proposed resolution to approve the Subscription at the SGM.

Shareholders and potential investors of the Company should note that the Capital Reorganisation is conditional upon the fulfillment of the conditions as set out in the section headed "Conditions of the Capital Reorganisation" in this announcement and Subscription Completion is conditional upon, among others, the Capital Reorganisation having become effective. Accordingly, the Capital Reorganisation and the Subscription may or may not proceed.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company, and if they are in any doubt about their position, they should consult their professional advisers.

Reference is made to the Announcement in relation to the Subscription. Unless otherwise stated, capitalised terms used herein shall have the same meaning as those defined in the Announcement.

PROPOSED CAPITAL REORGANISATION

The Board proposes to implement the Capital Reorganisation which will involve the Capital Reduction, the Capital Diminution and the Capital Increase.

(i) Capital Reduction

The Capital Reduction will involve the reduction of par value of the all issued Existing Shares from HK\$0.1 each to HK\$0.01 each by cancelling the paid-up capital of the Company to the extent of HK\$0.09 on each issued Existing Share. The credit arising from the Capital Reduction will be credited to the contributed surplus account of the Company for use by the Directors in any manner permitted by the laws of Bermuda and the Bye-laws.

(ii) Capital Diminution

Subject to and immediately upon the Capital Reduction taking effect, the Capital Diminution will take place which will involve the cancellation of all authorised but unissued share capital of the Company (which shall include, without limitation, the authorised but unissued share capital arising from the Capital Reduction) in its entirety resulting in the diminution of the authorised share capital of the Company by such amount representing the amount of Shares cancelled.

(iii) Capital Increase

Immediately upon the Capital Diminution, the Capital Increase will take place which will involve the increase in the authorised share capital of the Company to HK\$1,500,000,000 by the creation of such number of additional New Shares as shall be sufficient to increase the authorised share capital of the Company to HK\$1,500,000,000 divided into 150,000,000,000 New Shares of par value of HK\$0.01 each.

Conditions of the Capital Reorganisation

The implementation of the Capital Reorganisation is conditional upon:

- (i) the passing of a special resolution by the Shareholders at the SGM to approve the Capital Reorganisation;
- (ii) the Listing Committee of the Stock Exchange granting the approval for listing of, and permission to deal in, the New Shares arising from the Capital Reorganisation;
- (iii) the compliance with the relevant procedures and requirements under the Companies Act and applicable laws of Bermuda to effect the Capital Reorganisation, which includes the Directors being satisfied that on the date the Capital Reorganisation is to take effect, there are no reasonable grounds for believing that the Company is, or after the Capital Reorganisation would be, unable to pay its liabilities as they become due;
- (iv) the compliance with the relevant procedures and requirements under the Listing Rules to effect the Capital Reorganisation; and
- (v) the obtaining of all necessary approvals from the regulatory authorities or otherwise as may be required in respect of the Capital Reorganisation.

Subject to the fulfillment of all the above conditions, the Capital Reorganisation is expected to become effective on Friday, 5 July 2024, which is the second Business Day immediately after the date of the SGM. As at the date of this announcement, none of the above conditions had been fulfilled.

Application for listing of and dealings in the New Shares

An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the New Shares arising from the Capital Reorganisation becoming effective.

Subject to the granting of the approval of listing of, and permission to deal in, the New Shares on the Stock Exchange, as well as compliance with the stock admission requirements of HKSCC, upon the Capital Reorganisation being effective, the New Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the New Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second (2nd) settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the New Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares are listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time the Capital Reorganisation become effective, the New Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

Effects of the Capital Reorganisation

As at the date of this announcement, the authorised share capital of the Company is HK\$1,500,000,000 divided into 15,000,000,000 Existing Shares of par value of HK\$0.1 each, of which 6,374,003,096 Existing Shares have been issued and are fully paid or credited as fully paid and 8,625,996,904 Existing Shares remain unissued.

