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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)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Joint Placing Agents



國泰君安國際
GUOTAI JUNAN INTERNATIONAL



易易壹證券有限公司
EASY ONE SECURITIES LIMITED

Guotai Junan Securities (Hong Kong) Limited

THE PLACING

The Board announces that on 26 April 2017 (after trading hours), the Company entered into the Placing Agreement with the Joint Placing Agents, pursuant to which the Company has conditionally agreed to allot and issue, and the Joint Placing Agents have conditionally agreed to place, on a best effort basis, a maximum of 872,880,000 Placing Shares to not less than six Placees who and whose ultimate beneficial owners are Independent Third Parties at the Placing Price of HK\$0.086 per Placing Share.

The Placing Shares represent (a) approximately 19.47% of the existing issued share capital of the Company as at the date of this announcement; and (b) approximately 16.29% of the issued share capital of the Company as enlarged by the issue of the Placing Shares.

The maximum aggregate nominal value of the Placing Shares will be HK\$8,728,800.

The Placing Price of HK\$0.086 per Placing Share represents (a) a discount of approximately 15.7% to the closing price of HK\$0.102 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (b) a discount of approximately 15.7% to the average closing price of approximately HK\$0.102 per Share as quoted on the Stock Exchange for the last five consecutive trading days prior to the date of the Placing Agreement.

* For identification purpose only

The aggregate gross and net proceeds from the Placing will be approximately HK\$75.07 million and approximately HK\$73.10 million, respectively. The Company intends to utilise as to approximately HK\$60.00 million of the net proceeds from the Placing for the development of financial services business and the remaining balance of approximately HK\$13.10 million as general working capital of the Group.

GENERAL

The Placing Shares will be issued pursuant to the General Mandate and therefore the issue of the Placing Shares will not be subject to the approval of the Shareholders.

Application will be made by the Company to the Listing Committee of the Stock Exchange for the grant of the approval for the listing of, and permission to deal in, the Placing Shares.

The Placing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

THE PLACING

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THE PLACING AGREEMENT

Date:

26 April 2017 (after trading hours)

Issuer:

The Company

Joint Placing Agents:

Guotai Junan Securities (Hong Kong) Limited

and

Easy One Securities Limited

The Joint Placing Agents have conditionally agreed to place a maximum of 872,880,000 Placing Shares, on a best effort basis, at the Placing Price of HK\$0.086 per Placing Share. The Directors are of the view that the terms of the Placing, including the placing commission, are fair and reasonable based on current market conditions.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Joint Placing Agents and their respective ultimate beneficial owners are Independent Third Parties.

Number of Placing Shares:

A maximum of 872,880,000 new Shares, representing (a) approximately 19.47% of the existing issued Shares as at the date of this announcement; and (b) approximately 16.29% of the issued Shares as enlarged by the issue of the Placing Shares. The maximum aggregate nominal value of the Placing Shares will be HK\$8,728,800.

Placees:

The Joint Placing Agents agreed to place the Placing Shares to not less than six Placees who and whose ultimate beneficial owners are Independent Third Parties.

It is expected that none of the Placees will become a substantial shareholder of the Company immediately after completion of the Placing. In the event any of the Placees becomes a substantial shareholder of the Company after completion of the Placing, further announcement will be made by the Company.

Placing Price:

The Placing Price of HK\$0.086 per Placing Share represents (a) a discount of approximately 15.7% to the closing price of HK\$0.102 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (b) a discount of approximately 15.7% to the average closing price of approximately HK\$0.102 per Share as quoted on the Stock Exchange for the last five consecutive trading days prior to the date of the Placing Agreement.

The Placing Price was determined with reference to the prevailing market price of the Shares and was negotiated on an arm's length basis between the Company and the Joint Placing Agents. The Directors (including the independent non-executive Directors) consider that the terms of the Placing Agreement (including the Placing Price and the commission for the Placing) are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

Placing Commission

The Joint Placing Agents will receive a placing commission of 2.5% of the aggregate amount equal to the Placing Price multiplied by the actual number of Placing Shares being placed. Such commission was negotiated on arm's length basis between the Company and the Joint Placing Agents and determined with reference to, amongst other things, the prevailing market conditions. The Directors consider that the placing commission is fair and reasonable based on the current market conditions.

Conditions of the Placing Agreement

Completion of the Placing Agreement is conditional upon:

- (a) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment and/or despatch of certificates for the Placing Shares) the approval for the listing of, and permission to deal in, the Placing Shares; and
- (b) the obligations of the Joint Placing Agents under the Placing Agreement not being terminated in accordance with the terms thereof, including provisions regarding force majeure event.

