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SUNWAY INTERNATIONAL HOLDINGS LIMITED

新威國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 58)

(I) CLARIFICATION ANNOUNCEMENT RELATING TO THE USE OF PLACING PROCEEDS

AND

(II) FURTHER CHANGE IN USE OF PROCEEDS

AND

(III) UPDATE ON THE DISCLOSEABLE TRANSACTION IN RELATION TO THE ACQUISITIONS

References are made to the announcements of Sunway International Holdings Limited (the “**Company**”) dated 26 April 2017 and 17 May 2017 in relation to the placing of new ordinary shares (the “**Placing**”) of HK\$0.01 each in the share capital of the Company (collectively, the “**Placing Announcements**”); the announcement of the Company dated 24 November 2017 in relation to the change in use of proceeds from the Placing (the “**Placing (Change in Use of Proceeds) Announcement**”); the announcement of the Company in relation to the update on the Acquisitions dated 6 February 2018 (the “**Update on Acquisitions Announcement**”); and the 2017 annual report of the Company published on 26 April 2018 (the “**Annual Report**”).

Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the Placing Announcements, the Placing (Change in Use of Proceeds) Announcement and the Update on Acquisitions Announcement.

USE OF PROCEEDS FROM THE PLACING

The board (“**Board**”) of directors (“**Directors**”) of the Company wishes to clarify the use of proceeds from the Placing in the following.

As disclosed in the Placing (Change in Use of Proceeds) Announcement, in particular, in the Note to the utilization of the proceeds in relation to development of financial services business, it was disclosed that the Group has already utilized, inter alia, “approximately HK\$20.20 million for the acquisition of stocks listed on the Stock Exchange”. This is consistent with the disclosure set out on page 7 of the Annual Report that, “as at 31 December 2017..... approximately HK\$20.2 million of the proceeds from the placing of shares was used in acquisition of stocks listed on the Stock Exchange”.

In addition, the Directors wish to clarify that there is an inadvertent typographical error in both English and Chinese versions in relation to paragraph 3 under “Use of Proceeds from the Placings of Shares” as disclosed on page 7 of the Annual Report. “HK\$6.37 million was used for the proposed acquisitions.” should be “HK\$6.80 million was used for the proposed acquisitions.”; while “6,370,000港元已用作建議收購事項” should be “6,800,000港元已用作建議收購事項” in the English and Chinese versions respectively.

Save as the inadvertent typographical error mentioned above, the remaining information contained in the Annual Report remains unchanged.

FURTHER CHANGE IN USE OF PROCEEDS FROM THE PLACING

The Board wishes to announce in the following in relation to the further change in use of proceeds from the Placing.

As disclosed in the Placing (Change in Use of Proceeds) Announcement and Annual Report, the Board intended to allocate the net proceeds (the “**Net Proceeds**”) from the Placing of approximately HK\$73.10 million as to (the “**Change in Use of Proceeds**”): (a) approximately HK\$30.20 million for the development of financial services business; (b) approximately HK\$8.50 million for general working capital of the Group and (c) approximately HK\$34.40 million for the Acquisitions (the “**Proceeds for Intended Acquisitions**”).

As disclosed in the Update on Acquisitions Announcement, the Parties to the Acquisitions had been engaging in the Further Negotiations. In the circumstances, the Board has resolved: (a) to apply part of the Proceeds for Intended Acquisitions in the sum of approximately HK\$12.54 million towards the development of financial services business; (b) to apply part of the Proceeds for Intended Acquisitions in the sum of approximately HK\$5.1 million towards general working capital; and (c) to apply the remaining part of the Proceeds for Intended Acquisitions in the sum of approximately HK\$9.96 million towards Share buyback. (the “**2nd Change in Use of Proceeds**”).

Details of the Original Use of Proceeds, the Change in Use of Proceeds, the 2nd Change in Use of Proceeds, and the utilisation of the proceeds from the Placing as at the date of this announcement are summarised as follows:

	Original Use of Proceeds (Approximately) HK\$ million	Change in Use of Proceeds (Approximately) HK\$ million	2nd Change in Use of Proceeds (Approximately) HK\$ million	Utilisation of the proceeds from the Placing as at the date of this announcement (Approximately) HK\$ million
Development of financial services business	60.00	30.20	42.74	42.74 ^(Note)
General working capital	13.10	8.50	13.60	13.60
Acquisitions	—	34.40	6.80	6.80
Share buyback	—	—	9.96	9.96
Total	73.10	73.10	73.10	73.10

Note:

The Group has already utilized (a) approximately HK\$10.00 million for loans to customers in the money lending business of the Group; (b) approximately HK\$20.20 million for the acquisition of stocks listed on the Stock Exchange; and (c) approximately HK\$12.54 million for investing in the share capital of the China-based subsidiary, 深圳大灣股權投資基金管理有限公司, in order to enable it to register for the position of “Investment Fund Manager” in Asset Management Association of China.

Save for the 2nd Change in Use of Proceeds as disclosed above, the Company has applied the remaining Net Proceeds as intended in the Change in Use of Proceeds. The Board considers that the 2nd Change in Use of Proceeds is fair and reasonable as this would facilitate more efficient use of the financial resources of the Company and strengthen the future development of the Group and is in the interests of the Company and its Shareholders as a whole.

UPDATE ON THE ACQUISITIONS

Up to the time of this announcement, the Parties are still engaging in the Further Negotiations.

The Company will keep the Shareholders and potential investors informed of any further material developments in connection with the Acquisitions by way of further announcement(s) as and when appropriate.

Shareholders and potential investors of the Company should note that Completions are subject to the conditions precedent in the Acquisition Agreements and the Further Negotiations and may not materialise. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

By Order of the Board
Sunway International Holdings Limited
Li Chongyang
Executive Director

Hong Kong, 26 July 2018

As at the date of this announcement, the Board comprises three executive Directors, namely, Mr. Leung Chi Fai, Mr. Li Chongyang and Ms. Qi Jiao, two non-executive Directors, namely, Mr. Huang Weidong (Chairman) and Mr. Liu Chenli and three independent non-executive Directors, namely, Mr. Cong Yongjian, Mr. Lam Kai Yeung and Dr. Lam Huen Sum.

Website: <http://www.irasia.com/listco/hk/sunway/index.htm>

* *For identification purpose only*