

*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.*

*This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of The Sincere Company, Limited.*

**sincere先施**

**THE SINCERE COMPANY, LIMITED**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 0244)**

**ANNOUNCEMENT**

**UPDATE ON LOAN FACILITY**

**Financial Adviser to the Company**



Reference is made to the joint announcements issued by (i) The Sincere Company, Limited (“**Sincere**”) and Realord Group Holdings Limited dated 15 May 2020, 5 June 2020, 17 June 2020, 17 July 2020, 4 August 2020, 4 September 2020, 6 October 2020, 6 November 2020, 7 December 2020, 7 January 2021; and (ii) the announcements issued by Sincere dated 29 October 2020, 4 February 2021, 11 February 2021, 25 February 2021, 31 March 2021 and 16 April 2021; and (iii) the announcement issued by the offeror dated 28 April 2021 in relation to, among other matters, the Offer (collectively, the “**Announcements**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements.

## UPDATE ON LOAN FACILITY

As disclosed in the announcement of Sincere dated 16 April 2021, Sincere entered into a loan facility agreement of HK\$150,000,000 (the “**Facility**”) with a financial institution (the “**Lender**”) and the Lender has decided not to grant the written consent for the change in the voting control of Sincere as required under the debenture of the Facility. As stated in the same announcement, failure to obtain the Lender’s said consent when there is a change in the voting control of Sincere would constitute an event of default under the debenture of the Facility.

On 3 May 2021, the Company was informed by the legal advisers of the Lender of the Facility in a letter that, among others, the Lender demands Sincere, as the borrower, to make a repayment of the Facility, including the outstanding principal of HK\$150,000,000 and the interest accrued on the outstanding principal for the period up to 5 May 2021 of HK\$1,117,808, totalling HK\$151,117,808, on 6 May 2021 before 5:00 p.m.

As disclosed in the announcement of the Offeror dated 28 April 2021, the Offeror has waived all other waivable Pre-Conditions (iii) to (ix) and accordingly all Pre-Conditions have been satisfied or waived (as the case may be).

As stated in the same announcement of the Offeror, despite an event of default may be triggered under the terms of the debenture of the Facility due to the decision of the Lender refusing to grant such consent, the Offeror is committed to, by not later than close of the Offer and appointment of new directors onto the board of Sincere representing a majority of the members of the Sincere Board, provide necessary financial support within a short period of time for repayment in full under the Facility in order to avoid any unnecessary legal proceedings that may be instituted by the Lender against Sincere.

On 3 May 2021, Sincere has informed the Offeror regarding the Lender’s demand for full repayment of the Facility as well as the relevant repayment interest by 5 p.m. on 6 May 2021.

Sincere shall notify the SinCo Shareholders of any updates on the matter as soon as reasonably practicable.

## **WARNINGS:**

**The SinCo Shareholders and prospective investors should note that closing of the Offer is subject to the condition of the Offer as to acceptance being fulfilled and the Offer becoming unconditional. Accordingly, the Offer may or may not become unconditional. The SinCo Shareholders and prospective investors are advised to exercise caution when dealing in the securities of Sincere, and if they are in any doubt about their position, they should consult their professional advisers.**

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

Hong Kong, 4 May 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.*