SUNWAY INTERNATIONAL HOLDINGS LIMITED
新威國際控股有限公司*

(incorporated in Bermuda with limited liability)

HKEX stock code: 58

FINAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2009

HIGHLIGHTS

- Consolidated revenue was HK$941,458,000, compared to HK$1,091,120,000 last year, representing a decrease of 13.7%
- Loss attributable to equity holders of the parent was HK$172,569,000, compared to HK$95,162,000 last year, representing an increase of 81.3%
- Loss per share amounted to 17 Hong Kong cents, compared to 9.4 Hong Kong cents last year, representing an increase of 80.9%
- No final dividend per share was proposed for the year (2008: 0.5 Hong Kong cent)

* *For identification purposes only*

The Board of Directors (the "Directors") of Sunway International Holdings Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 30 September 2009, together with the comparative figures for 2008, as follows:

Condensed Consolidated Income Statement

		Year ended 30 September	
		2009	2008
	Note	***HK$'000***	*HK$'000*
REVENUE	*2*	**941,458**	1,091,120
Cost of sales		**(996,752)**	(1,091,968)
Gross loss		**(55,294)**	(848)
Other income and gain		**19,177**	19,665
Selling and distribution costs		**(14,212)**	(14,295)
Administrative expenses		**(61,896)**	(67,907)
Other operating expenses		**(47,944)**	(17,730)
Finance costs	*3*	**(7,951)**	(10,632)
Share of profit/(loss) of a jointly-controlled entity		**599**	(417)
LOSS BEFORE TAX	*3*	**(167,521)**	(92,164)
Tax	*4*	**(5,048)**	(2,998)
LOSS FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		**(172,569)**	(95,162)
DIVIDENDS	*5*	**–**	5,080
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*6*		
Basic		**(17 cents)**	(9.4 cents)
Diluted		**N/A**	N/A

Condensed Consolidated Balance Sheet

	Note	**2009** *HK$'000*	2008 *HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**419,642**	460,198
Investment properties		**48,450**	45,080
Prepaid land lease payments		**70,184**	68,228
Interest in a jointly-controlled entity		**14,985**	14,386
Available-for-sale investments		**7,337**	–
Deposits paid for acquisition of prepaid land lease payments and property, plant and equipment		**4,349**	5,743
Total non-current assets		**564,947**	593,635
CURRENT ASSETS			
Inventories		**222,643**	394,489
Trade receivables		**171,640**	225,274
Prepayments, deposits and other receivables		**33,225**	34,079
Derivative financial instruments		**556**	7,610
Due from a jointly-controlled entity		**–**	27
Tax recoverable		**80**	–
Pledged time deposits		**11,190**	140,074
Cash and cash equivalents		**98,728**	97,020
Total current assets		**538,062**	898,573
CURRENT LIABILITIES			
Trade payables		**121,672**	145,649
Accrued liabilities and other payables		**29,825**	47,285
Due to a director		**2,020**	2,377
Due to a jointly-controlled entity		**194**	–
Interest-bearing bank borrowings		**93,672**	251,238
Tax payable		**32,177**	33,957
Total current liabilities		**279,560**	480,506
NET CURRENT ASSETS		**258,502**	418,067
TOTAL ASSETS LESS CURRENT LIABILITIES		**823,449**	1,011,702
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings		**3,459**	11,601
Deferred tax liabilities		**13,515**	10,572
Provision for long service payment		**818**	788
Net assets		**805,657**	988,741
EQUITY			
Equity attributable to equity holders of the parent			
Share capital		**101,600**	101,600
Reserves		**704,057**	882,061
Proposed final dividends	*5*	**–**	5,080
Total equity		**805,657**	988,741

Notes:

1.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which also include Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of Hong Kong Companies Ordinance. In addition, the consolidated financial statements also comply with the applicable disclosure provisions of the Rule Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited. They have been prepared under the historical cost convention, except for investment properties, certain property, plant and equipment, available-for-sale investments and derivative financial instruments, which have been measured at fair value.

