

---

## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

---

**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Sunway International Holdings Limited, you should at once hand this circular and the form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, 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 circular.

---



## SUNWAY INTERNATIONAL HOLDINGS LIMITED

新威國際控股有限公司\*

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 58)**

### POSSIBLE MAJOR TRANSACTION MANDATE FOR DISPOSAL(S) OF LISTED SECURITIES

**Financial Adviser**



**BAOQIAO PARTNERS CAPITAL LIMITED**

---

Capitalised terms used on this cover shall have the same meanings as those defined in this Circular, unless the context requires otherwise. A letter from the Board is set out on pages 4 to 11 of this Circular.

A notice convening the SGM to be held at Suite 2418, 24/F, Jardine House, 1 Connaught Place, Central, Hong Kong at 3:00 p.m. on Wednesday, 21 July 2021 is set out on pages SGM-1 and SGM-2 of this circular. The proxy form for use at the SGM is enclosed with this circular.

Whether or not you intend to attend the SGM, you are requested to complete and return the proxy form in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as practicable but in any event not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and at the SGM or any adjournment thereof should you so wish.

#### **PRECAUTIONARY MEASURES FOR THE SGM**

Please refer to page 1 of this circular for the measures being taken to prevent and control the spread of the COVID-19 at the SGM, including but not limited to:

1. Compulsory body temperature check
2. Compulsory wearing of surgical face mask
3. Maintaining a safe distance between seats
4. No provision of refreshments or beverages
5. No distribution of coupons for subsequent consumption

Any person who does not comply with the precautionary measures will be denied entry into or be required to leave the SGM venue.

**In light of the continuing risks posed by the COVID-19 and as part of the Company's control measures to safeguard the health and safety of the Shareholders, the Company strongly encourages the Shareholders to exercise their right to vote at the SGM by appointing the chairman of the SGM as their proxy and to return their proxy forms by the time specified above, instead of attending the SGM in person.**

\* For identification purposes only

---

## CONTENTS

---

	<i>Page</i>
<b>PRECAUTIONARY MEASURES FOR THE SGM</b> .....	1
<b>DEFINITIONS</b> .....	2
<b>LETTER FROM THE BOARD</b> .....	4
<b>APPENDIX I – FINANCIAL INFORMATION OF THE GROUP</b> .....	I-1
<b>APPENDIX II – GENERAL INFORMATION</b> .....	II-1
<b>NOTICE OF SGM</b> .....	SGM-1

---

## **PRECAUTIONARY MEASURES FOR THE SGM**

---

The health of the Shareholders, staff and stakeholders of the Company is of paramount importance to us. To prevent and control the spread of the COVID-19, the Company will implement the following at the SGM as part of the control measures to safeguard the health and safety of our attending Shareholders, staff and stakeholders of the Company:

1. Compulsory body temperature checks will be conducted for every attendee at the entrance of the SGM venue. Any person who has a body temperature of over 37.5 degrees Celsius or is subject to the mandatory quarantine order imposed by the Hong Kong government will be denied entry into or be required to leave the SGM venue.
2. Every attendee must wear a surgical face mask throughout the SGM and inside the SGM venue. Please note that no masks will be provided at the SGM venue and attendees should bring and wear their own masks.
3. The Company will maintain a safe distance between seats.
4. No refreshments or beverages will be served.
5. No distribution of coupons for subsequent consumption.

In addition, the Company would like to remind all attending Shareholders that physical attendance in person at the SGM is not necessary for the purpose of exercising voting rights. The Company strongly encourages the Shareholders to exercise their right to vote at the SGM by appointing the chairman of the SGM as their proxy and return the proxy forms to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof (as the case may be).

Due to the constantly evolving COVID-19 pandemic situation in Hong Kong, the Company may be required to change the SGM arrangements at short notice. Shareholders should check the Company's website (<http://www.hk0058.com>) or the Stock Exchange's website ([www.hkexnews.hk](http://www.hkexnews.hk)) for any future announcements and updates on the SGM arrangements.