As at the Latest Practicable Date, the Company currently has no intention to allot, issue or repurchase any Existing Shares from the Latest Practicable Date up to the effective date of the Capital Reorganisation (the Conversion Shares to be issued upon exercise of conversion rights in respect of Convertible Bonds are New Shares rather than Existing Shares). Assuming that no further Existing Shares are allotted, issued or repurchased from the date of this announcement up to and including the effective date of the Capital Reorganisation, immediately upon the Capital Reorganisation becoming effective, the authorised share capital of the Company shall become HK\$1,500,000,000 divided into 150,000,000,000 New Shares of par value of HK\$0.01 each, of which 6,374,003,096 New Shares will have been issued and will be fully paid or credited as fully paid and 143,625,996,904 New Shares will remain unissued.

Assuming there will be no change in the issued share capital of the Company from the date of this announcement up to and including the date on which the Capital Reorganisation becomes effective, the share capital structure of the Company will be summarised as follows:

	As at the date of this announcement	Immediately upon the Capital Reorganisation becoming effective
Authorised share capital		
Amount of authorised share capital	HK\$1,500,000,000	HK\$1,500,000,000
Number of authorised shares	15,000,000,000	150,000,000,000
	Existing Shares	New Shares
Par value	HK\$0.1 per Existing Share	HK\$0.01 per New Share
Issued share capital		
Amount of issued share capital	HK\$637,400,309.6	HK\$63,740,030.96
Number of issued shares	6,374,003,096	6,374,003,096
	Existing Shares	New Shares
Authorised but unissued share capital		
Amount of authorised but unissued share capital	HK\$862,599,690.4	HK\$1,436,259,969.04
Number of authorised but unissued shares	8,625,996,904	143,625,996,904
	Existing Shares	New Shares

As at the date of this announcement, 6,374,003,096 Existing Shares were issued and were fully paid or credited as fully paid. Assuming that the par value of HK\$0.1 of each of the 6,374,003,096 issued Existing Shares will be reduced from HK\$0.1 to HK\$0.01 per issued New Share by cancelling the paid-up share capital to the extent of HK\$0.09 per issued Existing Share by way of a reduction of capital, the Company's existing issued share capital of HK\$637,400,309.6 will be reduced by HK\$573,660,278.64 to HK\$63,740,030.96.

The credit arisen as a result of the Capital Reduction will be credited to the contributed surplus account of the Company. The amount standing to the credit of the contributed surplus account of the Company upon the Capital Reorganisation becoming effective may be applied in any manner as the Board may deem fit as may be permitted by the laws of Bermuda and the Bye-laws.

Save for the 114,444,000 share options granted under the share option scheme of the Company adopted on 17 May 2012, the Company had no outstanding convertible securities, options or warrants in issue or similar rights which confer any right to subscribe for, convert or exchange into Shares or any agreement or arrangement in relation thereto other than the Subscription Agreement.

Status of the New Shares

Upon the Capital Reorganisation becoming effective, the New Shares in issue will be identical in all respects and rank pari passu in all respects with each other as to all future dividends and distributions which are declared, made or paid in accordance with the Company's memorandum of association and the Bye-laws.

Other than the relevant expenses, including but not limited to professional fees and printing charges to be incurred in relation to the Capital Reorganisation, the implementation of the Capital Reorganisation will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders. The Board believes that the Capital Reorganisation will not have any material adverse effect on the financial position of the Company and that on the date the Capital Reorganisation is to be effected, there are no reasonable grounds for believing that the Company is, or after the Capital Reorganisation would be, unable to pay its liabilities as they become due. The Capital Reorganisation will not involve any diminution of any liability in respect of any unpaid capital of the Company or the repayment to the Shareholders of any unpaid capital of the Company nor will it result in any change in the relative rights of the Shareholders.

Effects on share certificate(s) for the New Shares

The Capital Reorganisation will not affect any of the rights of the existing Shareholders. All existing share certificates (in purple colour) of the Company will continue to be evidence of title to the Shares and continue to be valid for trading, settlement, registration and delivery purposes. Accordingly, there will not be any arrangement for free exchange of the existing share certificates of the Company for new share certificates for the New Shares after the Capital Reorganisation takes effect. Immediately following the Capital Reorganisation becoming effective, new share certificates (in green colour) will be issued bearing the par value of HK\$0.01 per New Share.