Compliance with Rule 220(2) of The Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual

Pursuant to Rule 220(2) of the SGX-ST Listing Manual, the financial statements of the Group, which have been prepared in accordance with HKFRSs and accounting principles generally accepted in Hong Kong, need to be reconciled to the International Accounting Standards ("IAS"). The Company has applied to the SGX-ST for, and the SGX-ST has on 22 December 2009 granted, a waiver to the Company from complying with the requirements of Rule 220(2) of the SGX-ST Listing Manual in respect of the financial statements of the Group for the year ended 30 September 2009. A reconciliation statement has not been prepared as the company is of the view that the application of the IAS would not have a material effect on the measurement and determination of the amounts of the Group's consolidated net assets at 30 September 2009 or its loss for the year and cash flows for the year ended 30 September 2009.

1.2 Application of new and revised Hong Kong Financial Reporting Standards ("HKFRSs")

In the current year, the Group has applied, for the first time, a number of new standard, amendment and interpretations ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

HK(IFRIC)-Int 9 and HKAS 39 (Amendments)	Embedded Derivatives
HK(IFRIC)-Int 12	Service Concession Arrangements
HK(IFRIC)-Int 13	Customer Loyalty Programmes
HK(IFRIC)-Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
HK(IFRIC)-Int 16	Hedges of a Net Investment in a Foreign Operation
HK(IFRIC)-Int 18	Transfers of Assets from Customers

The adoption of the new HKFRSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

The Group has not early applied the following new and revised standards or interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Improvements to HKFRSs[1]
HKFRSs (Amendments)	Improvements to HKFRSs 2009[2]
HKAS 1 (Revised)	Presentation of Financial Statements[3]
HKAS 23 (Revised)	Borrowing Costs[3]
HKAS 24 (Revised)	Related Party Disclosures[7]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[4]
HKAS 32 (Amendments)	Financial Instruments: Presentation – Classification of Rights Issues[6]
HKAS 32 and HKAS 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation[3]
HKAS 39 (Amendment)	Financial Instruments: Recognition and Measurement – Eligible Hedge Items[4]
HKFRS 1 (Revised)	First-time Adoption of Hong Kong Financial Report Standards[4]
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopters[5]
HKFRS 1 and HKAS 27 (Amendments)	Cost of an investment in a subsidiary, jointly-controlled entity or associate[3]
HKFRS 2 (Amendment)	Share-based Payment – Vesting Conditions and Cancellations[3]
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions[5]
HKFRS 3 (Revised)	Business Combinations[4]
HKFRS 7 (Amendments)	Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments[3]
HKFRS 8	Operating Segments[3]
HKFRS 9	Financial Instruments[8]
HK(IFRIC)-Int 2 (Amendments)	Members' Shares in Co-operative Entities and Similar Instruments[4]
HK(IFRIC)-Int 14 (Amendments)	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction[7]
HK(IFRIC)-Int 15	Agreements for the Construction of Real Estate[3]
HK(IFRIC)-Int 17	Distributions of Non-cash Assets to Owners[4]
HK(IFRIC)-Int 19	Extinguishing Financial Liabilities with Equity Instruments[9]

1 Effective for annual periods beginning on or after 1 January 2009, except the amendments to HKRFS 5 which are effective for annual periods beginning on or after 1 July 2009
2 Effective for annual periods beginning on or after 1 January 2009, 1 July 2009 and 1 January 2010, as appropriate
3 Effective for annual periods beginning on or after 1 January 2009
4 Effective for annual periods beginning on or after 1 July 2009
5 Effective for annual periods beginning on or after 1 January 2010
6 Effective for annual periods beginning on or after 1 February 2010
7 Effective for annual periods beginning on or after 1 January 2011
8 Effective for annual periods beginning on or after 1 January 2013
9 Effective for annual periods beginning on or after 1 July 2010

The application of HKFRS 3 (Revised) may affect the Group's accounting for business combination for which the acquisition dates are on or after 1 July 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in the Group's ownership interest in a subsidiary. HKAS 1 (Revised) will introduce a number of terminology changes (including revised titles for the consolidated financial statements) and will result in a number of changes in presentation and disclosure. The directors of the Company anticipate that the application of the other new and revised standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

2. **Revenue and segment information**

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts.

(a) Business segments

The following table presents revenue, profit and expenditure information for the Group's business segments for the years ended 30 September 2009 and 2008.

