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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)**

## **MAJOR TRANSACTION**

### **SUBSCRIPTION OF ORDINARY SHARES IN ZHONGAN TECHNOLOGIES INTERNATIONAL GROUP LIMITED**

References are made to the Announcements and the Circulars regarding the formation of JV Co by the Company and ZhongAn Technology to explore international business development, collaboration and investment opportunities in the areas of Fintech and Insuretech in overseas markets and the additional capital contribution into the JV Co.

#### **SUBSCRIPTION OF ORDINARY SHARES IN JV CO**

The Board is pleased to announce that, on October 27, 2021 (after trading hours), the Company entered into the Share Purchase Agreement with ZhongAn Technology, JV Co, Warrior and the Opportunities Fund, pursuant to which, inter alia, the Company conditionally agreed to subscribe for 74,212,258 new JV Co Ordinary Shares for a subscription price of approximately US\$49 million.

As at the date of this announcement, the voting interest in JV Co is held as to approximately 46.44% by ZhongAn Technology, approximately 44.62% by the Company and approximately 8.94% by Warrior, respectively. Upon completion of the First Subscriptions and the Second ZhongAn Subscription, the voting interest in JV Co shall be held as to approximately 47.32% by ZhongAn Technology, approximately 41.50% by the Company, approximately 8.33% by Warrior, and approximately 2.85% by the Opportunities Fund, respectively.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios in respect of the Sinolink Subscription, when aggregated with the Previous Sinolink Subscription which was conducted within 12 months of the Previous Sinolink Subscription, exceed 25% but are less than 100%, the entering into of the Share Purchase Agreement and the consummation of the Sinolink Subscription, when aggregated with the Previous Sinolink Subscription, would constitute a major transaction of the Company and are subject to notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholder has any material interest in the Sinolink Subscription or the Share Purchase Agreement. As such, none of the Shareholders would be required to abstain from voting if a general meeting were to be convened by the Company to approve the Share Subscription Agreement and the Sinolink Subscription, a written shareholders' approval may be accepted in lieu of holding a general meeting pursuant to Rule 14.44 of the Listing Rules.

The Company has obtained an irrevocable and unconditional written approval for the Share Subscription Agreement and the Sinolink Subscription from a closely allied group of Shareholders comprising Asia Pacific Promotion Limited and its associate Mr. & Mrs. Ou, Mr. Francis Tang and Mr. Chen Wei, representing in aggregate 52.1% of the issued share capital of the Company as at the date of this announcement. Accordingly, in accordance with Rule 14.44 of the Listing Rules, the shareholders' approval requirement in respect of the Share Subscription Agreement and the Sinolink Subscription under Chapter 14 of the Listing Rules has been satisfied in lieu of a general meeting of the Company.

## **GENERAL**

A circular containing information required under the Listing Rules regarding the Share Subscription Agreement and the Sinolink Subscription will be despatched to the Shareholders as soon as practicable but not later than November 17, 2021.

## **INTRODUCTION**

The Board is pleased to announce that, on October 27, 2021 (after trading hours), the Company entered into the Share Purchase Agreement with ZhongAn Technology, JV Co, Warrior and the Opportunities Fund pursuant to which, inter alia, the Company conditionally agreed to subscribe for 74,212,258 new JV Co Ordinary Shares for a subscription price of approximately US\$49 million.

As at the date of this announcement, the voting interest in JV Co is held as to approximately 46.44% by ZhongAn Technology, approximately 44.62% by the Company and approximately 8.94% by Warrior, respectively. Upon completion of the First Subscriptions and the Second ZhongAn Subscription, the voting interest in JV Co shall be held as to approximately 47.32% by ZhongAn Technology, approximately 41.50% by the Company, approximately 8.33% by Warrior, and approximately 2.85% by the Opportunities Fund, respectively.

## MATERIAL TERMS OF THE SHARE PURCHASE AGREEMENT

### Date

October 27, 2021

### 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 controlling shareholder(s) are third parties independent of the Company and its connected persons.

