

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



偉祿集團控股有限公司
REALORD GROUP HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 1196)

VOLUNTARY ANNOUNCEMENT

REQUISITION FOR A GENERAL MEETING TO BE HELD BY THE SINCERE COMPANY, LIMITED TO APPOINT DIRECTORS AND REMOVE DIRECTORS

Reference is made to (i) the announcement issued by Realord Group Holdings Limited (“**Realord**” or the “**Offeror**”) dated 28 April 2021 (the “**Realord 28 April Announcement**”) in relation to, among others, the intention of the Offeror on the proposed appointment of new directors to the Sincere Board; (ii) the offer document issued by the Offeror dated 5 May 2021 in relation to the Offer (the “**Offer Document**”); (iii) the announcement issued by the Offeror on 7 May 2021 in relation to the Offer becoming unconditional in all respects; and (iv) the response document (the “**Response Document**”) issued by The Sincere Company, Limited (“**Sincere**”) dated 20 May 2021 in relation to the Offer.

Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Realord 28 April Announcement and the Offer Document.

Intention of the Offeror on the proposed appointment of new directors to the Sincere Board

The Offeror has made clear its intention on the proposed appointment of new directors to the Sincere Board as early as 28 April 2021 in the Realord 28 April Announcement as well as in the Offer Document. Following the Offer becoming unconditional in all respects on 7 May 2021, the Offeror has become the majority shareholder of Sincere holding more than 50% of the voting rights of Sincere. To ensure smooth transition of the Sincere Board and management of Sincere, the Offeror has sought the Sincere Board's facilitation to nominate and appoint two new directors, namely Mr. Chan Chu Kin ("**Mr. Chan**") as a non-executive director and Mr. Chung Chun Hung Simon ("**Mr. Chung**") as an independent non-executive director, to the Sincere Board, with effect from the next Business Day immediately after the despatch of the Response Document (being 21 May 2021). The Offeror has also sought the Sincere Board's facilitation to nominate and appoint six new directors to the Sincere Board upon the close of the Offer (being 3 June 2021).

However, the Offeror was not informed of any of progress on the directors appointment despite all relevant and necessary documents and information in relation to the proposed appointment of Mr. Chan and Mr. Chung have been provided to Sincere and/or its legal advisors, until 21 May 2021 when the Offeror was informed that appointment of Mr. Chan and Mr. Chung was yet to be made and meetings of the nomination committee, remuneration committee and the Sincere Board were only scheduled to take place on 25 May 2021. In response to this, the Offeror through its legal advisor wrote to the Sincere Board on the same day pointing out that taking note of the intentions of the existing members of the Sincere Board to resign from or remain on the Sincere Board as disclosed in the Response Document, upon the close of the Offer, the number of directors of Sincere would become less than five, which would be in breach of article 82 of the Articles of Association of Sincere (the "**Articles**"). The Offeror found this to be undesirable and therefore urged the Sincere Board to promptly approve the appointment of the remaining six new directors proposed by the Offeror to take effect upon the close of Offer, and include this to be the agenda to the nomination committee, remuneration committee and the Sincere Board meetings to be conducted on 25 May 2021. On 22 May 2021, the Offeror through its legal advisor had provided all relevant and necessary documents and information in relation to the proposed appointment of the remaining six new directors to Sincere and/or its legal advisors. The Offeror was subsequently informed that a meeting was scheduled to be held by the Sincere Board at 10:00 a.m. on 25 May 2021. However, until the close of business of 25 May 2021, despite numerous enquiries made by the Offeror, the Offeror had not received any confirmation from the Sincere Board about the approval of any of the proposed appointments.

Requisition for a general meeting to be held by Sincere to appoint and remove directors

In view of the above, grave concerns have arisen about the proper functioning of the existing Sincere Board. Notwithstanding that the Offeror has clearly made known of its intention to introduce changes to the existing Sincere Board both in the Offer Document as well as the correspondences sent by it or on its behalf to Sincere and/or its professional advisers requesting the existing Sincere Board to appoint persons nominated by the Offeror as new directors of Sincere following the Offeror acquiring voting control of Sincere, the existing Sincere Board has failed, neglected and/or refused to act promptly to appoint any or all of the eight persons nominated by the Offeror as new directors of Sincere up to 25 May 2021. Such concerns are amplified by the financial problems impacting Sincere.

On 25 May 2021, the Offeror, being a registered member of Sincere holding, as at 25 May 2021, at least 5% of the total voting rights of all the members of Sincere having a right to vote at general meetings of Sincere, served and deposited a written requisition (the “**Requisition Notice**”) dated the same date, together with the necessary documents as required pursuant to article 83 of the Articles, at the registered office of Sincere and with the company secretary of Sincere, requesting the Sincere Board to convene a general meeting of Sincere (the “**Requisition GM**”) on or before 15 June 2021 for considering and, if thought fit, passing the following resolutions (the “**Requisitions**”) as ordinary resolutions of Sincere:

- (1) THAT insofar as Dr. Lin Xiaohui (林曉輝博士) has not been appointed as a director of Sincere before the Requisition GM requested to be convened and held by Realord, or (as the case may be) he has been so appointed and is required to retire as a director of Sincere in accordance with the Articles at the Requisition GM, Dr. Lin Xiaohui (林曉輝博士) be and is hereby appointed as an executive director of Sincere with effect from the conclusion of the Requisition GM;
- (2) THAT insofar as Madam Su Jiaohua (蘇嬌華女士) has not been appointed as a director Sincere before the Requisition GM requested to be convened and held by Realord, or (as the case may be) she has been so appointed and is required to retire as a director of Sincere in accordance with the Articles at the Requisition GM, Madam Su Jiaohua (蘇嬌華女士) be and is hereby appointed as an executive director of Sincere with effect from the conclusion of the Requisition GM;
- (3) THAT insofar as Dr. Yu Lai (禹來博士) has not been appointed as a director of Sincere before the Requisition GM requested to be convened and held by Realord, or (as the case may be) he has been so appointed and is required to retire as a director of Sincere in accordance with the Articles at the Requisition GM, Dr. Yu Lai (禹來博士) be and is hereby appointed as an executive director of Sincere with effect from the conclusion of the Requisition GM;