	Electronic components and parts		Consumer electronic products		Trading of integrated circuits and computer components and accessories		Consolidated	
	2009	2008	**2009**	2008	**2009**	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue:								
Sales to external customers	**153,115**	168,032	**787,478**	922,675	**865**	413	**941,458**	1,091,120
Other income and gain	**863**	674	**3,191**	2,934	**33**	–	**4,087**	3,608
Total	**153,978**	168,706	**790,669**	925,609	**898**	413	**945,545**	1,094,728
Segment results	**(29,665)**	(17,338)	**(142,242)**	(58,571)	**(42)**	(12)	**(171,949)**	(75,921)
Interest and unallocated other income and gain							**15,090**	16,057
Unallocated expenses							**(3,310)**	(21,251)
Finance costs							**(7,951)**	(10,632)
Share of profit/(loss) of a jointly-controlled entity							**599**	(417)
Loss before tax							**(167,521)**	(92,164)
Tax							**(5,048)**	(2,998)
Loss for the year attributable to equity holders of the parent							**(172,569)**	(95,162)

(b) Geographical segments

The following table presents revenue information for the Group's geographical segments for the years ended 30 September 2009 and 2008.

	Hong Kong		Mainland China		Other Asian countries+		American countries++		European countries+++		African countries++++		Consolidated	
	2009	2008	**2009**	2008	**2009**	2008	**2009**	2008	**2009**	2008	**2009**	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue:														
Sales to external customers	**72,416**	105,442	**176,830**	208,050	**143,890**	163,926	**255,826**	293,601	**206,937**	221,348	**85,559**	98,753	**941,458**	1,091,120

\+ Other Asian countries principally included Indonesia, Japan, Korea and Taiwan, etc.

++ American countries principally included the United States, Chile, Peru, Argentina, Mexico and Brazil, etc.

+++ European countries principally included Poland, Spain, France, Germany and England, etc.

++++ African countries principally included Lagos, Nigeria, Kenya, Pakistan and Egypt, etc.

3. Loss before tax

The Group's loss before tax is arrived at after charging/(crediting):

		2009	2008
		HK$'000	*HK$'000*
(a)	*Finance costs:*		
	Interest on bank loans wholly repayable within five years	**7,951**	10,632
(b)	*Employee benefits expense (excluding directors' remuneration):*		
	Pension scheme contributions (defined contribution schemes)*	**7,591**	7,065
	Provision for long service payment	**64**	509
	Wages, salaries and allowances	**182,712**	251,857
		190,367	259,431
(c)	*Other items:*		
	Cost of inventories sold	**996,752**	1,091,968
	Depreciation	**61,897**	54,209
	Recognition of prepaid land lease payments	**1,428**	1,356
	Minimum lease payments under operating leases in respect of land and buildings	**1,035**	1,586
	Auditor's remuneration	**890**	850
	Rental income	**(2,845)**	(2,197)
	Allowance for inventories	**66,768**	32,839
	Allowance for doubtful debts	**46,998**	15,654
	Foreign exchange difference, net	**876**	(5,338)
	Loss/(gain) on disposal of derivative financial instruments	**2,059**	(12)
	Loss on disposal of items of property, plant and equipment	**986**	203
	Changes in fair value of derivative financial instruments	**133**	729
	Changes in fair value of investment properties	**(6,270)**	(2,056)
	Deficit/(surplus) on revaluation of property, plant and equipment	**69**	(1,663)

The cost of inventories sold includes allowance for inventories of approximately HK$66,768,000 (2008: HK$32,839,000) and aggregate employee benefits expense, depreciation and recognition of prepaid land lease payments of approximately HK$227,183,000 (2008: HK$285,198,000), which are also included in the respective total amounts disclosed above for each of these types of expenses.

* *As at 30 September 2009, the Group had no forfeited contributions available to reduce its contributions to the pension scheme in future years (2008: HK$Nil).*

4. Tax

	Group	
	2009	2008
	HK$'000	*HK$'000*
Current tax – Mainland China		
Charge for the year	**1,332**	2,104
Under/(over)-provision in respect of previous years	**924**	(2,360)
Deferred tax	**2,792**	3,254
	5,048	2,998

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the year (2008: HK$Nil). Taxes on profits assessable in Mainland China have been calculated at the rates of tax prevailing in Mainland China, based on existing legislation, interpretations and practices in respect thereof.