Pursuant to the terms and conditions of the Share Purchase Agreement:

- (i) the Company conditionally agreed to subscribe for 74,212,258 new JV Co Ordinary Shares for a subscription price of approximately US\$49 million;
- (ii) ZhongAn Technology conditionally agreed to subscribe for 81,735,522 new JV Co Ordinary Shares for a subscription price of approximately US\$54 million (the “**First ZhongAn Subscription**”);
- (iii) Warrior conditionally agreed to subscribe for 15,145,358 new JV Co Ordinary Shares for a subscription price of approximately US\$10 million; and
- (iv) the Opportunities Fund conditionally agreed to subscribe for 75,726,794 new JV Co Ordinary Shares for a subscription price of approximately US\$50 million.

In addition, the Opportunities Fund conditionally agreed to subscribe for the Warrant. The subscriptions by Warrior and the Opportunities Fund do not constitute notifiable transactions for the purpose of Chapter 14 of the Listing Rules.

### Subsequent issue of JV Co Ordinary Shares

During a period from the date of the Share Purchase Agreement to June 30, 2022, JV Co may also, at one or more Subsequent Closings and subject to any legal or regulatory consents/approvals required, consummate the issuance and sale of:

- (i) 105,088,530 new JV Co Ordinary Shares to ZhongAn Technology at the Purchase Price Per Share and for a subscription price of approximately US\$69 million (the “**Second ZhongAn Subscription**”); and

- (ii) up to 227,180,382 new JV Co Ordinary Shares to any of its shareholders and/or new investors selected by JV Co in its sole and absolute direction at the Purchase Price Per Share and on substantially the same terms and conditions as set forth in the Transaction Documents (the “**Additional Subscription**”).

In respect of the Additional Subscription, ZAOIL will comply with the Listing Rules as and when necessary, and when they are materialised.

### **Subscription price and basis of consideration**

The subscription price for the First Subscriptions, the Second ZhongAn Subscription and the Additional Subscription of approximately US\$382 million in aggregate (with the subscription price for the Sinolink Subscription of approximately US\$49 million), which represents a purchase price per JV Co Ordinary Share of US\$0.66 (the “**Purchase Price Per Share**”), was determined after arm’s length negotiations among the parties taking into account the growth prospects of JV Co and the financial needs of JV Co for the operation and expansion of its business. The subscription price for the Sinolink Subscription payable to JV Co will be funded by the internal resources of the Company.

### **Conditions precedent**

The First Subscriptions shall be conditional upon the satisfaction or waiver of, inter alia, the following conditions:

- (i) the representations and warranties of each party remaining true and correct and not misleading as of the date of the First Closing;
- (ii) each party having performed and complied with all agreements, obligations and conditions contained in the Share Purchase Agreement;
- (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 having been duly obtained and effective as of the First Closing;
- (iv) 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 relevant Investor;
- (v) the articles of association of JV Co in effect as of the date of the Share Purchase Agreement having been duly amended (the “**Restated Articles**”);
- (vi) the parties having executed and delivered the Transaction Documents;
- (vii) 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; and

(viii) with respect to ZhongAn Technology, ZhongAn Technology having completed the overseas direct investment filing and obtained all necessary approvals and/or registrations from the relevant governmental authorities with respect to its subscription of JV Co Ordinary Shares.

The conditions precedent in respect of the JV Co may be waived by an Investor in writing and the conditions precedent in respect of each Investor may be waived by the JV Co in writing.

## **Closing**

### *First Closing*

Subject to the satisfaction (or waiver, as applicable) of the conditions precedent to the First Closing as set forth above, the First Closing shall take place on a date specified by the parties which shall be no later than 10 Business Days after the satisfaction or waiver of each condition precedent to the First Closing, or at such other time as JV Co and an Investor shall mutually agree in writing. The First Closing for each Investor under the Share Purchase Agreement shall not be conditional upon the First Closing for any other Investor and may occur independently.

### *Subsequent Closing*

A Subsequent Closing shall take place upon the execution and delivery of a counterpart signature page to the Share Purchase Agreement and/or the Shareholders Agreement (as applicable) by each subscriber of the Additional Subscription and on substantially the same terms and conditions as set forth in the Transaction Documents, in which case, (i) such subscriber shall be deemed as and have all the rights and obligations of an Investor and a party under the Share Purchase Agreement, and all schedules and exhibits to the Share Purchase Agreement shall, where applicable, be updated to reflect such subscriber as a party thereto without the need to amend the Share Purchase Agreement; (ii) the warranties of JV Co set forth in the Share Purchase Agreement shall speak as of the First Closing and JV Co shall have no obligation to update any such warranties; and (iii) the representations and warranties of an Investor set forth in the Share Purchase Agreement at each Subsequent Closing shall speak as of the Subsequent Closing.

