

*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.*



**Sino Vision Worldwide Holdings Limited**  
**新維國際控股有限公司**

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*  
**(Stock Code: 8086)**

**MAJOR DISPOSAL**  
**IN RELATION TO THE DISPOSAL OF**  
**51% EQUITY INTEREST IN THE TARGET COMPANY**

**THE DISPOSAL**

On 11 December 2020, the Company and the Purchaser entered into the Agreement, pursuant to which the Company conditionally agreed to sell, and the Purchaser conditionally agreed to purchase the Sale Shares and the Sale Loan, at the Consideration of HK\$5,000,000.

Upon Completion, the Target Group will cease to be subsidiaries of the Company and the financial results of the Target Group will no longer be consolidated into the consolidated financial statements of the Company.

**IMPLICATIONS UNDER THE GEM LISTING RULES**

As one or more of the relevant percentage ratios under the GEM Listing Rules in respect of the transactions contemplated under the Agreement exceed 25% but are below 75%, the Disposal constitutes a major transaction for the Company and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

## **GENERAL**

The SGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Disposal and the transactions contemplated thereunder. The Circular containing, among others, (i) details of the Disposal and the transactions contemplated thereunder; (ii) other information as required under the GEM Listing Rules; and (iii) a notice of the SGM will be despatched to the Shareholders as soon as practicable, which is expected to be on or before 5 January 2021. If additional time is required for the Company to prepare and finalise certain information to be included in the Circular, further announcement will be made by the Company as and when appropriate.

**Completion is conditional upon the satisfaction of the conditions set out in the section headed “Conditions Precedent” in this announcement. Accordingly, the Disposal may or may not proceed. Shareholders and potential investors should therefore exercise caution when dealing in the securities of the Company.**

## **THE DISPOSAL**

The Board announces that, on 11 December 2020 (after trading hours), the Company and the Purchaser entered into the Agreement, pursuant to which the Company has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the Sale Shares, representing 51% of the issued share capital in the Target Company and the Sale Loans at the Consideration of HK\$5,000,000 in cash.

## **THE AGREEMENT**

The principal terms of the Agreement are set out below:

Date : 11 December 2020 (after trading hours)

Parties : (a) the Purchaser: Acme Key Limited;

(b) the Vendor: the Company

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner are Independent Third Parties.

Pursuant to the Agreement, the Purchaser has conditionally agreed to acquire and the Company has conditionally agreed to sell:

- (i) the Sale Shares, representing 51% of the entire issued share capital in Target Company; and
- (ii) the Sale Loan.

The Sale Shares and the Sale Loan shall be acquired by the Purchaser free from all encumbrances as at the Completion Date together with all rights attached thereto including all dividends and distributions declared, made or paid after the execution of the Agreement. As at 31 October 2020, based on the unaudited account of the Target Company, the Sale Loan amounted to approximately HK\$4,065,000.

### **Consideration**

Pursuant to the terms of the Agreement, the Consideration of HK\$5,000,000 shall be payable by the Purchaser to the Company or its nominees in cash in full upon the Completion Date.

The Consideration was determined after arm's length negotiations between the Parties, with reference to (i) the loss-making results in recent years and net liabilities position of the Target Group; (ii) the amount of the Sale Loan; and (iii) the information set out under the section headed "REASONS FOR AND BENEFITS OF THE DISPOSAL" below. The Directors consider that the Consideration is fair and reasonable and in the interest of the Company and its Shareholders as a whole.

### **Conditions Precedent**

Completion shall be conditional upon and subject to the fulfillment and satisfaction of the following conditions precedent:

- (1) the passing by the Shareholders at the SGM to be convened and held of ordinary resolution(s) to approve the Agreement and the transactions contemplated thereunder in accordance with the GEM Listing Rules and the applicable laws and regulations;
- (2) the passing of the board of directors' resolution(s) to approve the Agreement and the transactions contemplated thereunder by the Purchaser; and
- (3) all necessary consents and approvals in relation to the Disposal having been obtained by the parties.

