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ANNOUNCEMENT

MONTHLY UPDATE IN RELATION TO THE PRE-CONDITIONAL VOLUNTARY CASH OFFER BY



ON BEHALF OF REALORD GROUP HOLDINGS LIMITED TO ACQUIRE ALL OF THE ISSUED SHARES OF THE SINCERE COMPANY, LIMITED

Reference is made to the joint announcements issued by Realord Group Holdings Limited (“**Realord**”) and The Sincere Company, Limited (“**Sincere**”) dated 15 May 2020 (the “**Joint Announcement**”), 5 June 2020, 17 June 2020, 17 July 2020, 4 August 2020, 4 September 2020, 6 October 2020, 6 November 2020, 7 December 2020 and 7 January 2021, respectively, and the announcements issued by Realord dated 9 February 2021 and 26 February 2021 (collectively, the “**February Update Announcements**”), respectively, in relation to, among other matters, the Offer.

Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meanings as those defined in the Joint Announcement and the February Update Announcements.

STATUS OF FULFILMENT OF THE PRE-CONDITIONS

As disclosed in the Joint Announcement, the making of the Offer is subject to the satisfaction or waiver (as the case may be) of the Pre-Conditions and save for Pre-Condition (ii) in relation to the No-Bid Confirmation having been issued by the Executive, all the Pre-Conditions remain outstanding.

In relation to Pre-Condition (i), as disclosed in the February Update Announcements, the applications to the Insurance Authority for the requisite approval of the proposed change of “controllers” (within the meanings of the Insurance Ordinance) of Sincere LA and Sincere II were duly made by Realord, MHL, Dr. Lin Xiaohui and Madam Su Jiaohua, and all necessary submissions and applications for the fulfilment of Pre-Condition (i) on the part of Realord have been made by Realord as at the date hereof. Save for the aforementioned applications to the Insurance Authority, no other outstanding Pre-Conditions are to be fulfilled by Realord. As at the date of this announcement, Realord has not received any further update on the status of the fulfilment of Pre-Conditions from Sincere since the publication of the announcement of Realord dated 26 February 2021.

On 3 March 2021, Realord, through its legal adviser, has written to Sincere requesting Sincere to provide, by 5:00 p.m. on 5 March 2021, a copy of the HK\$150,000,000 (“**Loan Facility**”) loan facility agreement (the “**Loan Facility Agreement**”) and related security document(s) executed by Sincere with a financial institution on 18 February 2021 (which Loan Facility Agreement was disclosed in the announcement of Sincere dated 25 February 2021) in order to assess any impact of the terms and conditions thereof and/or matters contemplated thereunder on the making or proceeding of the Offer. In the said letter, Realord has also drawn the attention of the board of directors of Sincere to the requirements under the relevant Listing Rules and the Takeovers Code in respect of the terms and conditions of the Loan Facility Agreement, if any, such as whether it contains any covenant restricting a change in the controlling shareholder of Sincere; or any requirement for Win Dynamic, being the controlling shareholder of Sincere, to pledge or mortgage its interest in the shares of Sincere as security; or any covenant relating to specific performance of Win Dynamic; or details of any assets provided by Sincere to secure the Loan Facility. No response had been received by Realord by 5 March 2021, but on 8 March 2021, the legal adviser of Realord received by facsimile a letter dated 5 March 2021 from the legal adviser of Sincere indicating that they were in the course of taking instructions from Sincere and would provide a reply in due course, but in the meantime providing no further information on the matters of concern. Realord will closely follow up with Sincere and its advisors on a prompt reply from Sincere on the information requested and will monitor the implication (if any) of the Loan Facility Agreement on the fulfilment of the Pre-Conditions.

Realord will continue to progress with the fulfilment of the Pre-Conditions and monitor the development closely.

Further announcement(s) setting out the progress with the fulfilment of the Pre-Conditions and any material developments in relation to the Offer will be made as and when necessary in accordance with the Listing Rules and the Takeovers Code and/or on a monthly basis until the despatch of the offer document for the Offer.

WARNING

The Pre-Conditions must be satisfied or, if permitted, waived (as the case may be) before the making of the Offer. The making of the Offer is therefore a possibility only. Accordingly, the Realord Shareholders and prospective investors are advised to exercise caution when dealing in the securities of Realord. Persons who are in doubt as to the action they should take should consult their professional advisers.

By order of the board of
Realord Group Holdings Limited
Lin Xiaohui
Chairman

Hong Kong, 10 March 2021

As at the date of this announcement, the executive directors of the Offeror are Dr. Lin Xiaohui, Madam Su Jiaohua and Mr. Lin Xiaodong and the independent non-executive directors of the Offeror are Mr. Yu Leung Fai, Mr. Fang Jixin and Dr. Li Jue.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.