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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)

VOLUNTARY ANNOUNCEMENT – PROPOSED ACQUISITION

THE AGREEMENT

On 10 December 2015 (after trading hours), the Purchaser, a wholly-owned subsidiary of the Company, entered into the Agreement with the Vendor and the Guarantor, pursuant to which, the Purchaser has conditionally agreed to acquire and the Vendor has conditionally agreed to dispose of the Sale Shares representing the entire issued share capital of the Target at a consideration of HK\$5,000,000 plus Completion Bank Balance, and the Guarantor has agreed to give covenants to guarantee the performance of the obligations of the Vendor under the Agreement.

GENERAL

As the relevant applicable percentage ratios calculated in accordance with the Listing Rules are less than 5%, the Acquisition does not constitute a notifiable transaction on the part of the Company under Chapter 14 of the Listing Rules.

Shareholders and potential investors shall note that completion of the Acquisition is subject to the conditions precedent and may or may not materialise. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

This announcement is made by the Company on a voluntary basis to provide update on the business and development of the Group to the Shareholders and potential investors.

On 10 December 2015 (after trading hours), the Purchaser, a wholly-owned subsidiary of the Company, entered into the Agreement with the Vendor and the Guarantor. Details of the Agreement are set out as follows:

THE AGREEMENT

Date: 10 December 2015

Parties: (1) Purchaser: Top Margin Group Limited, a wholly-owned subsidiary of the Company;
(2) Vendor: Ark One (Cayman) Limited; and
(3) Guarantor: Lee Kar Ming Kenneth

The Target is principally engaged in Type 9 regulated activities (Asset Management) under the SFO. To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, each of the Vendor, the Guarantor, its ultimate beneficial owner, and their respective Associates is an independent third party.

Assets to be acquired

Pursuant to the Agreement, the Purchaser has conditionally agreed to acquire and the Vendor has conditionally agreed to dispose of the Sale Shares, representing the entire issued share capital of the Target.

As at the date of this announcement, the Vendor is the legal and beneficial owner of the entire issued share capital of the Target, and the Guarantor is the sole shareholder of the Vendor.

Consideration

The Consideration of HK\$5,000,000 plus Completion Bank Balance is paid by the Purchaser in the following manner:

- (a) a sum of HK\$1,000,000 representing first payment of the Consideration has been paid by the Purchaser to the Guarantor, a person directed by the Vendor, upon entering into of the Agreement; and
- (b) an aggregate sum of HK\$4,000,000 plus Completion Bank Balance representing the final payment shall be paid by the Purchaser to the Vendor or such person as directed by the Vendor in writing or its nominees upon Completion.

The Directors consider the terms and conditions of the Acquisition have been arrived at after arm's length negotiations amongst the Purchaser, the Vendor and the Guarantor, are fair and reasonable and are in the interests of the Company and the Shareholders as a whole. The Directors consider the terms and conditions of the Acquisition to be on normal commercial terms. The Group intends to finance the consideration by internal resources of the Group.

Conditions precedent

The Completion is conditional upon the fulfillment of the following conditions precedent:

- (a) all necessary prior approvals (if any) as required by all applicable Laws, including but not limited to, prior approval from the SFC, on the Purchaser, any member of the Purchaser's Group and/or any other person either directly or indirectly becoming a shareholder, whether substantial shareholder or otherwise, of the Company as a result of any or all the transactions contemplated in and under the Agreement;

- (b) the draft Completion Accounts being drawn up and delivered to the Purchaser or the Purchaser's Solicitors not less than three (3) Business Days prior to the Completion Date;
- (c) the SFC having not suspended or withdrawn or revoked any of the Licences;
- (d) no investigation, inquiry or disciplinary action by any authority being initiated against the Company or its officers or accredited representatives; and
- (e) there having been no material breach of any of the representations, warranties and undertakings given by the Vendor under the Agreement.

The Vendor and the Purchaser shall use their respective best endeavours to procure the fulfilment of the conditions precedent before 30 June 2016 or such other date as the parties may agree in writing.

