

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this joint announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this joint announcement.*

*This joint announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of Sunway International Holdings Limited.*



**WEALTHY PORT HOLDINGS LIMITED**

*(Incorporated in Hong Kong with limited liability)*

**SUNWAY INTERNATIONAL HOLDINGS LIMITED**

新威國際控股有限公司\*

*(Incorporated in Bermuda with limited liability)*

(Stock code: 58)

## **JOINT ANNOUNCEMENT**

### **UPDATED ADVICE OF THE INDEPENDENT FINANCIAL ADVISER IN RELATION TO MANDATORY CONDITIONAL CASH OFFER BY I-ACCESS FOR AND ON BEHALF OF THE OFFEROR TO ACQUIRE ALL THE ISSUED SHARES AND OUTSTANDING CONVERTIBLE NOTES OF SUNWAY INTERNATIONAL HOLDINGS LIMITED (OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED BY THE OFFEROR AND PARTIES ACTING IN CONCERT WITH IT)**

**Financial Adviser to the Offeror**



**Offer agent to the Offeror**



**Independent Financial Adviser to the Takeovers Code Independent Board Committee**



Reference is made to (i) the composite offer and response document jointly issued by Wealthy Port Holdings Limited (the “**Offeror**”) and Sunway International Holdings Limited (the “**Company**”) dated 14 April 2020 (the “**Composite Document**”) in relation to the Offers; (ii) the announcement issued by the Company dated 27 April 2020 in relation to the change of auditors of the Company; (iii) the announcement issued by the Company dated 4 May 2020 in relation to the Anonymous Letter received by HLB; (iv) the announcement jointly issued by the Offeror and the Company dated 5 May 2020 in relation to the level of acceptance on the first Closing Date and the extension of Offer Period and extended timetable; and (v) the announcement jointly issued by the Offeror and the Company dated 19 May 2020 in relation to the level of acceptance on the Extended Closing Date and further extension of Offer Period and extended timetable (together with the abovementioned announcements, the “**Announcements**”). Unless otherwise defined herein, capitalised terms used in this joint announcement shall have the same meanings as those defined in the Composite Document and the Announcements.

## **UPDATED ADVICE OF THE INDEPENDENT FINANCIAL ADVISER IN RELATION TO THE OFFERS**

### **Introduction**

As disclosed in the Announcements, HLB tendered its resignation due to a disagreement with the Board and Audit Committee on the approach to resolve the Audit Issues, in particular the Allegations in the Anonymous Letter. The Independent Financial Adviser understand the Allegations, include, among others:

1. the Loans were fake;
2. the actual borrowers of the Loans were connected parties of the Company;
3. the Company had failed to conduct any due diligence or credit risk assessment on the Borrowers and had failed to make any disclosure or announcement for those connected parties’ transactions in accordance with the Listing Rules; and
4. the Company had made full impairment of the Loans such that the actual borrowers did not need to repay the Loans.

### **Principal factors and reasons considered**

In view of the above, the Independent Financial Adviser have taken into account the following principal factors:

1. the Board and the Audit Committee had reviewed the Anonymous Letter, which did not include any documentary evidence in proof of the Allegations. Further, the Board considered that the Provision of Financial Assistance Announcement had already clarified (i) principal terms of the Loans; (ii) reasons for the impairment made to the Loans; (iii) reasons for the Company’s breach of the Listing Rules and the Company’s remedial measures; (iv) reasons for and benefits of the provision of the Loans; and (v) information of the Borrowers, with details of corresponding ultimate beneficial owners, that were independent third parties;

2. the Loans were issued during the three years ended 31 December 2018. As disclosed in the independent auditor's report of 2016 Annual Report, 2017 Annual Report and 2018 Annual Report, the audit procedures performed by Zhonghui included but not limited to assessing the Group's relationship and transaction history with the customers and debtors. Further in Zhonghui's opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2016, 2017 and 2018, and of its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance; and
3. in addition to the Announcements, the Independent Financial Adviser further noted that as advised by the Directors, it is possible that Zhonghui may issue a qualified opinion in the independent auditor's report for the year ended 31 December 2019.

After taking into account the above principal factors, the Independent Financial Adviser, in forming their opinion and assessing whether the terms of the Offers are fair and reasonable and as to the acceptance of the Offers, is of the view that the unaudited financial information for the year ended 31 December 2019 prepared by the Directors (the “**2019 Unaudited Accounts**”) should not be taken into consideration. As such, the Takeovers Code Independent Board Committee, Independent Shareholders and Convertible Noteholders should ignore the analysis that involved the 2019 Unaudited Accounts. Nevertheless, the opinion of the Independent Financial Adviser was formed not only based on analysis of financial information analysis, but also, among others (i) comparison of the Share Offer Price and the market price; (ii) Share price performance of the Company; (iii) comparable offers; and (iv) information of the Offeror and the intention of the Offeror in relation to the Group. Having considered the abovementioned factors, the Independent Financial Adviser confirmed to the Takeovers Code Independent Board Committee that their opinion in relation to the fairness and reasonableness of the terms and conditions of the Offers and as to the acceptance of the Offers shall remain unchanged.