---

## DEFINITIONS

---

*In this circular, unless the context otherwise requires, the following words and expressions shall have the following meanings:*

“Announcement”	the announcement dated 24 May 2021 in relation to the Possible Disposal(s) and the Disposal Mandate
“Board”	the board of Directors
“Company”	Sunway International Holdings Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 58)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Disposal Mandate”	the general and conditional mandate to be granted by the Shareholders to the Company at the SGM for the Possible Disposal(s)
“First Batch Disposed Shares”	279,000 Vobile Group Shares sold by the Seller during the period from 20 August 2020 to 7 December 2020 (both dates inclusive), details of which are disclosed in the announcement of the Company dated 8 December 2020
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	29 June 2021, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mandate Period”	the 12-month period from the date of passing of the relevant resolution(s) approving the Disposal Mandate and the Possible Disposal(s) at the SGM
“Minimum Selling Price”	HK\$1.79 per Vobile Group Share
“Possible Disposal(s)”	any on-market disposal of up to 353,000 Vobile Group Shares by the Group pursuant to the terms of the Disposal Mandate

---

## DEFINITIONS

---

“Previous Disposals”	the aggregate disposal of the First Batch Disposed Shares, the Second Batch Disposed Shares and the Third Batch Disposed Shares
“Second Batch Disposed Shares”	255,000 Vobile Group Shares sold by the Seller during the period from 18 December 2020 to 13 April 2021 (both dates inclusive), details of which are disclosed in the announcement of the Company dated 14 April 2021
“Seller”	Sunway Financial Management Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“SGM”	the special general meeting of the Company to be held and convened to consider, among others, the Disposal Mandate and the Possible Disposal(s) contemplated thereunder
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Third Batch Disposed Shares”	152,000 Vobile Group Shares sold by the Seller during the period from 19 April 2021 to 18 May 2021 (both dates inclusive), details of which are disclosed in the announcement of the Company dated 20 May 2021
“Vobile Group”	Vobile Group Limited, a company incorporated in the Cayman Islands with limited liability whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 3738)
“Vobile Group Share(s)”	ordinary share(s) of US\$0.0001 each in the share capital of Vobile Group
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

---

**LETTER FROM THE BOARD**

---



**SUNWAY INTERNATIONAL HOLDINGS LIMITED**

**新威國際控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 58)**

*Executive Directors:*

Mr. Fok Po Tin (*Chairman*)

Mr. Li Chongyang

Mr. Law Chun Choi

*Non-executive Director:*

Mr. Lum Pak Sum

*Independent non-executive Directors:*

Mr. Choi Pun Lap

Mr. Yu Shui Sang Bernard

Mr. Chan Sung Wai

*Registered Office:*

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Principal place of business  
in Hong Kong:*

3/F, Mandarin Commercial House

38 Morrison Hill Road

Wanchai,

Hong Kong

2 July 2021

*To the Shareholders,*

Dear Sir or Madam,

**POSSIBLE MAJOR TRANSACTION  
MANDATE FOR DISPOSAL(S) OF LISTED SECURITIES**

**INTRODUCTION**

Reference is made to the Announcement.

The purpose of this circular is to provide you with further details of the Possible Disposal(s), the Disposal Mandate and a notice of the SGM to be convened and held for the purpose of considering and, if thought fit, approving, the Possible Disposal(s) and the Disposal Mandate.

\* For identification purposes only

---

## LETTER FROM THE BOARD

---

### THE POSSIBLE DISPOSAL(S)

As disclosed in the Announcement, the Group, through the Seller (a wholly-owned subsidiary of the Company), has disposed of an aggregate of 686,000 Vobile Group Shares, representing the total of the First Batch Disposed Shares, the Second Batch Disposed Shares and the Third Batch Disposed Shares during the 12-month period immediately preceding the date of the Announcement, which constituted discloseable transactions of the Company under the Listing Rules.

As at the Latest Practicable Date, the Group, through the Seller, held 353,000 Vobile Group Shares, representing approximately 0.073% of the total issued share capital of Vobile Group. The Group intends to further dispose of up to its current holding of Vobile Group Shares through the open market based on the prevailing market conditions and the actual consideration for the Possible Disposals will be the market price of the Vobile Group Shares at the respective dates of disposal.

Given the volatility of the stock market, disposing of shares at the best possible price requires prompt disposal actions at the right timing and it would not be practicable to seek prior Shareholders' approval for each disposal of Vobile Group Shares. To allow flexibility in effecting future disposals of Vobile Group Shares at appropriate time(s) and price(s) so as to maximise the returns to the Group, the Company proposes to seek approval for the Disposal Mandate from the Shareholders at the SGM in advance to allow the Directors to dispose of its current holding of Vobile Group Shares as at the Latest Practicable Date during the Mandate Period.