REASONS FOR THE ACQUISITION

The Group is principally engaged in manufacturing and trading of pre-stressed steel bars, pre-stressed high strength concrete piles, ready-mixed concrete, sand-lime bricks, aerated concrete products and eco-concrete products.

The Board considers that the transaction as contemplated under the Agreement, if materialised, will enable the Company to diversify its business into the financial services industry, maximize returns to the Shareholders and broaden revenue sources of the Group.

LISTING RULES IMPLICATION

As the relevant applicable percentage ratios calculated in accordance with the Listing Rules are less than 5%, the Acquisition does not constitute a notifiable transaction on the part of the Company under Chapter 14 of the Listing Rules.

Shareholders and potential investors shall note that completion of the Acquisition is subject to the conditions precedent and may or may not materialise. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

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| “Acquisition” | the proposed acquisition by the Purchaser of the Sale Shares from the Vendor subject to and upon the terms and conditions of the Agreement; |
| “Agreement” | the conditional sale and purchase agreement dated 10 December 2015 and entered into among the Purchaser, the Vendor and the Guarantor in relation to the sale and purchase of the Sale Shares; |
| “Associate(s)” | has the meaning ascribed to it in the Listing Rules; |
| “Board” | the board of Directors as constituted from time to time; |

“Business Day”	a day, other than (a) a "general holiday" (as defined in the General Holidays Ordinance (Chapter 149 of the Laws of Hong Kong)); (b) Saturday; and (c) any day on which a tropical cyclone warning No.8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a "black" rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon and " Business Days " shall be construed accordingly;
“Companies Ordinance”	the Companies Ordinance, Chapter 622 of the Laws of Hong Kong;
“Company”	Sunway International Holdings Limited, a company incorporated in Bermuda with limited liability and the securities of which are listed on the Stock Exchange;
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Agreement;
“Completion Date”	a date falling within seven (7) Business Days after all the conditions precedent have been fulfilled (or such later date as the Vendor and the Purchaser may agree);
“Completion Accounts”	the audited balance sheet of the Company made up as at the close of business on the Completion Date and the audited profit and loss account of the Company for the period from 1 January 2015 to the Completion Date to be prepared by PricewaterhouseCoopers in accordance with the applicable laws (including Companies Ordinance) and with generally accepted accounting principles, standards and practices in Hong Kong;
“Completion Bank Balance”	the balance remaining in the bank account of the Target as at the Completion Date as shown in the Completion Accounts;
“Consideration”	the consideration of HK\$5,000,000 plus Completion Bank Balance, if any, for the acquisition of the Sale Shares;
“Director(s)”	director(s) of the Company;
“Guarantor”	Lee Kar Ming Kenneth, the sole shareholder of the Vendor;
“Group”	the Company together with its subsidiaries;
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China;
“Licences”	the licences (either unconditionally or subject only to condition(s)) of the Target granted by the SFC to carry on a business of Type 9 (asset management) regulated activity (as defined in the SFO);
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;

“Purchaser”	Top Margin Group Limited, a wholly-owned subsidiary of the Company incorporated in British Virgin Islands with limited liability;
“Sale Shares”	500,000 shares in the issued share capital of the Target, being the entire issued share capital of the Target as at the date of the Agreement which are legally and beneficially owned by the Vendor;
“SFC”	the Securities and Futures Commission of Hong Kong;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) of HK\$0.10 each in the issued share capital of the Company;
“Shareholder(s)”	holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Target”	Ark One Limited, a company incorporated in Hong Kong with limited liability and the entire issued share capital of which is wholly and beneficially owned by the Vendor;
“Vendor”	Ark One (Cayman) Limited, a company incorporated in Cayman Islands with limited liability, the sole beneficial shareholder of the Target prior to the Completion and the vendor to the Agreement; and
“%”	per cent.

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

Hong Kong, 11 December 2015

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 four independent non-executive Directors, namely, Mr. Cong Yongjian, Ms. Deng Chunmei, Mr. Lam Kai Yeung and Mr. Liu Chenli.

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

**For identification purpose only*