The 5th Session of the 10th National People's Congress approved the Corporate Income Tax Law of the PRC (the "New Corporate Income Tax Law") on 16 March 2007 and the State Council has announced the Detailed Implementation Regulations on 7 December 2007, which has been effective from 1 January 2008. According to the New Corporate Income Tax Law, the income tax rates for both domestic and foreign investment enterprises have been unified at 25% effective from 1 January 2008. Foreign enterprises which are entitled to special incentives will be given concessions throughout a 5-year transition period and progressively increased to 25%. The Group's subsidiaries located in Mainland China were subject to corporate income tax at a rate of 20% commenced on 1 January 2009 and would progressively increase to 25%.

A reconciliation of the tax expense applicable to loss before tax using the statutory rates for the region in which the Company and its subsidiaries are domiciled to the tax expense at the effective tax rates, is as follows:

Group

	2009	2008
	HK$'000	*HK$'000*
Loss before tax	**(167,521)**	(92,164)
Tax at statutory tax rate	**(39,730)**	(21,244)
Lower tax rate for specific province or local authority	**7,066**	5,104
Profits and losses attributable to jointly-controlled entity	**244**	(47)
Income not subject to tax	**(6,277)**	(2,637)
Expenses not deductible for tax	**40,655**	18,125
Over-provision in respect of previous years	**924**	(2,360)
Tax losses not recognised	**2,050**	3,060
Effect of change in tax rates	**116**	790
Others	**–**	2,207
Tax charge for the year	**5,048**	2,998

The share of tax attributable to the jointly-controlled entity amounting to HK$244,000 (2008: HK$47,000) is included in "Share of profit /(loss) of a jointly-controlled entity" on the face of the consolidated income statement.

5. **Dividends**

	2009	2008
	HK$'000	*HK$'000*
Proposed final dividends HK$Nil (2008: HK$0.5 cent) per ordinary share	**–**	5,080

The directors do not recommend the payment of a final dividend in respect of 2008/09.

6. **Loss per share attributable to ordinary equity holders of the parent**

The calculation of basic loss per share amounts is based on the loss for the year attributable to ordinary equity holders of the parent of HK$172,569,000 (2008: HK$95,162,000) and 1,016,001,301 (2008: 1,016,001,301) ordinary shares in issue during the year.

Diluted loss per share amounts for the years ended 30 September 2009 and 2008 have not been disclosed, as the share options outstanding during these years do not have dilutive effect on the basic loss per share for these years.

MANAGEMENT DISCUSSION AND ANALYSIS

Review of Results and Operation

Turnover of the Group for the year ended 30 September 2009 dropped by 13.7% to HK$941,458,000, compared to HK$1,091,120,000 reported last year. Gross loss for the year was HK$55,294,000 compared to HK$848,000 last year. The Group recorded an increase gross loss because there was a substantial provision made for the inventories. Depreciation also increased due to the upward revaluation of property, plant and equipment. The Group reported a net loss of HK$172,569,000 for the year ended 30 September 2009 compared to HK$95,162,000 last year. There was a substantial provision for accounts receivable for the year.

Turnover of electronic calculators was HK$520,876,000, representing an increase by 11% year-on-year. Sales of electronic calculators contributed 55.3% of the Group's turnover for the year and remained to be the largest business segment of the Group. The growth in sales of this segment was contributed by the increase in sales of high-end electronic calculators. The Group produced its own brand as well as OEM high-end calculators. We expected that the demand of these high-end calculators products will continue to grow in the coming years.

Sales of electronic watches and clocks dropped by 14.8% to HK$130,079,000 compared to HK$152,639,000 last year. It accounted for 13.8% of the Group's total turnover for the year. The Group will continue to launch new models of electronic watches and clocks to expand our market share.

Telephone products recorded a turnover of HK$94,647,000, dropped by 28.5% compared to HK$132,407,000 last year. It represented 10.1% of the Group's turnover for the year. The global economic downturn has negative impact on the telephone section and caused a significant drop in the turnover of this section.

Sales of digital products amounted to HK$41,875,000, dropped by 75.1% compared with last year. It represented 4.4% of the Group's turnover for the year. The major markets for the digital products were America and Europe and the sales of this segment were affected by the economic downturn of these countries.