- (4) THAT insofar as Mr. Chan Chu Kin (陳曙鍵先生) has not been appointed as a director of Sincere before the Requisition GM requested to be convened and held by Realord, or (as the case may be) he has been so appointed and is required to retire as a director of Sincere in accordance with the Articles at the Requisition GM, Mr. Chan Chu Kin (陳曙鍵先生) be and is hereby appointed as an executive director of Sincere with effect from the conclusion of the Requisition GM;
- (5) THAT insofar as Dr. Tai Tak Fung (戴德豐博士) has not been appointed as a director of Sincere before the Requisition GM requested to be convened and held by Realord, or (as the case may be) he has been so appointed and is required to retire as a director of Sincere in accordance with the Articles at the Requisition GM, Dr. Tai Tak Fung (戴德豐博士) be and is hereby appointed as a non-executive director of Sincere with effect from the conclusion of the Requisition GM;
- (6) THAT insofar as Mr. Yu Leung Fai (余亮暉先生) has not been appointed as a director of Sincere before the Requisition GM requested to be convened and held by Realord, or (as the case may be) he has been so appointed and is required to retire as a director of Sincere in accordance with the Articles at the Requisition GM, Mr. Yu Leung Fai (余亮暉先生) be and is hereby appointed as an independent non-executive director of Sincere with effect from the conclusion of the Requisition GM;
- (7) THAT insofar as Mr. Yuan Baoyu (袁寶玉先生) has not been appointed as a director of Sincere before the Requisition GM requested to be convened and held by Realord, or (as the case may be) he has been so appointed and is required to retire as a director of Sincere in accordance with the Articles at the Requisition GM, Mr. Yuan Baoyu (袁寶玉先生) be and is hereby appointed as an independent non-executive director of Sincere with effect from the conclusion of the Requisition GM;
- (8) THAT insofar as Mr. Chung Chun Hung Simon (鍾振雄先生) has not been appointed as a director of Sincere before the Requisition GM requested to be convened and held by Realord, or (as the case may be) he has been so appointed and is required to retire as a director of Sincere in accordance with the Articles at the Requisition GM, Mr. Chung Chun Hung Simon (鍾振雄先生) be and is hereby appointed as an independent non-executive director of Sincere with effect from the conclusion of the Requisition GM;
- (9) THAT the Sincere Board be and is hereby authorised to fix the remuneration of the directors of Sincere;

- (10) THAT Mr. Ma King Huen Philip (馬景煊先生) be and is hereby removed as an executive director, the chairman and the chief executive officer (and any other office (where applicable)) of Sincere with effect from the later of (a) the conclusion of the Requisition GM, or (b) the earliest time when such removal is permitted under the Takeovers Code (where applicable);
- (11) THAT Mr. Chan Man Wai Charles (陳文衛先生) be and is hereby removed as a non-executive director of Sincere with effect from the later of (a) the conclusion of the Requisition GM, or (b) the earliest time when such removal is permitted under the Takeovers Code (where applicable);
- (12) THAT Mr. Ma King Wing (馬景榮先生) be and is hereby removed as an independent non-executive director of Sincere with effect from the later of (a) the conclusion of the Requisition GM, or (b) the earliest time when such removal is permitted under the Takeovers Code (where applicable);
- (13) THAT (where applicable) any other person(s), other than the persons whose names are set out in paragraphs (1) to (8) and (10) to (12), that may be appointed as an executive director/non-executive director/independent non-executive director of Sincere (as the case may be) since 25 May 2021 (including such date for the avoidance of doubt) and up to immediately before the Requisition GM, be and is/ are hereby removed with effect from the later of (a) the conclusion of the Requisition GM, or (b) the earliest time when such removal is permitted under the Takeovers Code (where applicable).

Pursuant to section 567 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong) (the “**Companies Ordinance**”), the Sincere Board must call the Requisition GM within 21 days after the date of its receipt of the Requisition Notice (i.e. on or before 15 June 2021) by giving the notice to convene the Requisition GM, and the Requisition GM must be held on a date not more than 28 days after the date of the notice convening the Requisition GM. That said, the Offeror takes the view that it clearly will not be in the best interests of Sincere and the SinCo Shareholders for the Sincere Board to waste any time sitting on the Requisition Notice. Quite the contrary, the Offeror takes the view that members of the Sincere Board must act in good faith and duly discharge their fiduciary duties by acting promptly so that the Requisition GM can be convened as soon as possible.

If the Sincere Board shall fail and/or neglect to call the Requisition GM as requested by the Requisition Notice, the Offeror shall consider to take such steps as it may deem necessary and appropriate to protect its interest, including without limitation convening the Requisition GM pursuant to section 568 of the Companies Ordinance.

Further announcement(s) will be made by Realord to keep the Realord Shareholders, the SinCo Shareholders and the public informed of any material development in connection with the Requisitions as and when appropriate.

Realord Shareholders and potential investors are advised to exercise caution when dealing in the securities of Realord.

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

Hong Kong, 26 May 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.