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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)**

### **INSIDE INFORMATION MEMORANDUM OF UNDERSTANDING IN RELATION TO POSSIBLE TRANSACTIONS**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the provisions under Part XIVA of the SFO.

#### **THE MOU**

The Board is pleased to inform the Shareholders and potential investors of the Company that, on 30 October 2017 (after trading hours of the Stock Exchange), Ever Vision entered into the MOU with Party A and Target Company in relation to the Possible Transactions involving a possible acquisition of the then existing shares in Target Company (representing approximately 39% of the then existing issued share capital of Target Company) by Ever Vision (or its nominees) from Party A (or any of Party A); and the Possible JV involving a possible joint venture between Ever Vision and Party A (or any of Party A being the then shareholder(s) of Target Company) for the development of the Land, within 1 month of the date of the MOU and subject to the entering into of the Formal Agreements. The consideration, and other terms, of the Possible Acquisition will be determined by arm's length negotiations between Ever Vision and Party A (or any of Party A); and the terms of the Possible JV will be determined by arm's length negotiations between Ever Vision and Party A (or any of Party A being the then shareholder(s) of Target Company), after the completion of the due diligence process on the Possible Transactions.

Except for the terms regarding the Parties using their respective best endeavours to negotiate in good faith between themselves in relation to the Possible Transactions, the due diligence review in connection with the Possible Transactions, each Party bearing their own costs and expenses, non-disclosure, governing law and mutual indemnity, and process agent, the MOU does not constitute a legally-binding commitment of the Parties.

Should the Company enter into the Formal Agreements or decide to terminate the MOU or if there are any material developments with respect to the Possible Transactions, the Company will make further announcement(s) in accordance with the Listing Rules as and when appropriate.

## **GENERAL**

**Shareholders and potential investors of the Company should be aware that the terms of the Possible Transactions are subject to further negotiations between the Parties and are subject to the Parties entering into the Formal Agreements. As the Possible Transactions may or may not proceed, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.**

**In the event that the Possible Transactions materialize, they may constitute notifiable transaction(s) for the Company under the Listing Rules. Further announcement(s) will be made by the Company in accordance with all the applicable requirements of the Listing Rules as and when appropriate.**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the provisions under Part XIVA of the SFO.

The Board is pleased to inform the Shareholders and potential investors of the Company that, on 30 October 2017 (after trading hours of the Stock Exchange), Ever Vision entered into the MOU with Party A and Target Company in relation to the Possible Transactions and the Possible JV, within 1 month of the date of the MOU and subject to the entering into of the Formal Agreements. The consideration, and other terms, of the Possible Acquisition will be determined by arm's length negotiations between Ever Vision and Party A (or any of Party A); and the terms of the Possible JV will be determined by arm's length negotiations between Ever Vision and Party A (or any of Party A being the then shareholder(s) of Target Company), after the completion of the due diligence process on the Possible Transactions.

## **THE MOU**

Set out below are the principal terms of the MOU:

**Date** : 30 October 2017 (after trading hours of the Stock Exchange)

**Parties** : (1) Ever Vision  
(2) Target Company  
(3) Party A

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of Target Company and Party A and their ultimate beneficial owners (where relevant) are Independent Third Parties.

## **Subject Matter**

Under the MOU, Ever Vision, Target Company and Party A have agreed to use their respective best endeavours to negotiate in good faith between themselves in relation to the Possible Acquisition, and Ever Vision and Party A (or any of Party A being the then shareholder(s) of Target Company) have agreed to use their respective best endeavours to negotiate in good faith between themselves in relation to the Possible JV.

## **Due Diligence Review**

After the date of the MOU, Ever Vision is entitled to conduct due diligence review in connection with the operational, financial, legal and taxation aspects of Target Company; and each of Party A.

Target Company and each of Party A shall provide to Ever Vision and/or procure the relevant third parties to provide all documents and information in relation to the Possible Transactions upon request for due diligence purpose and to respond to the enquiries of Ever Vision, the Company and their respective agents and professional advisers.

## **Exclusivity**

During the Exclusivity Period, Target Company and each of Party A shall not directly or indirectly negotiate with a third party (other than the Group) in connection with subscription or sale of shares in Target Company.

## **Mutual Indemnity**

Any Party who breaches the legally binding provisions of the MOU shall indemnify the damages suffered by the complying Party up to a maximum limit of HK\$1 million.

## **Non-legally binding effect**

Except for the terms regarding the Parties using their best endeavours to negotiate in good faith between them in relation to the Possible Transactions, the due diligence review in connection with the Possible Transactions, certain representations from Party A and Target Company, each Party bearing their own costs and expenses, non-disclosure, governing law and mutual indemnity, and process agent, the MOU does not constitute a legally-binding commitment of the Parties.

## **INFORMATION OF THE COMPANY AND EVER VISION**

The Company is an investment holding company. The Group is principally engaged in the provision of financial services and manufacturing and trading of construction materials.

Ever Vision is a company incorporated in the laws of Hong Kong with limited liability and its principal business is investment holding.

## **INFORMATION OF TARGET COMPANY AND PARTY A**

As advised by Target Company, Target Company is a company incorporated in New South Wales, Australia with limited liability and its principal business is development of the Land into 44 residential apartments and commercial units with carparks for sale to the public.