As the Possible Disposal(s) will be made through the open market, the Company will not be aware of the identities of the buyers of such Vobile Group Shares and it is expected that the buyer(s) of such Vobile Group Shares will be third party(ies) independent of the Company and its connected person(s).

### THE DISPOSAL MANDATE

The Disposal Mandate to be sought from the Shareholders at the SGM will be on the following terms:

#### **1. Mandate Period**

The Disposal Mandate is for the Mandate Period, i.e. a period of 12 months from the date of passing of the relevant ordinary resolution at the SGM, which provides sufficient time and flexibility for the Possible Disposal(s).

#### **2. Maximum number of Vobile Group Shares to be disposed**

The Disposal Mandate shall authorise and empower the Board to sell up to 353,000 Vobile Group Shares held by the Group, representing approximately 0.073% of the total issued share capital of Vobile Group as at the Latest Practicable Date.

---

## LETTER FROM THE BOARD

---

### 3. Scope of Authority

The relevant designated Director(s) shall be authorised and empowered to determine, decide, execute and implement with full discretion all matters relating to the Disposal(s), including but not limited to the number of batches of Disposal, the number of Vobile Group Shares to be sold in each Disposal and the timing of each Disposal.

### 4. Manner of Possible Disposal(s)

The Possible Disposal(s) shall be conducted in the open market on the Stock Exchange through the trading system of the Stock Exchange and will only be effected if:

- (i) the selling price of each Vobile Group Share shall be based on the prevailing market price of Vobile Group Shares at the time of making the Possible Disposal(s) but will not be less than the Minimum Selling Price of HK\$1.79 (exclusive of the transaction costs) per Vobile Group Share, which represented the lowest closing price of Vobile Group Shares in the past one year immediately before the date of the Announcement (i.e. HK\$1.79 per Vobile Group Share on 25 May 2020);
- (ii) the selling price of each Vobile Group Shares shall be made at a price not more than 8% below the prevailing nominal price (as defined under the Rules of the Exchange) at the moment of the input order under the trading system of the Stock Exchange (the “**Trading Mechanism**”); and
- (iii) all of the percentage ratios under the Listing Rules for the disposal of the Vobile Group Shares are below 75%.

### 5. Compliance

The Possible Disposal(s) shall comply with relevant applicable laws and regulations, including any applicable trading regulations in Hong Kong. The Group will also report on the progress of the Possible Disposal(s) in the relevant interim report as well as the annual report of the Company in compliance with the Listing Rules.

The Company will re-comply with the Listing Rules requirements and seek another Shareholders’ approval for the Disposals in the event that the Possible Disposal(s) cannot be completed within the Disposal Mandate.

### 6. The Minimum Selling Price

The Minimum Selling Price of HK\$1.79 per Vobile Group Shares represents:

- (a) a discount of approximately 94.92% to the closing price of HK\$35.25 per Vobile Group Share as quoted on the Stock Exchange on the date of the Announcement; and

---

## LETTER FROM THE BOARD

---

- (b) a premium of approximately 9.99% over net asset value per Vobile Group Share of approximately HK\$1.6274 per Vobile Group Share based on the audited net asset value of Vobile Group of approximately US\$101.76 million (equivalent to approximately HK\$789.63 million) as at 31 December 2020 and 485,201,256 Vobile Group Shares in issue as at the Latest Practicable Date.
- (c) a discount of approximately 94.89% to the closing price of HK\$35.00 per Vobile Group Share as quoted on the Stock Exchange on the Latest Practicable Date.

As set out in “4. Manner of Possible Disposal(s)” above, the Trading Mechanism is in place and the Possible Disposal(s) will be made at prevailing market prices of Vobile Group Shares on the open market, and the Minimum Selling Price only reflects the lowest acceptable selling price per Vobile Group Shares and is not reflective of the final selling price per Vobile Group Shares.

The Minimum Selling Price was determined with reference to (i) the historical market price of Vobile Group Shares in the past one year immediately before the date of the Announcement; and (ii) the prevailing market conditions.

