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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 LEGAL PROCEEDINGS OF THE COMPANY

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.

References are made to the announcements of the Company dated 23 June and 26 October 2015 regarding the legal proceedings instituted by the Company against Mr. Xiao Guang Kevin (蕭光) (“**Mr. Xiao**”) and Mr. Wang Zhining (王志寧) (the “**Legal Proceedings**”).

A writ of summons (the “**Writ**”) was issued by Ms. Liu Qian (劉倩) (the “**Plaintiff**”) against the Company as the defendant in the High Court of Hong Kong on 3 February 2016 and served on the Company on 4 February 2016. In the statement of claim indorsed on the Writ, the Plaintiff claims as the owner of the Notes for HK\$25,000,000, being the difference between the market value of the Conversion Shares and the face value (based on the conversion price) of the Notes had the Company converted the Notes pursuant to the Plaintiff’s request and HK\$15,000,000, being the value of the Notes beneficially owned by the Plaintiff, or alternatively, conversion of the Notes by way of specific performance and damages to be assessed, together with interest and costs.

Convertible notes dated 2 May 2014 in the principal amount of HK\$300,000,000 due on 28 April 2017 were issued by the Company to Mr. Xiao on 2 May 2014 as part of the consideration for the sale and purchase of Joint Expert as referred to in the circular of the Company dated 31 March 2014, and the principal amount of HK\$20,000,000 of which was subsequently transferred to the Plaintiff by a written form of transfer of the Notes dated 19 May 2014; and HK\$5,000,000 out of the said HK\$20,000,000 was held by the Plaintiff on behalf of Mr. Xiao. However, as the Notes are the subject matter in the Legal Proceedings, the Company believes it has grounds not to accede to the Plaintiff’s requests pending the determination of the Legal Proceedings.

The Company is seeking advice from its legal advisers and will vigorously contest the Plaintiff's claims. Given that the litigation process is at an early stage, the Board considers that it is not practical to assess its potential impact on the Company at this juncture. In any event, the Board does not envisage that the Plaintiff's claims will have any material adverse impact to the financial performance and trading position of the Company and its subsidiaries.

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

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

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions have the following meanings:

“Board”	the board of directors of the Company
“Company”	Sunway International Holdings Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Stock Exchange
“Conversion Shares”	Shares to be allotted and issued by the Company upon exercise of the conversion rights attaching to the Notes or otherwise pursuant to the terms and conditions of the Notes
“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
“Joint Expert”	Joint Expert Global Limited, a company incorporated in the British Virgin Islands with limited liability
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Notes”	convertible notes dated 2 May 2014 in the principal amount of HK\$300,000,000 due on 28 April 2017 issued by the Company to Mr. Xiao as part of the consideration for the sale and purchase of Joint Expert as referred to in the circular of the Company dated 31 March 2014, and the principal amount of HK\$20,000,000 of which was subsequently transferred to the Plaintiff by a written form of transfer of the Notes dated 19 May 2014; and HK\$5,000,000 out of the said HK\$20,000,000 was held by the Plaintiff on behalf of Mr. Xiao

“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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

Hong Kong, 5 February 2016

As at the date of this announcement, the Board comprises four executive Directors, namely, Mr. Huang Weidong (Chairman), Mr. Leung Chi Fai, 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*