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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)

DISCLOSEABLE TRANSACTION DISPOSAL OF LISTED SECURITIES

THE DISPOSAL

On 14 July 2020, the Seller, an indirect wholly-owned subsidiary of the Company, disposed a total 496,300 Callon Petroleum Shares on the open market at an aggregate consideration of approximately HK\$4,348,000 (exclusive of transaction costs). The average selling price (exclusive of transaction costs) for the Disposal of each Callon Petroleum Share is approximately HK\$8.76.

As one or more than one of the applicable percentage ratios under Rule 14.07 of the Listing Rules for the Disposal exceeds 5% but less than 25%, the Disposal constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules and are therefore subject to the notification and announcement requirements under the Listing Rules.

THE DISPOSAL

On 14 July 2020, the Seller, an indirect wholly-owned subsidiary of the Company, disposed a total of 496,300 Callon Petroleum Shares on the open market at an aggregate consideration of approximately HK\$4,348,000 (exclusive of transaction costs). The average selling price (exclusive of transaction costs) for the Disposal of each Callon Petroleum Share is approximately HK\$8.76.

As the Disposal was made through the open market, the Company is not aware of the identities of the buyers of the Callon Petroleum Shares. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the buyers of Callon Petroleum Shares and their respective ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

INFORMATION OF CALLON PETROLEUM

Callon Petroleum, a company incorporated in the USA with limited liability, the shares of which are listed on the New York Stock Exchange (Stock Code: CPE). Callon Petroleum is an independent oil and natural gas company focused on the acquisition, exploration and development of high-quality assets in the leading oil plays of West and South Texas.

The following financial information is extracted from the Sina Finance:

| | Year Ended 31 December | |
|-------------------|-------------------------------|----------------|
| | 2019 | 2018 |
| | USD'000 | USD'000 |
| Revenue | 672,000 | 588,000 |
| Profit before tax | 103,000 | 308,000 |
| Profit after tax | 68,000 | 300,000 |

REASONS FOR THE DISPOSAL

The principal business activities of the Group are manufacturing and trading of pre-stressed high strength concrete piles, ready-mixed concrete autoclaved sand-lime bricks, aerated concrete products and eco-permeable concrete products and provision of financial services.

The Seller is an indirect wholly-owned subsidiary of the Company. It is incorporated in Hong Kong with limited liability and is principally engaged in financial services including investment in securities and acts as an investment holding company.

In view of the COVID-19 coronavirus outbreak continuously causing uncertainty and volatility over the global economy and stock market, management decided to limit the exposure of risk by realizing part of its investments. As a result of the Disposal, the Group is expected to recognise a loss of approximately HK\$1,568,000, which is calculated based on the difference between the original acquisition price of approximately HK\$11.92 and the average selling price of approximately HK\$8.76 (exclusive of the transaction cost) per each Callon Petroleum share.

As the Disposal was made at market price, the Directors are of the view that the Disposal was fair and reasonable on normal commercial terms and in the interest of the Company and its shareholders as a whole.

LISTING RULES IMPLICATION

As one or more than one of the applicable percentage ratios under Rule 14.07 of the Listing Rules for the Disposal exceeds 5% but less than 25%, the Disposal constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules and are therefore subject to the notification and announcement requirements under the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings.

| | |
|-----------------------------|---|
| “Board” | the board of Directors of the Company |
| “Callon Petroleum Share(s)” | Common shares of USD0.01 each in the share capital of Callon Petroleum |
| “Callon Petroleum” | Callon Petroleum Company, is a company incorporated in the USA with limited liability, the shares on which are listed on the New York Stock Exchange (Stock Code: CPE) |
| “Company” | Sunway International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 58) |
| “Director(s)” | the director(s) of the Company |
| “Disposal” | The disposal of Callon Petroleum Shares on the open market of an aggregate of 496,300 Callon Petroleum Shares conducted on 14 July 2020 at an aggregate consideration of approximately HK\$4,348,000 (exclusive of transaction costs) |
| “Group” | the Company and its subsidiaries |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Seller” | Sunway Financial Management Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company |

“Stock Exchange” The Stock Exchange of Hong Kong Limited

“%” per cent

By Order of the Board
Sunway International Holdings Limited
Li Chongyang
Executive Director

Hong Kong, 15 July 2020

As at the date of this announcement, the Board comprises three executive Directors, namely, Mr. Fok Po Tin, 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.

In case of any inconsistency, the English text of this announcement shall prevail over the Chinese.

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

** For identification purpose only*