Revenue from liquid crystal displays ("LCD") was HK$78,343,000, dropped by 3% compared to HK$80,794,000 last year. It represented 8.3% of the Group's turnover for the year.

Finance costs were HK$7,951,000 due to the cost of financing for our operations in China.

Liquidity and Financial Resources

The Group normally finances its operations with internally generated cash flow and banking facilities provided by its principal bankers in both Hong Kong and Mainland China. At 30 September 2009, the total shareholders' equity of the Group was approximately HK$805,657,000, a decrease of 18.5% over last year. The Group's cash and bank balances and time deposits stood at HK$109,918,000. The Group's bank loans were HK$91,881,000 and trust receipt loans were HK$5,250,000 this year. During the year, the Group did not use any financial instruments for any hedging purposes. The gearing ratio, which was computed by dividing the current liabilities and long term liabilities by shareholders' equity, was 36.9%. The Group is dedicated to maintaining a sound financial position and improving the equity return to its shareholders.

Capital Structure

No repurchases of shares were made during the year. On 2 November 2009, 90,600,000 share options were granted to certain directors and employees of the Group. No share options were exercised or cancelled during the year.

Pledge of Assets

The Group's certain leasehold land and buildings of the Group and time deposits of HK$11,190,000 of the Group, together with the corporate guarantees given by the Company are used to secure banking facilities for the Group. At 30 September 2009, such facilities were utilised to the extent of approximately HK$27,591,000.

Applications of Proceeds of Share Offer

The remaining balance of about HK$65.4 million of the net proceeds raised from the share offer in 1999 has been allocated to the investment in the joint venture, Taiwan Communication (Fujian) Company Ltd. As progress of the projects as implemented by Taiwan Communication (Fujian) Company Ltd proceeded at a slower pace than anticipated, the Directors are considering allocating part of such proceeds to other investment opportunities. If any specific targets are identified, the Directors will make announcement in accordance with the applicable rules.

EMPLOYEES AND REMUNERATION POLICIES

The Group has approximately 10,000 full time management, administrative, technical and production staff in Mainland China and Hong Kong. Their remuneration, promotion and salary review are assessed based on job responsibilities, work performance, professional experiences and the prevailing industry practice. The Group's Directors and employees in Hong Kong joined the Mandatory Provident Fund Scheme. Other staff benefit includes share options granted or to be granted under the share option scheme.

FOREIGN EXCHANGE AND CURRENCY RISKS

Since most of the revenue generated from the sale of products and the payment for purchases of materials, components, equipment and salaries are either made in Hong Kong Dollar, Renminbi or US Dollar, financial instruments for hedging purposes is considered not necessary as the exposure to exchange rate fluctuations is minimal.

CONTINGENT LIABILITIES

At 30 September 2009, the Company had contingent liabilities in relation to corporate guarantees executed by the Company in favour of banks for general banking facilities granted to subsidiaries of the Company amounting to HK$58,000,000.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company, nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year.

PROSPECTS

Looking forward, the US and European economies have stabilized and we have seen sign of recovery in global economy. Yet the operating environment remains to be challenging as Chinese yuan has pressure to rise and the interest rate is anticipated to rise in the coming year as well.

The Group gives considerable weight to product innovation and product development with a view to sustain business growth and development. We are directing to expand our market share and attract new customers. We are committed to provide high quality, innovative products to meet the market needs.

In the coming year, the Group will continue to focus in developing new models of high-end products such as computer netbook, electronic toy, digital photo frame, camera, pedometer and high-end calculators.

The business of OEM calculators section was under steady growth. We produce high quality OEM calculators for the world's leading brands and we would continue to cooperate with these customers in the future. When the production scale of this section expands, we hope that we can achieve economy of scale.

Meanwhile, we are developing a wide range of new electronic calculators under our own labels, "SUNWAY" and "KENKO". These high-end calculators include foreign language talking calculators, check & correct calculators, currency calculators and world time calendar calculators. The major markets for these products are Americas and Europe now. With our aggressive sales force, we hope that we can expand the sales in the markets like Middle East, Korea, South East Asia and Russia.

For watches and clocks section, research is made in the development of middle-end products. The Group expects that these value-added products can attract new customers worldwide.