As advised by ZFI, ZFI is a company incorporated in, New South Wales, Australia with limited liability and the entire issued share capital of which is owned by Ms. Chen Xiaoyan, an Australian. ZFI entered into the MOU as a trustee for the Zong Family Trust, a discretionary trust established under the law of Australia where Mr. Zong is a named beneficiary. Mr. Zong is also a director of Target Company. Further, as advised by Ms. Ren and Mr. Wang, Ms. Ren and Mr. Wang are Australian and PRC national, respectively.

## **REASONS AND BENEFITS OF THE POSSIBLE TRANSACTIONS**

The Group has been seeking business and investment opportunities to diversify its business operations and maximize return to, and broaden revenue sources of, the Group. The Directors consider that the Possible Transactions, if proceed, will allow the Group to tap into the property development business in New South Wales, Australia, which can diversify the investments of the Group and enable the Group to enjoy the development potentials of property projects in Australia, and to explore the possibility of diversification of the business and broaden its revenue source, of the Group.

The terms of the MOU were arrived at after arm's length negotiations between the Parties.

In view of the above, the Board is of the view that the terms and conditions of the MOU are fair and reasonable and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole.

## **GENERAL**

**Shareholders and potential investors of the Company should be aware that the terms of the Possible Transactions are subject to further negotiations between the Parties and are subject to the Parties entering into the Formal Agreements. As the Possible Transactions may or may not proceed, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.**

**In the event that the Possible Transactions materialize, they may constitute notifiable transaction(s) for the Company under the Listing Rules. Further announcement(s) will be made by the Company in accordance with all the applicable requirements of the Listing Rules as and when appropriate.**

## DEFINITIONS

In this announcement, unless the context otherwise requires the following terms and expressions shall have the following meanings when used herein.

“Board”	the board of Directors
“Company”	Sunway International Holdings Limited, a company incorporated in Bermuda with limited liability and the Shares are listed on the Main Board of the Stock Exchange
“Director(s)”	the directors of the Company
“Ever Vision”	Ever Vision Enterprises Limited 恆景企業有限公司, a company incorporated in Hong Kong with limited liability and a direct wholly-owned subsidiary of the Company
“Exclusivity Period”	a period of 1 calendar month from the date of the MOU
“Formal Acquisition Agreement”	the formal agreement in relation to the Possible Acquisition
“Formal Agreements”	the Formal Acquisition Agreement and the Formal JV Agreement collectively
“Formal JV Agreement”	the formal joint venture agreement in relation to the Possible JV, which may be entered into between Ever Vision (or its nominees) and Party A (or any of Party A being the then shareholders of Target Company), containing provisions which are customary and usual for transactions similar to the Possible JV
“Formal Subscription Agreement”	the formal agreement in relation to the Possible Subscription
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Parties”	third parties independent of the Company and its connected persons (as defined under the Listing Rules)
“Land”	a piece of land situated at 25–27, Lachlan Street, Waterloo, New South Wales, 2017, Australia with a total site area of 1,778 m <sup>2</sup> (with Folio Identifiers: Auto Consol 8630–71 (being Lots 1, 2 & 3 in DP76985, Lot 14 in DP80326, Lot 4 in DP86722, Lots 100 & 101 in DP1171452, Lot 17 in DP610311 and part Lot 18 in DP610311))

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MOU”	the non-legally binding memorandum of understanding dated 30 October 2017 entered into between Ever Vision, Target Company and the Party A setting out the preliminary understanding in relation to the Possible Transactions
“Mr. Zong”	Mr. Zong Shuxin, an Australian and a director of Target Company
“Parties”	the parties to the MOU
“Party A”	ZFI, Ms. Ren and Mr. Wang
“Possible Acquisition”	a possible acquisition of the then existing shares in Target Company (representing approximately 39% of the then existing issued share capital of Target Company) by Ever Vision (or its nominees) from Party A (or any of Party A)
“Possible JV”	a possible joint venture between Ever Vision (or its nominees) and Party A (or any one of Party A) in Target Company for the development of the Land
“Possible Transactions”	the Possible Acquisition and the Possible JV collectively
“PRC”	the People’s Republic of China which excludes Hong Kong for the purpose of this announcement
“Ms. Ren”	Ms. Ren Dandan, an Australian
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 (each) in share capital of the Company
“Shareholder(s)”	the holder(s) of the issued Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Sunshine Property Waterloo Pty Ltd, a company incorporated in New South Wales, Australia with limited liability and the entire issued share capital of which is owned, as to approximately 48.39% by ZFI; approximately 48.39% by Ms. Ren; and approximately 3.22% by Mr. Wang
“Mr. Wang”	Mr. Wang Yun (王雲), a PRC’s national

“ZFI” Zong Family Investment Pty Ltd (acting as trustee for Zong Family Trust), a company incorporated in New South Wales, Australia with limited liability and the entire issued share capital of which is owned by Ms. Chen Xiaoyan, an Australian

“%” per cent

By Order of the Board  
**Sunway International Holdings Limited**  
**Leung Chi Fai**  
*Executive Director and Company Secretary*

Hong Kong, 30 October 2017

*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