The Directors note that, for the past one year immediately before the date of the Announcement (the “**Review Period**”), the closing price of the Vobile Group Shares ranged from HK\$1.79 on 25 May 2020 to HK\$47.00 on 11 February 2021, representing a difference of approximately 2,526%. Based on Bloomberg’s data, the daily volatility (standard deviation) of the return of Vobile Group Shares was 7.12% as compared to 1.21% of the Hang Seng Index during the Review Period and the weekly market beta (which measures a stock’s volatility in relation to the overall market and  $\beta > 1$  means the stock is more volatile than the market) of the Vobile Group Shares during the Review Period was approximately 2.12, which indicates that the Vobile Group Shares were significantly more volatile than the overall market.

In view of the volatile nature of the share price of the Vobile Group Shares and the global and local economy remains clouded with the uncertainty over the extended COVID-19 pandemic, the Company considers that the Minimum Selling Price will allow maximum flexibility for the Directors to accommodate fluctuation in market conditions in the exercise of the Disposal Mandate and at the same time reflect the lowest acceptable price to dispose of the Vobile Group Share. In addition, the Trading Mechanism will also safeguard the interest of the Company and the Shareholders as a whole by ensuring that each Disposal will not deviate from the prevailing trading prices of the Vobile Group Shares. Based on the above, the Company considers the Minimum Selling Price and the Trading Mechanism are fair and reasonable as far as the Company and the Shareholders are concerned.

### INFORMATION ON VOBILE GROUP

Based on the publicly available information, Vobile Group is a company incorporated in the Cayman Islands with limited liability and its shares are listed on the Main Board of the Stock Exchange (Stock Code: 3738). Vobile Group is principally engaged in the provision of online video content protection services, helping its content rightsholder customers reduce infringement-induced revenue losses and increase revenues over Internet and mobile distribution.

---

## LETTER FROM THE BOARD

---

Set out below is the key financial information of Vobile Group extracted from the annual report of Vobile Group for the year ended 31 December 2020:

	For the year ended			
	31 December 2020		31 December 2019	
	US\$'000	HK\$'000	US\$'000	HK\$'000
		(Note)		(Note)
Revenue	43,874	340,462	18,781	145,741
Profit/(loss) before tax	8,667	67,256	(8,081)	(62,709)
Profit/(loss) for the year	10,479	81,317	(6,210)	(48,190)
Net Assets	101,757	789,634	35,097	272,353

*Note:* Unless otherwise specified, conversions of US\$ into HK\$ in this circular are based on the exchange rate of US\$1.00 = HK\$7.76 for illustration purpose only.

### INFORMATION OF THE GROUP AND THE SELLER

The Group is principally engaged in 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.

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.

### REASONS FOR AND BENEFITS OF THE DISPOSAL MANDATE AND THE POSSIBLE DISPOSALS

The Company acquired the Vobile Group Shares since August 2020 for investment purpose and the weighted average cost of the current holding of Vobile Group Shares by the Company as at the date of the Announcement and up to the Latest Practicable Date was HK\$5.3859 per Vobile Group Share. The Board noted the substantial increase in the trading prices of Vobile Group since early 2021. Based on the closing prices of Vobile Group Shares in the past one year immediately before the date of the Announcement, the highest closing price was HK\$47 per Vobile Group Share on 11 February 2021, the lowest closing price was HK\$1.79 per Vobile Group Share on 25 May 2020 and the average closing price was HK\$15.54 per Vobile Group Share. The closing price of Vobile Group Shares as at the date of the Announcement was HK\$35.25 per Vobile Group Share and the average closing prices of Vobile Group Shares for the 5, 10 and 30 trading days preceding the date of the Announcement were approximately HK\$32.36 per Vobile Group Share, HK\$31.14 per Vobile Group Share, and HK\$31.94 per Vobile Group Share respectively. The average selling price per Vobile Group Share of the Previous Disposals was HK\$19.19 per Vobile Group Share. As such, the Board considers that the Possible Disposal(s) represent good opportunities for the Company to realize a gain in its investment in the Vobile Group Shares.

To allow flexibility in effecting future disposals of Vobile Group Shares at appropriate time(s) and price(s) so as to maximise the returns to the Group, the Board proposes to seek approval for the Disposal Mandate and the Possible Disposal(s) from the Shareholders at the SGM in advance to allow the Directors to dispose of Vobile Group Shares during the Mandate Period.

---

## LETTER FROM THE BOARD

---

As the Possible Disposal(s) will be made on the open market and will be made at prevailing market prices of Vobile Group Shares, the Directors consider that the terms of the Disposal Mandate and the Possible Disposal(s) contemplated thereunder are fair and reasonable, on normal commercial terms and are in the interests of the Company and Shareholders as a whole.