Set out below in this joint announcement the “Supplemental Letter from the Independent Financial Adviser” with inclusion of the abovementioned updated information.

## **DOCUMENTS AVAILABLE FOR INSPECTION**

The Supplemental Letter from the Independent Financial Adviser are available for inspection, during the period from 19 May 2020, being the date of this Joint Announcement for so long as the Offers remains open for acceptance, (i) on the website of the SFC ([www.sfc.hk](http://www.sfc.hk)); (ii) on the website of the Company (<http://www.hk0058.com/>); and (iii) during normal business hours from 9:30 a.m. to 5:30 p.m., from Monday to Friday, other than Hong Kong public holidays, at the office of the Offeror, at Room 1705, 17/F, Tower 2, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong from the date of this Joint Announcement up to the end of the Offer Period.

**IMPORTANT**

**The Independent Shareholders and Convertible Noteholders should note that the 2019 Unaudited Accounts may or may not be accurate and is subject to possible adjustments and/or qualified opinion by Zhonghui at the independent auditor's report for the year ended 31 December 2019.**

**The Independent Shareholders, the Convertible Noteholders and potential investors should exercise caution when dealing in the Shares or other rights in respect of any of them. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers. The respective associates of the Company or the Offeror are reminded to disclose their dealings in the securities of the Company in accordance with Rule 22 of the Takeovers Code.**

By Order of the Board of Directors  
**WEALTHY PORT HOLDINGS LIMITED**  
**Chim Sai Yau Oscar**  
*Sole Director*

By Order of the Board  
**SUNWAY INTERNATIONAL  
HOLDINGS LIMITED**  
**Law Chun Choi**  
*Executive Director and Company Secretary*

Hong Kong, 19 May 2020

*As at the date of this joint announcement, the sole director of the Offeror is Mr. Chim.*

*The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this joint announcement (other than information relating to the Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors except Mr. Chim) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.*

*As at the date of this joint announcement, the Board comprises three executive Directors, namely, Mr. Chim Sai Yau, Oscar, Mr. Li Chongyang and Mr. Law Chun Choi, one non-executive Director, namely, Mr. Lum Pak Sum, and three independent non-executive Directors, namely, Mr. Choi Pun Lap, Mr. Tong Leung Sang and Mr. Chan Sung Wai.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than those relating to the Offeror and parties acting in concert with it), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the sole director of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.*

*Website: <http://www.hk0058.com>*

*\* For identification purposes only*

---

## SUPPLEMENTAL LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

---

*The following is the supplemental letter of advice from the Independent Financial Adviser, Ample Capital Limited, to the Takeovers Code Independent Board Committee, the Independent Shareholders and Convertible Noteholders in respect of the Offers.*

**AmCap**

*Ample Capital Limited*  
豐盛融資有限公司

Ample Capital Limited  
Unit A, 14th Floor  
Two Chinachem Plaza  
135 Des Voeux Road Central  
Hong Kong

19 May 2020

*To the Takeovers Code Independent Board Committee, the Independent Shareholders and Convertible Noteholders*

Dear Sirs,

**MANDATORY CONDITIONAL CASH OFFER BY I-ACCESS FOR AND ON BEHALF OF THE OFFEROR TO ACQUIRE ALL THE ISSUED SHARES AND OUTSTANDING CONVERTIBLE NOTES OF SUNWAY INTERNATIONAL HOLDINGS LIMITED (OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED BY THE OFFEROR AND PARTIES ACTING IN CONCERT WITH IT)**

### INTRODUCTION

We refer to our appointment as independent financial adviser to advise the Takeovers Code Independent Board Committee, the Independent Shareholders and Convertible Noteholders in relation to the Offers by I-Access on behalf of the Offeror. Details of the Offers are set out in the Composite Document dated 14 April 2020 and the announcements jointly issued by the Offeror and the Company dated 5 May 2020 and 19 May 2020. Capitalised terms used in this letter shall have the same meanings as defined in the Composite Document and the Announcements unless otherwise defined herein.