If any of the above conditions precedent have not been fulfilled on or before the Long Stop Date (save for condition (2) above which may be waived by the Purchaser), the Agreement shall be terminated. Save in respect of any antecedent breaches, the parties shall not be responsible for any liabilities and obligations and shall not take any further legal action in relation to the Disposal against each other.

### **Completion**

Upon fulfilment or waiver (as the case may be) of all the conditions set out in the subsection headed “Conditions Precedent” above, Completion shall take place at a time or place agreeable by the Purchaser and the Company on the Completion Date.

Upon Completion, the Target Group will cease to be subsidiaries of the Company.

### **INFORMATION ABOUT THE PARTIES**

The Company is an investment holding company. The Group is principally engaged in the e-commerce business and the provision of online sales platforms.

The Purchaser is an investment holding company incorporated in the British Virgin Islands with limited liability and an Independent Third Party.

### **INFORMATION OF THE TARGET GROUP**

The Target Company is a company incorporated in the British Virgin Islands with limited liability and a non wholly-owned subsidiary of the Company. It is an investment holding company and holds a number of subsidiaries incorporated in the United Kingdom, Hong Kong and the PRC. As at the date of this announcement, the Target Company is owned as to 51% by the Company. The Target Group is principally engaged in e-commerce and provision of online sales platform.

Set out below is the summary of the key financial data of the Target Group based on the unaudited consolidated management accounts for the two financial years ended 30 June 2019 and 2020:

	<b>For the year ended 30 June 2020</b>	<b>For the year ended 30 June 2019</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
	Approximately (unaudited)	Approximately (unaudited)
Revenue	43,096	107,143
Loss before tax	31,406	24,445
Loss after tax	31,418	24,494
Net (liabilities)/assets	(19,432)	7,606

## **REASONS FOR AND BENEFITS OF THE DISPOSAL**

The Target Group is principally engaged in the business of e-commerce and provision of online sales platform mainly through its business-to-customer foreign trade e-commerce online sales platform, namely DX.com which represent the e-commerce business segment of the Group.

In order to lessen its funding commitment to the Target Group, the Group has introduced a new investor to subscribe the shares of the Target Company in August 2017 and the equity interest of the Group in the Target Company was reduced to 51%. However, the e-commerce business of the Target Group has been adversely affected by the increasingly intensifying competition within the e-commerce industry in recent years. For the two years ended 30 June 2019 and 2020, the Target Group recorded loss after tax of approximately HK\$24.49 million and HK\$31.42 million, respectively, and its revenue for the same periods amounted to approximately HK\$107.14 million and HK\$43.10 million, respectively.

The Group expects that global economic activities will be hindered under the influence of the COVID-19 which has caused the blockade of borders of countries around the world and materially affected the global productivity. In order to optimise the Group's existing resources, streamline and restructure the existing business segments of the Group and relieve the financial burden and negative impact imposed on the Group, the Directors decided to enter into the Agreement to dispose the Target Group.

Taking into account the above and having considered that the Agreement was entered into on normal commercial terms with the Consideration being determined with reference to the financial information of the Target Group, the Directors are of the view that the terms of the Agreement are fair and reasonable and in the interests of the Shareholders and the Company as a whole.

## **POSSIBLE FINANCIAL EFFECTS AND USE OF PROCEEDS**

Upon Completion, the Target Company will cease to be a subsidiary of the Company and the financial results of the Target Group will no longer be consolidated into the financial statements of the Company. It is estimated that, upon Completion, the Group will record an unaudited gain of approximately HK\$10,970,000 from the Disposal, representing the difference between the Consideration attributable to the Sale Shares and the unaudited carrying value of Target Group as at 31 October 2020. The final amount of the gain arising from the Disposal to be recorded by the Company shall be subject to review and final audit by the auditor of the Company based on the then financial position of the Target Group.

