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THE SINCERE COMPANY, LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 0244)

**INSIDE INFORMATION
RELATING TO
PRE-CONDITIONAL VOLUNTARY CASH OFFER BY
REALORD ASIA PACIFIC SECURITIES LIMITED
ON BEHALF OF
REALORD GROUP HOLDINGS LIMITED
TO ACQUIRE ALL OF THE ISSUED SHARES OF
THE SINCERE COMPANY, LIMITED
AND
RESUMPTION OF TRADING**

This announcement is made by The Sincere Company, Limited (“**Sincere**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

Reference is made to the announcement dated 15 May 2020 (the “**Joint Announcement**”) jointly issued by Sincere and Realord Group Holdings Limited (the “**Offeror**”) in relation to, among other things, the Offer, and the inside information announcement dated 29 October 2020 (the “**Deed Announcement**”) issued by Sincere in relation to, among other things, the deed of gift (the “**Deed**”) executed by Win Dynamic in favour of Sincere. Capitalised terms used in this announcement shall have the same meanings as those defined in the Joint Announcement unless the context requires otherwise.

Win Dynamic is wholly-owned by Mr. Philip K H Ma and Mr. Charles M W Chan, who are directors of Win Dynamic and Sincere. Pursuant to the Deed, Win Dynamic has irrevocably undertaken to Sincere to give to Sincere the net sale proceeds that Win Dynamic will be entitled to receive from the Offeror upon its acceptance of the Offer relating to all the 662,525,276 SinCo Shares held by it, which is expected to amount to approximately HK\$260,442,992 (after deducting Win Dynamic's ad valorem stamp duty). As set out in the Deed Announcement, Sincere understood that in order to facilitate the Deed, Mr. Philip K H Ma and Mr. Charles M W Chan have irrevocably agreed to waive all sums owed to them by Win Dynamic.

On 3 February 2021, the board of directors of Sincere (the “**Sincere Board**”) received a letter (the “**Letter**”) from Win Dynamic stating that:-

“We hereby declare the Deed null and void, and cancelled with immediate effect, for the reason that it was executed by us under undue influence and duress, given without separate legal representation or proper advice, and is an undervalue transaction pursuant to section 265D of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong).”

Win Dynamic has not yet provided evidence in support of the assertions in the Letter or that it has any right to terminate the Deed.

The Sincere Board is considering the implications of the Letter and does not admit the Deed is null or void or has been cancelled or any other matters referred to in the Letter. Mr. Philip K H Ma and Mr. Charles M W Chan, directors of Sincere, together own and are directors of Win Dynamic. They take a different view to the rest of the Board and consider that the Deed is null and void or has been cancelled.

It is noted that the existence or otherwise of the Deed is not one of the Pre-Conditions to the Offer and the Sincere Board (including Mr. Philip K H Ma and Mr. Charles M W Chan) is therefore of the view that the purported cancellation of the Deed by Win Dynamic shall not impact on the Offer to be made by the Offeror.

As at the date of this announcement, save for the Deed (which, as mentioned above, the Sincere Board does not admit is null or void or has been cancelled, but Mr. Philip K H Ma and Mr. Charles M W Chan alone consider null and void or cancelled), there is no other relevant understanding, agreement or arrangement between (i) Sincere, its subsidiaries or associated companies on the one hand, and (ii) the Offeror and/or Win Dynamic or any person known to Sincere to be acting in concert with the Offeror and/or Win Dynamic on the other hand.

Further announcements will be made as and when appropriate.

At the request of Sincere, trading in the SinCo Shares on the Stock Exchange was halted with effect from 1:02 p.m. on 3 February 2021 pending the publication of this announcement. Application has been made by Sincere to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 5 February 2021.

By order of the board of directors of
The Sincere Company, Limited
Philip K H Ma
Chairman & CEO

Hong Kong, 4 February 2021

As at the date of this announcement, the executive director of Sincere is Mr. Philip K H Ma, the non-executive director of Sincere is Mr. Charles M W Chan, and the independent non-executive directors of Sincere are Mr. King Wing Ma, Mr. Eric K K Lo, Mr. Peter Tan and Mr. Anders W L Lau.

The directors of Sincere 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.