### **FINANCIAL IMPACT OF THE POSSIBLE DISPOSAL(S) AND USE OF PROCEEDS**

Based on the closing price of per Vobile Group Share of HK\$35.00 as at the Latest Practicable Date, the value of the 353,000 Vobile Group Shares was approximately HK\$12,355,000.

For illustrating the financial effect of the Possible Disposal(s), on the assumption that (i) all 353,000 Vobile Group Shares would have been disposed of at HK\$35.00, being the closing price of each Vobile Group Share as at the Latest Practicable Date, the Group is expected to recognise an unaudited gain of approximately HK\$6.18 million, which is calculated on the basis of the difference between the disposal prices (excluding stamp duty and related expenses) and carrying values of the 353,000 Vobile Group Shares on the financial statements of the Group as at 31 December 2020; and (ii) all 353,000 Vobile Group Shares would have been disposed of at HK\$1.79, being the Minimum Selling Price, the Group is expected to recognise an unaudited loss of approximately HK\$5.546 million, which is calculated on the basis of the difference between the disposal prices (excluding stamp duty and related expenses) and carrying values of the 353,000 Vobile Group Shares on the financial statements of the Group as at 31 December 2020.

For the avoidance of doubt, the actual gain or loss as a result of the Possible Disposal(s) to be recorded by the Group will be subject to the actual selling prices of the Vobile Group Shares and will be subject to final audit to be performed by the Company's auditors.

It is expected that the net proceeds of the Possible Disposals available to the Company will be applied for operating/working capital and other future investment opportunities of the Group.

### **IMPLICATIONS UNDER THE LISTING RULES**

Assuming that all 353,000 Vobile Group Shares held by the Group will have been disposed of within the Mandate Period at the closing price of each Vobile Group Share as at the Latest Practicable Date, one of the applicable percentage ratios of the Possible Disposal(s) when aggregated with the Previous Disposals and conducted in the previous 12-month period from the relevant Previous Disposal may exceed 25% but be less than 75%, the Possible Disposal(s) may constitute major transaction of the Company under Chapter 14 of the Listing Rules and shall be subject to the Shareholders' approval at the SGM.

### **CLOSURE OF REGISTER OF MEMBERS**

In order to determine the eligibility of Shareholders to attend and vote at the SGM, which is to be held on Wednesday, 21 July, 2021, the register of members of the Company will be closed from Friday, 16 July 2021 to Wednesday, 21 July 2021 (both days inclusive) for determining the identity of the Shareholders entitled to attend and vote at the SGM. No transfer of Shares will be registered during the above book closure period

---

## LETTER FROM THE BOARD

---

### GENERAL

There is no assurance that the Company will proceed with the Possible Disposal(s) after obtaining the Disposal Mandate. Whether and when the Company will proceed with the Possible Disposal(s) or not will depend on a number of factors including without limitation the prevailing market sentiments and market conditions at the proposed time of executing the Possible Disposal(s).

**Shareholders and potential investors of the Company are therefore advised to exercise extreme caution when dealing in the Shares.**

### SGM

The SGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Disposal Mandate and the Possible Disposal(s) to allow the Company to dispose of up to 353,000 Vobile Group Shares held by the Group during the Mandate Period.

A notice convening the SGM to be held at Suite 2418, 24/F, Jardine House, 1 Connaught Place, Central, Hong Kong on Wednesday, 21 July 2021 at 3:00 p.m. is set out on pages SGM-1 to SGM-2 of this circular.

A form of proxy for use at the SGM is enclosed with this circular. Whether or not you intend to attend the SGM, you are requested to complete and return the proxy form in accordance with the instructions printed thereon and deposit the same at the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as practicable but in any event not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder has a material interest in the transactions contemplated under the Possible Disposal(s) and the grant of the Disposal Mandate and is required to abstain from voting on the resolution to approve the Possible Disposal(s) and the grant of the Disposal Mandate and any vote exercised by the Shareholders taken at the SGM shall be taken by way of poll.

---

## LETTER FROM THE BOARD

---

### RECOMMENDATION

The Directors believe that the Possible Disposal(s) and the grant of the Disposal Mandate is fair and reasonable and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the resolution to be proposed at the SGM to approve the Possible Disposal(s) and the Disposal Mandate.

### ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

Yours faithfully,  
By Order of the Board  
**Sunway International Holdings Limited**  
**Li Chongyang**  
*Executive Director*

**1. FINANCIAL INFORMATION OF THE GROUP FOR EACH OF THE THREE YEARS ENDED 31 DECEMBER 2020**

The published audited consolidated financial statements of the Group for the years ended 31 December 2018, 2019 and 2020 are disclosed in the Company's annual reports for the years ended 31 December 2018, 2019 and 2020, respectively. The said annual reports of the Company are available on both the website of the Stock Exchange (<http://www.hkex.com.hk>) and the website of the Company (<http://www.hk0058.com>).

- (a) Annual report of the Company for the year ended 31 December 2018

<https://www1.hkexnews.hk/listedco/listconews/sehk/2019/0411/ltn201904111434.pdf>

- (b) Annual report of the Company for the year ended 31 December 2019

<https://www1.hkexnews.hk/listedco/listconews/sehk/2020/0529/2020052900031.pdf>

- (c) Annual report of the Company for the year ended 31 December 2020

<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0416/2021041600856.pdf>

**2. STATEMENT OF INDEBTEDNESS****Borrowings**

At the close of business on 31 May 2021, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, total borrowings of the Group amounted to approximately HK\$49,728,000 representing:

**(i) Bank and other borrowings**

As at 31 May 2021, the Group had total bank and other borrowings of approximately HK\$38,583,000.

Bank borrowings of approximately HK\$33,331,000 were secured by the pledged of land and buildings held by a related company of a subsidiary of the Group, personal guarantee executed by the directors of a subsidiary of the Group and guarantee executed by non-controlling interest of a subsidiary of the Group.

Other borrowings include (i) an unsecured bond issued with principal amount of HK\$3,000,000 which will be matured in 2025; and (ii) a loan of HK\$2,252,000 which will be matured in August 2021.

**(ii) Lease liabilities**

As at 31 May 2021, the Group had lease liabilities of approximately HK\$4,939,000.

*(iii) Amounts due to a shareholder and non-controlling interests*

As at 31 May 2021, the Group had amount due to a shareholder of approximately HK\$5,677,000 and amounts due to non-controlling interests of approximately HK\$529,000. The amounts due are unsecured, interest-free and repayable on demand.

*(iv) Contingent liabilities*

As at 31 May 2021, the Company had the following litigations:

References are made to the Company's announcements dated 5 February 2016, 14 March 2017 and 4 September 2017 in relation to an action commenced by Liu Qian (劉倩) ("Ms. Liu") as the plaintiff against the Company as the defendant.

The court further gave directions on 31 December 2018 for the parties to consider fixing a case management summons but no case management summons has been fixed yet as of the date of this report. The amount of the claims by Ms. Liu, in relation to the convertible notes with a face value of HK\$15 million, was about HK\$40 million as per the Statement of Claim dated 29 January 2016. The convertible notes were issued in favour of the vendor as part of the consideration of the sale and purchase agreement dated 3 October 2013 ("SPA"). According to a legal opinion dated 16 March 2021 given by the Company's solicitors, upon the fundamental breach of the SPA, it is open for the Company to argue that the terms and conditions under the SPA has failed and the outstanding convertible notes are void and have no effect.

For details of the Group's litigation, please refer to the paragraph headed "Litigation" in the Appendix II to this Circular.

**Disclaimer**

Save as aforesaid and apart from intra-group liabilities, at the close of business on 31 May 2021, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the Group did not have any debt securities issued and outstanding, or authorised or otherwise created but unissued, any term loans, any other borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptance (other than normal trade bills) or acceptance credits or hire purchase commitments, which were either guaranteed, unguaranteed, secured or unsecured, any mortgages and charges, or any contingent liabilities or guarantees.

Save as aforesaid, the Directors confirmed that there had been no material change to the indebtedness and contingent liabilities of the Group since 31 May 2021 and up to the Latest Practicable Date.

**3. WORKING CAPITAL**

The Directors are of the opinion that, taking into account the effect of the Disposal, and taking into account the financial recover available to the Group, including the internally generated fund and the existing banking facilities available, the Group has sufficient working capital for its present requirements, that is for at least the next 12 months from the date of publication of this circular.

**4. MATERIAL ADVERSE CHANGE**

As at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial position or trading position of the Group since 31 December 2020 being the date to which the latest published audited financial statements of the Group was made up.

