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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)**

### **PROFIT GUARANTEE**

References are made to the circular (the “**Circular**”) and the announcement of Sunway International Holdings Limited (the “**Company**”) dated 31 March 2014 and 2 May 2014 respectively in relation to, among others, the Acquisition and completion of the Acquisition. Unless otherwise defined, terms defined in the Circular shall have the same meanings when used in this announcement.

As disclosed in the Circular, the Vendor and the Guarantor guaranteed and undertook to the Purchaser that, the consolidated after-tax net profit of the Target Group prepared in accordance with the Hong Kong GAAP shall not be less than RMB30 million (equivalent to approximately HK\$37.48 million) (the “**Profit Guarantee**”) for each of the three financial years ending 31 December 2016 under the Sale and Purchase Agreement dated 3 October 2013.

The Company wishes to announce that (a) the consolidated after-tax net profit of the Target Group for the financial year ended 31 December 2014 as shown in the audited accounts of the Target Group for the financial year ended 31 December 2014 prepared by a certified accountant in Hong Kong approved by the Purchaser and in accordance with the Hong Kong GAAP (the “**Target Group 2014 Audited Accounts**”) was less than RMB30 million and (b) in the Target Group 2014 Audited Accounts, the audited financial results thereof have been heavily qualified, in particular, with doubts on the going concern of the Target Group and that the auditors have not been able to obtain evidence that they consider necessary to satisfy themselves that whether the adoption going concern basis in the Target Group 2014 Audited Accounts is appropriate and that the auditors have concluded a disclaimer audit opinion (the “**Disclaimer Opinion**”).

\* For identification purposes only

The Board considered that the Disclaimer Opinion in respect of the going concern of the Target Group constitutes a fundamental deviation from the original spirit and purpose of the Profit Guarantee provided by the Vendor and the Guarantor to the Purchaser in the Sale and Purchase Agreement (the “**Board’s Consideration**”).

On 21 May 2015, the Company (jointly with the Purchaser) issued a notice to the Vendor and the Guarantor notifying the Vendor and the Guarantor (i) about the Disclaimer Opinion and the Board’s Consideration and (ii) that the Purchaser and the Company will recover the deficient amount from the Vendor and the Guarantor in pursuance of Clause 9.5 of the Sale and Purchase Agreement (the “**Notice**”).

Since the actual loss and damage suffered by the Company and the Purchaser will need to be calculated, the Company and the Purchaser have informed the Vendor and the Guarantor in the Notice that the Company and the Purchaser will reserve their rights to claim against the Vendor and the Guarantor for all loss and damage.

Further announcement(s) will be made on the development in relation to the above matter as and when appropriate.

Shareholders of the Company and public investors are reminded to exercise caution when dealing in the securities of the Company.

By Order of the Board  
**Sunway International Holdings Limited**  
**Wong King Ching, Helen**  
*Chairman*

Hong Kong, 26 May 2015

*As at the date of this announcement, the Board comprises six Executive Directors, namely, Ms. Wong King Ching, Helen (Chairman), Ms. Wong King Man, Mr. Leung Chi Fai, Mr. Li Chongyang, Ms. Qi Jiao and Mr. Wang Tian, and three Independent Non-executive Directors, namely, Ms. Fong Yin Cheung, Mr. Lam Kai Yeung and Mr. So Day Wing.*

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