Completion of the Placing

Completion of the Placing, in any event, will take place within four Business Days after the fulfillment of the conditions above or such later date to be agreed between the Company and the Joint Placing Agents. If the above conditions are not satisfied and/or waived (other than (a) above, which cannot be waived) in whole or in part by the Joint Placing Agents prior to 5:00 p.m. on 17 May 2017 or such later date to be agreed between the Company and the Joint Placing Agents in writing, the Placing will be terminated and the Placing will not proceed and all obligations and liabilities of the parties thereunder will forthwith cease and determine and no party will have any claim against the others (save for any antecedent breaches of the Placing Agreement).

Termination

The Joint Placing Agents reserve their rights to terminate the arrangements set out in the Placing Agreement by notice in writing prior to 9:00 a.m. on the completion date of the Placing, if in the absolute opinion of the Joint Placing Agents, the success of the Placing would be materially and adversely affected by any force majeure events (as defined below).

For this purpose, a “force majeure event” refers to:

- (a) the introduction of any new laws or regulations or any change in existing laws or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the absolute opinion of the Joint Placing Agents, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
- (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before and/or after the date of the Placing Agreement) of a political, military, financial, economic, currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not sui generis with any of the foregoing), or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict, or affecting local securities market or the occurrence of any combination of circumstances which may, in the absolute opinion of the Joint Placing Agents, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or

adversely prejudices the success of the placing of the Placing Shares by potential investor(s) or otherwise makes it inexpedient or inadvisable for the Company or the Joint Placing Agents to proceed with the Placing; or

- (c) any change in market conditions or combination of circumstances in Hong Kong (including without limitation suspension or material restriction or trading in securities) occurs which affects the success of the Placing (such success being the placing of the Placing Shares to potential investor(s)) or otherwise in the absolute opinion of the Joint Placing Agents makes it inexpedient or inadvisable or inappropriate for the Company or the Joint Placing Agents to proceed with the Placing.

Further, if, at or prior to 9:00 a.m. on the completion date of the Placing;

- (a) the Company commits any material breach of or omits to observe any of the obligations or undertakings expressed or assumed under the Placing Agreement; or
- (b) any suspension in the trading of the Shares on the Stock Exchange for more than ten consecutive trading days save for the purposes of clearing of the announcement relating to the Placing Agreement or any announcements or circulars relating to the Placing; or
- (c) the Joint Placing Agents shall become aware of the fact that any of the representations or warranties contained in the Placing Agreement was, when given, untrue or inaccurate or would in any respect be untrue or inaccurate if repeated the Joint Placing Agents shall determine that any such untrue representation or warranty represents or is likely to represent a material adverse change in the financial or trading position or prospects of the Group taken as a whole or will otherwise likely to have a material prejudicial effect on the Placing; or
- (d) there is any material adverse change in the business or in the financial or trading position of the Group taken as a whole after the date hereof which being unaware of by the Joint Placing Agents and in the reasonable opinion of the Joint Placing Agents is material in the context of the Placing; or
- (e) there is any litigation or claim of material importance of any third party being instigated against any member of the Group, which has or may have a material adverse effect on the financial position of the Group taken as a whole and which in the reasonable opinion of the Joint Placing Agents would materially prejudice the success of the Placing,

the Joint Placing Agents shall be entitled (but not bound) by notice in writing to the Company to elect to treat such matter or event as releasing and discharging the Joint Placing Agents from their obligations under the Placing Agreement.

Mandate to Issue the Placing Shares

The Placing Shares will be issued pursuant to the General Mandate, under which the Company is authorized to issue up to 872,880,649 Shares. Up to the date of this announcement, no Share has been issued under the General Mandate.

Ranking of the Placing Shares

The Placing Shares will rank pari passu in all respects among themselves and with the existing Shares in issue as at the date of such allotment and issue of the Placing Shares.

REASONS FOR THE PLACING AND USE OF PROCEEDS

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.

The Directors consider that the Placing presents an opportunity for the Company to raise additional funds while broadening the shareholder and capital base of the Company. The Directors consider that the terms of the Placing are on normal commercial basis, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The aggregate gross and net proceeds from the Placing will be approximately HK\$75.07 million and approximately HK\$73.10 million, respectively. The net issue price will be approximately HK\$0.084 per Placing Share. The Company intends to utilise as to approximately HK\$60.00 million of the net proceeds from the Placing for the development of financial services business and the remaining balance of approximately HK\$13.10 million as general working capital of the Group.

FUND RAISING ACTIVITIES BY THE COMPANY IN THE PAST TWELVE MONTHS

Apart from the fund raising activities set out below, the Company had not conducted any other fund raising activities in the past 12 months immediately preceding the date of this announcement.