Reference is made to (i) the announcement issued by the Company dated 27 April 2020 in relation to the change of auditors of the Company; and (ii) the announcement issued by the Company dated 4 May 2020 in relation to the Anonymous Letter received by HLB. After the despatch of the Composite Document, the Company announced that HLB tendered its resignation due to a disagreement with the Board and Audit Committee on the approach to resolve the Audit Issues, in particular the Allegations in the Anonymous Letter. This letter will provide supplemental information in response to the above information appeared after the Latest Practicable Date and the despatch of the Composite Document.

---

## SUPPLEMENTAL LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

---

### UPDATED PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion and recommendation regarding the Offers, we have taken into consideration the following updated principal factor:

#### **Change of auditors of the Company**

As disclosed in the Announcements, HLB tendered its resignation due to a disagreement with the Board and Audit Committee on the approach to resolve the Audit Issues, in particular the Allegations in the Anonymous Letter. We understand the Allegations, include, among others:

1. the Loans were fake;
2. the actual borrowers of the Loans were connected parties of the Company;
3. the Company had failed to conduct any due diligence or credit risk assessment on the Borrowers and had failed to make any disclosure or announcement for those connected parties' transactions in accordance with the Listing Rules; and
4. the Company had made full impairment of the Loans such that the actual borrowers did not need to repay the Loans.

In view of the above, we have taken into account the following principal factors:

1. the Board and the Audit Committee had reviewed the Anonymous Letter, which did not include any documentary evidence in proof of the Allegations. Further, the Board considered that the Provision of Financial Assistance Announcement had already clarified (i) principal terms of the Loans; (ii) reasons for the impairment made to the Loans; (iii) reasons for the Company's breach of the Listing Rules and the Company's remedial measures; (iv) reasons for and benefits of the provision of the Loans; and (v) information of the Borrowers, with details of corresponding ultimate beneficial owners, that were independent third parties;
2. the Loans were issued during the three years ended 31 December 2018. As disclosed in the independent auditor's report of 2016 Annual Report, 2017 Annual Report and 2018 Annual Report, the audit procedures performed by Zhonghui included but not limited to assessing the Group's relationship and transaction history with the customers and debtors. Further in Zhonghui's opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2016, 2017 and 2018, and of its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance; and
3. in addition to the Announcements, we further noted that as advised by the Directors, it is possible that Zhonghui may issue a qualified opinion in the independent auditor's report for the year ended 31 December 2019.

---

## SUPPLEMENTAL LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

---

### CONCLUSION

After taking into account the above principal factors, we are of the view that the unaudited financial information for the year ended 31 December 2019 prepared by the Directors (the “**2019 Unaudited Accounts**”) should not be taken into consideration. As such, the Takeovers Code Independent Board Committee, Independent Shareholders and Convertible Noteholders should ignore the analysis that involved the 2019 Unaudited Accounts. Nevertheless, the opinion of the Independent Financial Adviser was formed not only based on analysis of financial information analysis, but also, among others (i) comparison of the Share Offer Price and the market price; (ii) Share price performance of the Company; (iii) comparable offers; and (iv) information of the Offeror and the intention of the Offeror in relation to the Group.

Having considered the above-mentioned factors, we confirm to the Takeovers Code Independent Board Committee that our opinion in relation to the fairness and reasonableness of the terms and conditions of the Offers and as to the acceptance of the Offers shall remain unchanged and recommend the Independent Shareholders and the Takeovers Code Independent Board Committee to advise the Independent Shareholders to accept the Share Offer and the Convertible Noteholders to accept the Convertible Notes Offer.

For further details in relation to our analysis and opinion, please refer to the section headed “Letter from the Independent Financial Adviser” in the Composite Document.

**The Independent Shareholders and the Convertible Noteholders should note that the Offers may lapse according to the terms and conditions as set out in the Composite Document and Independent Shareholders and Convertible Noteholders are advised to exercise caution when dealing in the Shares and closely monitor the market price and trading volume which may not be sustainable.**

Yours faithfully,  
for and on behalf of  
**Ample Capital Limited**

**H.W. Tang**  
*President*

**Jenny Law**  
*Vice President*

*Mr. H.W. Tang is a licensed person registered with the Securities and Futures Commission of Hong Kong and a responsible officer of Ample Capital Limited, which is licensed under the SFO to carry out Type 6 (advising on corporate finance) regulated activity. Mr. H.W. Tang has over 16 years of experience in the corporate finance industry.*

*Ms. Jenny Law is a licensed person registered with the Securities and Futures Commission of Hong Kong and a responsible officer of Ample Capital Limited, which is licensed under the SFO to carry out Type 6 (advising on corporate finance) regulated activity. Ms. Jenny Law has over 10 years’ experience in the corporate finance industry.*