## **Termination**

The Share Purchase Agreement may be terminated prior to the First Closing by (i) mutual written consent of all of the parties; or (ii) by any Investor or JV Co, if the First Closing in respect of such Investor has not been consummated on or prior to December 31, 2021 (or June 30, 2022 solely with respect to ZhongAn Technology), provided that no party shall be entitled to terminate the Share Purchase Agreement if such party is responsible for the failure of the First Closing to occur prior to December 31, 2021 (or June 30, 2022 solely with respect to ZhongAn Technology); or (iii) solely with respect to the transactions under the Share Purchase Agreement between any Investor 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 First Closing, a summary of which is set out below.

### **Board composition of JV Co**

With effect immediately from the date of the First Closing, the board of directors of JV Co shall consist of four directors. ZhongAn Technology shall be entitled to nominate three directors, and the Company shall be entitled to nominate one director.

### **Pre-emptive right**

If JV Co issues any new equity interests, 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 sell, assign, transfer, encumber, hypothecate, pledge or otherwise alienate or dispose of, directly or indirectly (the “**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 such JV Co Ordinary Shares in accordance with the Shareholders Agreement.

### **Co-sale right**

In the event that any of the Company, ZhongAn Technology and/or Warrior proposes to effect a Transfer of the JV Co Ordinary Shares (the “**Selling Shareholder**”) held by it as at the date of the Share Purchase Agreement 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 the any 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 First Closing, JV Co issues any new securities without consideration or for a consideration per 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 (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 financial technology (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 Insuretech.

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. Given the considerable impact of Fintech and Hong Kong government's continuing support for the industry, the Board considers its investment in JV Co presents numerous opportunities which are beneficial to the Company.

The Sinolink Subscription will provide additional working capital and greater financial flexibility to JV Co which will further facilitate its business agenda of exploring international business development, collaboration and investment opportunities in the areas of Fintech and Insuretech in overseas markets. In view of the expansion plan of the Company's Fintech business, namely the Fintech business carried on through ZA Bank (an indirect wholly-owned subsidiary of JV Co), the 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.

The 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.

## **INFORMATION ON THE PARTIES**

The Company was incorporated in Bermuda with limited liability, with its shares listed on the Main Board of the Stock Exchange (stock code: 1168). Its principal business activity is increasingly focusing on financial technology (FinTech) investment and management, along with property development, property management and investment, financial services and asset financing.

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. ZAOIL is an online Insuretech



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.

JV Co is a company incorporated in Hong Kong with limited liability and is a non-wholly-owned subsidiary of ZAOIL. JV Co is 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. As at the date of this announcement, the voting interest in JV Co is held as to approximately 46.44% by ZhongAn Technology, approximately 44.62% by the Company and approximately 8.94% by Warrior, respectively.

Set out below is certain selected financial information of JV Co based on its audited consolidated financial statements as at or for the years ended December 31, 2020 and 2019.

	<b>As at/ For the year ended December 31, 2020</b> <i>audited</i> <i>HKD (thousand)</i>	<b>As at/ For the year ended December 31, 2019</b> <i>audited</i> <i>HKD (thousand)</i>
Net assets	2,615,113	2,054,999
Loss before income tax	(609,805)	(349,117)
Net loss	(609,878)	(352,187)

Warrior is 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, 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 interim report, it does not have any controlling shareholders.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios in respect of the Sinolink Subscription, when aggregated with the Previous Sinolink Subscription which was conducted within 12 months of the Previous Sinolink Subscription, exceed 25% but are less than 100%, the entering into of the Share Purchase Agreement and the consummation of the Sinolink Subscription, when aggregated with the Previous Sinolink Subscription, would constitute a major transaction of the Company and are subject to notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.



To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholder has any material interest in the Sinolink Subscription or the Share Purchase Agreement. As such, none of the Shareholders would be required to abstain from voting if a general meeting were to be convened by the Company to approve the Share Subscription Agreement and the Sinolink Subscription, a written shareholders' approval may be accepted in lieu of holding a general meeting pursuant to Rule 14.44 of the Listing Rules.

