

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



百仕達控股有限公司\*

SINOLINK WORLDWIDE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1168)

## SUPPLEMENTARY ANNOUNCEMENT

### TO THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Reference is made to the annual report of Sinolink Worldwide Holdings Limited (the “**Company**”) for the year ended 31 December 2021 (the “**2021 Annual Report**”) which was published on 26 April 2022. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those set out in the Annual Report.

The Company is hereby merely providing further and additional information on the Group’s financing services business.

#### Financing services business

Financing services business are principally engaged in provision of efficient financial leasing solutions and multiple consultancy services, to satisfy technology and new economy companies’ demands for financial services at different stages of development in the PRC. The financing services business is financed by the Group’s internal resources. In view of the fast development and adjustment in the financing services business in the PRC in recent years and our high standard requirements and emphasis on risk assessment on customers, the current source of customers are mainly by referral of close business partners or customers with excellent credit records.

Details of income from financing services business is as follows:

	2021	2020
	<i>HK\$’000</i>	<i>HK\$’000</i>
Types of goods or services		
Interest income from receivables-based lending services (i)	2,855	5,491
Interest income from entrusted loans (ii)	5,115	2,929
Interest income from other loans (iii)	15,002	13,759
Interest income from finance leases receivables (iv)	22	31
Others	—	7,278
	<u>22,994</u>	<u>29,488</u>

- (i) The Group has provided business factoring services, specifically as receivables-based lending services in the PRC. In order to enhance its cashflow problem to meet its operation needs, trade receivables from customers is pledged to the Group to obtain a short term borrowings. The legal title of the receivables has not changed. Business factoring services is regulated by the Measures for the Supervision and Administration of Commercial Factoring Companies in Tianjin (《天津市商業保理公司監督管理暫行辦法》). During the year ended 31 December 2021, the Group provided receivables-based lending services to one customer for its trade receivables and interest rate is fixed at 5.5% (2020: ranged from 5.5% to 6.5%) per annum. The receivables-based lending is guaranteed with terms less than 3 months.
- (ii) The Group has provided entrusted loans to certain PRC customers. Entrusted loans are loans made by to the customers, using a licensed bank as a servicing agent. The Group will pay to the licensed bank a service fee and the credit risk is borne by the Group. Entrusted loans service is regulated by the Administrative Measures on Entrusted Loans of Commercial Banks (《商業銀行委託貸款管理辦法》) issued by China Banking and Insurance Regulatory Commission (中國銀行保監督管理委員會). During the year ended 31 December 2021, the entrusted loans are unsecured, interest rates are fixed and ranged from 5.0% to 5.5% (2020: 6.5%) per annum with terms of 1 year.
- (iii) The Group had loan receivables to independent third parties. In 2021, the major loan receivables is provided to an independent third party with principal of RMB220,000,000, unsecured, interest at 6% per annum and the loan will be expired in September 2023.
- (iv) The Group has provided financial leasing services in the PRC for customers (from individuals to corporates) for equipment (ranging from office equipment, 3C equipment and motor vehicles). Financing lease services is regulated by the Interim Measures for the Supervision and Administration of Shanghai Finance and Leasing Companies (《上海市融資租賃公司監督管理暫行辦法》). Interest are fixed and is ranged from 5.5% to 10.0% (2020: 5.0% to 18.0%) per annum and terms of leases are ranged from 6 months to 5 years.

#### Credit risk and impairment assessment

In order to minimize the credit risk, management of the Group has delegated a team responsible for determination of credit limits and credit approvals. Before accepting any new customer, the Group uses an internal credit rating system to assess the potential customer's credit quality and defines credit limits by customer. The internal credit rating system is a matrix of factors by performing background search and considering historical creditworthiness information, industry recognition. Credit risk of loans receivables, finance lease receivables, entrusted loans and receivables-based lending services are assessed individually. Collateral can be one of the ways to mitigate credit risk to certain extent, nevertheless, the Group mostly provides financing services based on the stringent credit assessment and put more emphasis on the counterparties' ability to meet obligations out of their cash flows, income, net worth and historical credit records.

The Group has closely monitored the recoverability of the receivables to these counterparties, including considering the reasonableness and supportiveness of both quantitative and qualitative information availables, ensured adequate collateral is received from these counterparties and taken effective measures to ensure timely collection of outstanding balances. Effective measures include periodic visit to customers, regular updates of financial information and obtaining customer's future prospects.

Management has overall responsibility for the Group's credit policies and oversees the credit quality of the Group's receivables and loans portfolio. In addition, management reviews the recoverable amount of loan receivables individually at each reporting date to ensure that adequate impairment losses are made for irrecoverable amounts.

The above additional information does not affect other information contained in the 2021 Annual Report and, save as disclosed in this announcement, all other information in the 2021 Annual Report remains unchanged.

**Shareholders of the Company and potential investors are advised to exercise caution in dealing in the shares of the Company.**

By order of the Board  
**Sinolink Worldwide Holdings Limited**  
**XIANG Ya Bo**  
*Chairman and Chief Executive Officer*

Hong Kong, July 20, 2022

*As at the date of this announcement, the Board comprises, Mr. XIANG Ya Bo (Chairman and Chief Executive Officer) and Mr. CHEN Wei as Executive Directors; Mr. OU Yaping, Mr. OU Jin Yi Hugo, and Mr. TANG Yui Man Francis as Non-executive Directors; and Mr. TIAN Jin, Dr. XIANG Bing and Mr. XIN Luo Lin as Independent Non-executive Directors*