Date of announcements	Fund raising activity	Net proceeds (Approximately)	Intended use of proceeds (Approximately)	Actual use of proceeds (Approximately)
26 February 2016, 4 March 2016, 14 March 2016, 18 April 2016, 26 May 2016, 21 June 2016, 6 October 2016	Open offer of 2,618,641,947 new Shares under the specific mandate of the Company	HK\$202.75 million	HK\$202.75 million, of which: (i) HK\$142.80 million was intended for the development of financial services business of the Group (ii) HK\$59.95 million was intended for the general working capital of the Group	Up to the date of this announcement, the Group has applied: (i) HK\$137.67 million for the development of financial services business of the Group as intended (ii) HK\$40.55 million for the general working capital of the Group as intended

EFFECTS ON SHAREHOLDING STRUCTURE

To the best of the Director's knowledge, information and belief after having made all reasonable enquiries, the existing shareholding structure of the Company as at the date of this announcement and the shareholding structure of the Company immediately after completion of the Placing are as follows:

	As at the date of this announcement		Immediately upon completion of the Placing ^(Note 4)	
	No. of Shares	Approximate %	No. of Shares	Approximate %
Substantial Shareholders				
Business Century Investments Limited ^(Note 1)	1,060,548,332	23.65	1,060,548,332	19.80
Everun Oil Co., Limited ^(Note 2)	973,420,000	21.71	973,420,000	18.17
Directors				
Mr. Leung Chi Fai	4,240,000	0.09	4,240,000	0.86
Mr. Li Chongyang	46,100,000	1.03	46,100,000	0.08
Mr. Cong Yongjian	750,000	0.02	750,000	0.01
Sub-total	2,085,058,332	46.50	2,085,058,332	38.92
Public Shareholders ^(Note 3)	2,399,144,914	53.50	2,399,144,914	44.79
Placee(s) ^(Note 3)	—	—	872,880,000	16.29
Total	<u>4,484,203,246</u>	<u>100.00</u>	<u>5,357,083,246</u>	<u>100.00</u>

Notes:

- (1) Business Century Investments Limited is wholly-owned by Ms. Xie Guilin.
- (2) Everun Oil, Co., Limited is wholly-owned by Mr. Chen Jingan.
- (3) Placee(s) may be an existing public Shareholder(s) (holding less than 10% of the existing issued Shares as at the date of this announcement). The existing holding(s) of such Placee(s), if any, is/are included under public Shareholders.
- (4) This assumes the Placing Shares are fully placed.

GENERAL

The Placing Shares will be issued pursuant to the General Mandate and therefore the issue of the Placing Shares will not be subject to the approval of the Shareholders.

Application will be made by the Company to the Listing Committee of the Stock Exchange for the grant of the approval for the listing of, and permission to deal in, the Placing Shares.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors
“Business Day(s)”	any day (other than a Saturday or Sunday and public holiday) on which banks are generally open for business in Hong Kong throughout its normal opening hours
“Company”	Sunway International Holdings Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“Easy One”	Easy One Securities Limited, a licensed corporation to carry on business in type 1 regulated activity (dealing in securities) and type 4 regulated activity (advising on securities) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“General Mandate”	the general mandate granted to the Directors by the Shareholders at the annual general meeting of the Company held on 2 June 2016 to allot, issue and deal with up to 20% of the then issued share capital of the Company as at the date of such annual general meeting, i.e. a total of 872,880,649 Shares
“Group”	the Company and its subsidiaries
“Guotai Junan”	Guotai Junan Securities (Hong Kong) Limited, a licensed corporation to carry on type 1 regulated activity (dealing in securities) and type 4 regulated activity (advising on securities) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“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 Party(ies)”	a third party independent of the Company and the connected persons (has the meaning ascribed thereto under the Listing Rules) of the Company
“Joint Placing Agents”	Guotai Junan and Easy One
“Listing Committee”	has the meaning ascribed thereto under the Listing Rules

“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Placee(s)”	any professional, institutional or other investor(s) procured by the Joint Placing Agents to purchase any of the Placing Shares pursuant to the Placing Agreement
“Placing”	placing of the Placing Shares on a best effort basis pursuant to the Placing Agreement
“Placing Agreement”	the conditional placing agreement dated 26 April 2017 entered into between the Company and the Joint Placing Agents in relation to the Placing
“Placing Price”	HK\$0.086 per Placing Share
“Placing Shares”	a maximum of 872,880,000 new Shares to be placed pursuant to the Placing Agreement
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“%”	per cent.

By Order of the Board
Sunway International Holdings Limited
Huang Weidong
Chairman

Hong Kong, 26 April 2017

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

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

* For identification purpose only