Despite the challenging market condition, we remain confident that the Group is well positioned to take advantages of the recovery in global economy. We hope that by continuous effort in innovation, product differentiation, market diversification and effective cost control, we can overcome the challenges and improve our performance in the coming year.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Thursday, 25 February 2010 to Thursday, 4 March 2010 both dates inclusive, during which period no transfer of shares will be registered.

In order to qualify for the proposed final dividend and for exercising the voting rights of shareholders at the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's Share Registrars in Hong Kong, Tricor Tengis Limited, 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:00 p.m. on Wednesday, 24 February 2010.

AUDIT COMMITTEE

The Company's audit committee was established on 6 August 1999 in accordance with the requirements of the Code of Best Practice (the "Code") for the purposes of reviewing and providing supervision over the financial reporting process and internal controls of the Group. Members of the audit committee at the date of this announcement comprised Ms. Kan Lai Kuen, Alice, Mr. So Day Wing and Mr. Wong Kun Kim, the three independent non-executive directors of the Company. The Group's financial statements for the year ended 30 September 2009 have been reviewed by the audit committee, who are of the opinion that such statements comply with the applicable accounting standards, the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and legal requirements, and that adequate disclosures have been made.

REMUNERATION COMMITTEE

The Remuneration Committee, comprises the three independent non-executive directors of the Company, the Chairman and Mr. Leung Chi Fai, the Finance Director of the Company, is responsible for reviewing and evaluating the remuneration packages of the executive directors and making recommendations to the board of directors from time to time.

NOMINATION COMMITTEE

The Nomination Committee, comprises the three executive directors and the three independent non-executive directors of the Company. It is responsible for the appointment of new directors. To maintain the quality of the Board with a balance of skills and experience, the Committee will identify individuals suitably qualified to become directors when necessary. In evaluating whether an appointee is suitable to act as a director, the Committee will consider the experience, qualification and other relevant factors.

CORPORATE GOVERNANCE

Code On Corporate Governance Practices

The Company has complied with the code provisions as set out in the "Code On Corporate Governance Practices" contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") during the year ended 30 September 2009, except for the following deviations:

Code Provision A.2.1

Under Code Provision A.2.1, the roles of Chairman and Chief Executive Officer should be separated and should not be performed by the same individual.

During the reporting period, Ms. Wong King Ching, Helen holds both positions of the Chairman and the Chief Executive Officer of the Company. The Board is of the opinion that it is appropriate and in the best interests of the Company at the present stage for Ms. Wong to hold both positions as it helps to maintain the continuity of the Company's policies and the stability of the Company's operations.

Code Provision A.4.1 and A.4.2

Under Code Provision A.4.1, the non-executive directors should be appointed for a specific term, subject to re-election.

The independent non-executive directors of the Company are not appointed for specific terms. According to the Company's Bye-Law 111(A), one third of the directors shall retire from the office by rotation at each annual general meeting and their appointments will be reviewed when they are due for re-election. In the opinion of the Board, this meets the same objectives and is no less exacting than those in the Code.

Under Code Provision A.4.2, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

The Company's Bye-Law 111(A) states that the Chairman is not subject to retirement by rotation and shall not be counted in determining the number of directors to retire. In the opinion of the Board, the continuity of leadership role of the Chairman is important for the stability of the Company and is considered beneficial to the growth of the Company. The Board is of the view that the Chairman should not be subject to retirement by rotation at the present time.

Model Code for Securities Transactions

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the directors of the Company. Having made specific enquiry of all directors of the Company, the Company confirms that all directors of the Company have complied with required standard set out in the Model Code throughout the year.

PUBLICATION OF ANNUAL REPORT ON THE STOCK EXCHANGE'S WEBSITE

All information required by paragraphs 45(1) to 45(3) inclusive of Appendix 16 of the Listing Rules will be submitted to the Stock Exchange for publication on its website in due course.

By Order of the board of directors of
Sunway International Holdings Limited
Wong King Ching, Helen
Chairman

Hong Kong, 25 January 2010

As at the date of this announcement, the Board comprises three executive directors, namely Ms. Wong King Ching, Helen, Ms. Wong King Man and Mr. Leung Chi Fai and three independent non-executive directors, namely Ms. Kan Lai Kuen, Alice, Mr. So Day Wing and Mr. Wong Kun Kim and two non-executive directors, namely Ms. Wong Chun Ying and Mr. Wong Kim Seong.