The Group intends to use the proceeds from the Disposal as general working capital of the Group and for the development of the existing projects of the Group.

## **IMPLICATIONS UNDER THE GEM LISTING RULES**

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposal exceeds 25% but less than 75%, and the Disposal contemplated thereunder constitute a major transaction of the Company under Chapter 19 of the GEM Listing Rules and therefore is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

## **GENERAL**

The SGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Agreement and transactions contemplated thereunder.

The Circular containing, among others, (i) details of the Disposal and the transactions contemplated thereunder; (ii) other information as required under the GEM Listing Rules; and (iii) notice of the SGM will be despatched to the Shareholders as soon as practicable, which is expected to be on or before 5 January 2021. If additional time is required for the Company to prepare and finalize certain information to be included in the Circular, further announcement will be made by the Company as and when appropriate.

**Completion is conditional upon the satisfaction of the conditions set out in the section headed "Conditions Precedent" in this announcement. Accordingly, the Disposal may or may not proceed. Shareholders and potential investors should therefore exercise caution when dealing in the securities of the Company.**

## DEFINITIONS

Unless the contents otherwise require, the following expressions have the following meanings in this announcement:

“Agreement”	an agreement for sale and purchase dated 11 December 2020 entered into between the Purchaser and the Company in relation to the Disposal
“Board”	the board of directors of the Company
“Business Day”	a day (other than Saturday, Sunday or public holiday or days on which a typhoon signal No. 8 or above or black rainstorm warning is hosted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which licenced banks are generally open for general banking business in Hong Kong throughout their normal business hours
“Company”	means Sino Vision Worldwide Holdings Limited 新維國際控股有限公司, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability and the Shares are listed on GEM (stock code: 8086)
“Completion”	completion of the Disposal
“Completion Date”	the date on which Completion is to take place within five (5) Business Days upon fulfillment of the last conditions precedent to be fulfilled (or as the case may be, to be waived) and in any event by no later than the Long Stop Date or such other date as the Company and the Purchaser may agree in writing
“Consideration”	the total consideration in the sum of HK\$5,000,000 payable by the Purchaser to the Company for the Disposal under the Agreement
“Director(s)”	director(s) of the Company
“Disposal”	the disposal of the Sale Shares and the Sale Loan pursuant to the Agreement
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any person or company and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are not connected persons of the Company and are third parties independent of the Company and its connected persons in accordance with the GEM Listing Rules
“Long Stop Date”	being 30 June 2021 or such other date as the parties to the Agreement may agree
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Taiwan, Hong Kong and Macau Special Administrative Region
“Purchaser”	Acme Key Limited, a company incorporated in the British Virgin Islands with limited liability
“Sale Loan”	any liabilities due by the Target Company to the Company on or at any time prior to the Completion of the Agreement. As at 31 October 2020, the Sale Loan amounted to approximately HK\$4,065,000
“Sale Shares”	255 ordinary shares of US\$1.00 in the capital of the Target Company, representing 51% of the entire issued share capital of the Target Company
“Shareholder(s)”	holder(s) of the ordinary share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	EPRO E-Commerce Group Limited, a company incorporated in the British Virgin Islands with limited liability. As at the date of this announcement, the Target Company is a direct non-wholly owned subsidiary of the Company
“Target Group”	the Target Company and its subsidiaries

“US\$” United States dollar, the lawful currency of the United States of America

“%” per cent.

For and on behalf of the Board  
**Sino Vision Worldwide Holdings Limited**  
**Lo Pak Ho**  
*Chairman*

Hong Kong, 11 December 2020

*As at the date of this announcement, the executive Directors are Mr. Lo Pak Ho, Mr. Bai Long and Mr. Huang Qing, and the independent non-executive Directors are Ms. Liu Pui Shan, Mr. Wei Wei and Ms. Xu Yilei.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for at least 7 days from the date of its publication and on the website of the Company at <http://www.sinovisionworldwide.com>.*