REASONS FOR THE CAPITAL REORGANISATION

The implementation of Capital Reduction will reduce the nominal value of the Existing Share from HK\$0.1 to HK\$0.01 of the New Share, which allows greater flexibility in the pricing for any issue of new Shares in the future. The Capital Reorganisation will hence provide the Company with greater flexibility to raise capital for business growth. Further, the Capital Reorganisation will also increase the credit balance of the contributed surplus account which the Board may apply, as its considers appropriate and in accordance with the Bye-laws and applicable laws, for other uses such as declaring distributions out of the contributed surplus account.

On this basis, the Board considers that it is appropriate to implement the Capital Reorganisation and that the Capital Reorganisation is beneficial to and in the interests of the Company and the Shareholders as a whole.

EXPECTED TIMETABLE

The expected timetable for the implementation of the Capital Reorganisation is as follows:

Event(s)	Time and date 2024
Expected date of despatch of circular in relation to the Capital Reorganisation together with the notice of the SGM and form of proxy	on or before Friday, 21 June
Latest date and time for lodging transfer(s) of the Existing Shares in order to qualify for attending and voting at the SGM.....	4:30 p.m. on Thursday, 27 June
Closure of register of members of the Company for determining the entitlement to attend and vote at the SGM	from Friday, 28 June to Wednesday, 3 July (both dates inclusive)
Latest date and time for lodging forms of proxy for the SGM	11:00 a.m. on Monday, 1 July
Record date for attendance and voting at the SGM.....	Wednesday, 3 July
Expected time and date of the SGM.....	11:00 a.m. on Wednesday, 3 July
Publication of announcement of poll results of the SGM	Wednesday, 3 July
Register of members of the Company re-opens	Thursday, 4 July

The following events are conditional on the fulfilment of the conditions for the implementation of the Capital Reorganisation and therefore the dates are tentative:

Event(s)	Time and date 2024
Expected effective date of the Capital Reorganisation	9:00 a.m. on Friday, 5 July
Dealing in the New Shares commences	9:00 a.m. on Friday, 5 July

All times and dates specified in the timetable above refer to Hong Kong local times and dates.

The expected timetable set out above is subject to the results of the SGM and fulfillment of the conditions of the Capital Reorganisation and is therefore for indicative purpose only and may be extended or varied. Any change(s) to the expected timetable will be announced in a separate announcement by the Company as and when appropriate.

SUPPLEMENTAL AGREEMENT

On 31 May 2024 (after trading hours), the Company entered into a Supplemental Agreement with the Subscriber. Pursuant to the Supplemental Agreement, the Company and the Subscriber agreed to amend and supplement certain terms of the Subscription Agreement, the material amendments of which are set out as follows:

- (i) the inclusion of a term that the Subscription Completion is conditional upon the Capital Reorganisation having become effective;
- (ii) stating that the Company may waive the condition in relation to the warranties, representations and/or undertakings made by the Subscriber under the Subscription Agreement^(Note 1), and no other conditions under the Subscription Agreement may be waived by the Company; and
- (iii) amending the definition of “Shares” in relation to the terms and conditions of the Convertible Bonds to refer to the New Shares.

Saved as disclosed above, all other terms and conditions of the Subscription Agreement remain unchanged and in full force and effect in all respects.

Note 1: Details of such condition is set out in the Announcement.

GENERAL

The SGM will be convened and held for the Shareholders to consider and, if thought fit, approve (i) the Capital Reorganisation; and (ii) the Subscription Agreement and transactions contemplated thereunder. A circular containing, among other things, (i) details of the Capital Reorganisation; (ii) details of the Subscription and the Convertible Bonds; (iii) recommendation from the Independent Board Committee in respect of the Subscription; (iv) the advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Subscription and (v) a notice convening the SGM and related form of proxy is expected to be despatched to the Shareholders on or before Friday, 21 June 2024.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, as no Shareholder has a material interest in the Capital Reorganisation, no Shareholder will be required to abstain from voting on the special resolution in relation to the Capital Reorganisation at the SGM. The Subscriber and his associates will abstain from voting on the proposed resolution to

approve the Subscription at the SGM. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save as disclosed above, no other Shareholder has a material interest in the Subscription and is required to abstain from voting on the proposed resolution to approve the Subscription at the SGM.