The Company has obtained an irrevocable and unconditional written approval for the Share Subscription Agreement and the Sinolink Subscription from a closely allied group of Shareholders comprising Asia Pacific Promotion Limited and its associate Mr. & Mrs. Ou, Mr. Francis Tang and Mr. Chen Wei, representing in aggregate 52.1% of the issued share capital of the Company as at the date of this announcement. Accordingly, in accordance with Rule 14.44 of the Listing Rules, the shareholders' approval requirement in respect of the Share Subscription Agreement and the Sinolink Subscription under Chapter 14 of the Listing Rules has been satisfied in lieu of a general meeting of the Company.

## **GENERAL**

A circular containing information required under the Listing Rules regarding the Share Subscription Agreement and the Sinolink Subscription will be despatched to the Shareholders as soon as practicable but not later than November 17, 2021.

## **DEFINITIONS**

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

“%”	per cent.;
“Affiliate”	with respect to any person, any person directly or indirectly controlling, controlled by or under common control with such person;
“Announcements”	the announcements of the Company dated December 8, 2017, March 28, 2018, July 18, 2019 and April 29, 2021 regarding the formation of JV Co by the Company and ZhongAn Technology and the additional capital contribution into the JV Co;
“associate(s)”	has the meaning ascribed to it under the Listing Rules;
“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;
“Circulars”	the circular of the Company dated August 16, 2019 regarding the additional capital contribution into the JV Co and the circular of the Company dated August 9, 2021 regarding the Previous Sinolink Subscription;

“Company”	Sinolink Worldwide Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which 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)”	the director(s) of the Company;
“Fintech”	financial technology;
“First Closing”	closing of the First Subscriptions pursuant to the terms and conditions of the Share Purchase Agreement;
“First Subscriptions”	the First ZhongAn Subscription, the Sinolink Subscription, and the subscription of 15,145,358 and 75,726,794 new JV Co Ordinary Shares by Warrior and the Opportunities Fund, respectively, pursuant to the terms and conditions of the Share Purchase Agreement;
“Group”	the Company and its subsidiaries;
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China;
“Insuretech”	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 the JV Co Ordinary Shares each of them subscribes for under the Share Purchase Agreement;
“JV Co”	ZhongAn Technologies International Group Limited, a Hong Kong limited liability company jointly invested by the Company and ZhongAn Technology pursuant to a joint venture agreement (as referred to in announcement dated December 8, 2017 of the Company);
“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 of Hong Kong Limited (as amended and supplemented from time to time);
“Opportunities Fund”	AIA VCC for a/c of AIA Opportunities Fund — Venture Capital 2021;

“PRC”	the People’s Republic of China, which, for the purposes of this announcement, excludes Hong Kong, Taiwan and Macau Special Administrative Region of the People’s Republic of China;
“Previous Sinolink Subscription”	the subscription of an aggregate of 500,000,000 JV Co redeemable preference shares for a total subscription price of RMB500,000,000, the details of which are set out in the Circular;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shareholder(s)”	shareholder(s) 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;
“Share Purchase Agreement”	the share purchase agreement dated October 27, 2021 entered into between the JV Co and the Investors in relation to, inter alia, the Sinolink Subscription and the ZhongAn Subscription;
“Sinolink Subscription”	the subscription by the Company of an aggregate of 74,212,258 new JV Co Ordinary Shares for a subscription price of approximately US\$49 million pursuant to the terms and conditions of the Share Purchase Agreement;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsequent Closing”	closing of the Second ZhongAn Subscription and/or the Additional Subscription pursuant to the terms and conditions of the Share Purchase Agreement;
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules;
“Transaction Documents”	the Share Purchase Agreement, the Shareholders Agreement, the Restated Articles and any other document, certificate, and agreement delivered in connection with the transactions contemplated thereunder;
“Warrant”	a warrant to be issued by JV Co to the Opportunities Fund to, subject to any legal or regulatory consents/approvals required, purchase up to 75,726,794 new JV Co Ordinary Shares for a total exercise price of up to US\$50 million pursuant to the terms and conditions of the Share Purchase Agreement;
“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);
“ZhongAn Subscription”	the First ZhongAn Subscription and the Second ZhongAn Subscription;
“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; and
“US\$”	United States dollars.

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

Hong Kong, October 27, 2021

*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*