Shareholders and potential investors of the Company should note that the Capital Reorganisation is conditional upon the fulfillment of the conditions as set out in the section headed "Conditions of the Capital Reorganisation" in this announcement and Subscription Completion is conditional upon, among others, the Capital Reorganisation having become effective. Accordingly, the Capital Reorganisation and the Subscription may or may not proceed.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

DEFINITIONS

In this announcement, unless the context otherwise requires, capitalized terms used shall have the following meanings:

“Announcement”	the announcement of the Company dated 30 April 2024 in relation to, among other things, the Subscription
“Bye-laws”	the bye-laws for the time being adopted by the Company and as amended from time to time
“Capital Diminution”	subject to and immediately upon the Capital Reduction taking effect, the proposed cancellation of all authorised but unissued share capital of the Company (which shall include, without limitation, the authorised but unissued share capital arising from the Capital Reduction) in its entirety resulting in the diminution of the authorised share capital of the Company by such amount representing the amount of Shares cancelled
“Capital Increase”	immediately upon the Capital Diminution, the increase in the authorised share capital of the Company to HK\$1,500,000,000 by the creation of such number of additional New Shares as shall be sufficient to increase the authorised share capital of the Company to HK\$1,500,000,000 divided into 150,000,000,000 New Shares of par value of HK\$0.01 each
“Capital Reduction”	the proposed reduction in the issued share capital of the Company as detailed in the section headed “Capital Reduction” of this announcement

“Capital Reorganisation”	collectively, the Capital Reduction, the Capital Diminution and the Capital Increase
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as amended from time to time
“Companies Act”	the Companies Act 1981 of Bermuda (as amended from time to time)
“Conversion Shares”	the New Shares to be allotted and issued by the Company upon exercise by a holder of the Convertible Bonds of its Conversion Rights
“Existing Share(s)”	ordinary share(s) of par value of HK\$0.10 each in the share capital of the Company prior to the Capital Reorganisation becoming effective
“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“New Share(s)”	ordinary share(s) of par value of HK\$0.01 each in the share capital of the Company immediately after the Capital Reorganisation becoming effective
“SGM”	the special general meeting of the Company to be held to consider and, if thought fit, approve, among other things, the Capital Reorganisation, the Subscription Agreement and transactions contemplated thereunder
“Shares(s)”	the Existing Share(s) or the New Share(s) (as the case may be)
“Shareholder(s)”	holder(s) of the Existing Share(s) or the New Share(s) (as the case may be)
“Subscription”	the subscription of the Convertible Bonds by the Subscriber pursuant to the Subscription Agreement

“Subscription Agreement”	the conditional subscription agreement dated 30 April 2024 (as amended and supplemented by the Supplemental Agreement) entered into between the Company and the Subscriber pursuant to which the Company has conditionally agreed to issue, and the Subscriber has conditionally agreed to subscribe for, or procure his nominee(s) to subscribe for, the Convertible Bonds
“Subscription Completion”	completion of the issue of and subscription for the Convertible Bonds
“Supplemental Agreement”	the supplemental agreement to the Subscription Agreement date 31 May 2024 entered into between the Company and the Subscriber pursuant to which the Company and the Subscriber agreed to amend and supplement certain terms of the Subscription Agreement

By order of the Board
Sinolink Worldwide Holdings Limited
TANG Yui Man Francis
Chairman and Chief Executive Officer

Hong Kong, 31 May 2024

As at the date of this announcement, the Board comprises Mr. Tang Yui Man Francis (Chairman of the Board and Chief Executive Officer) as executive Director; Mr. Ou Jin Yao Norris and Mr. Ou Jin Yi Hugo as non-executive Directors; and Ms. Chen Hui, Mr. Tian Jin and Mr. Xin Luo Lin as independent non-executive Directors.

** For identification purpose only*