**5. FINANCIAL AND TRADING PROSPECTS**

The principal activity of the Company is investment holding. The principal activities of the subsidiaries 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.

The Group will continue focusing on the development of its existing businesses. As disclosed the annual report of the Company for the year ended 31 December 2020, according to the press release published by Guangdong Provincial Development and Reform Commission of the PRC dated 5 March 2020, the province plans to set up 1,230 key projects with a total investment of RMB5.9 trillion, highlighting a new round of investment stemming from the construction of new infrastructure. In addition, according to a guideline jointly issued by the General Office of the Communist Party of China Central Committee of the PRC and the General Office of the State Council of the PRC dated 24 February 2021, China has unveiled plans to build the country's strength in the transport sector over the next 15 years, setting long-term goals for the industry, with the aim of developing a modern, high-quality and comprehensive national transport network. By 2035, the country's transport network should be convenient, cost-effective, green, intelligent and safe. Among them, there will be about 200,000 km of railways, 460,000 km of highways and 25,000 km of high-grade waterways, with 27 major costal ports, 36 major inland ports, about 400 civil-transport airports and about 80 postal express-delivery hubs. The Directors consider that such policies will have positive effects to the construction material industry in the PRC and thus can benefit the Group. In addition, the Group has been committed to expand the business scale by exploring new business, bringing new growth and momentum to the Group.

## 1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this circular or this circular misleading.

## 2. DISCLOSURE OF INTERESTS

### (a) Directors' Interests

As at the Latest Practicable Date, the following Directors had, or were deemed to have, interests and short positions in the Shares, underlying Shares and debentures of the Company or any of the Company's associated corporations (within the meaning of Part XV of the SFO), which were (i) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or (ii) required, pursuant to Section 352 of the SFO, to be entered into the register referred to therein, or (iii) required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules, to be notified to the Company and the Stock Exchange:

Name of Director	Capacity/Nature of interest	Number of shares held	Approximate percentage of the issued share capital of the Company (Note)
Mr. Li Chongyang	Beneficial owner	922,000	0.51%

*Note:*

The percentage has been calculated based on 179,600,000 Shares in issue as at the Latest Practicable Date.

Save as disclosed above, none of the Directors nor the chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required to be entered in the register referred to therein pursuant to section 352 of the SFO; or (iii) were required, pursuant to the Model Code as at the Latest Practicable Date.

**(b) Substantial Shareholders' Interests**

As at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept under Section 336 of the SFO:

Name of Shareholder	Capacity/Nature of interest	Number of shares held	Approximate percentage of the issued share capital of the Company (Note 4)
Wealthy Port Holdings Limited (“ <b>Wealthy Port</b> ”) (Note 1)	Beneficial owner	73,693,706	41.03%
Mr. Chim Sai Yau, Oscar (Note 1)	Interest in controlled corporation	73,693,706	41.03%
Business Century Investments Limited (“ <b>Business Century</b> ”) (Note 2)	Beneficial owner	12,873,166	7.17%
Xie Guilin (Note 2)	Interest in controlled corporation	12,873,166	7.17%
Everun Oil Co., Limited (“ <b>Everun Oil</b> ”) (Note 3)	Beneficial owner	17,316,200	9.64%
Chen Jingan (Note 3)	Interest in controlled corporation	17,316,200	9.64%

*Notes:*

- These 73,693,706 Shares are directly held by Wealthy Port, a company wholly owned by Mr. Chim Sai Yau, Oscar. Under the SFO, Mr. Chim Sai Yau, Oscar is deemed to be interested in all the Shares held by Wealthy Port.
- These 12,873,166 Shares are directly held by Business Century, a company wholly owned by Ms. Xie Guilin. Ms. Xie Guilin is deemed to be interested in all the Shares held by Business Century.
- These 17,316,200 Shares are directly held by Everun Oil, a company wholly owned by Mr. Chen Jingan. Mr. Chen Jingan is deemed to be interested in all the Shares held by Everun Oil.
- The percentage has been calculated based on 179,600,000 Shares in issue as at the Latest Practicable Date.

Save as disclosed above, the Company has not been notified of any other person (other than the Directors or chief executives of the Company) who had any interests or short positions in the Shares or underlying Shares as recorded in the register of the Company required to be kept under section 336 of the SFO as at the Latest Practicable Date.

### 3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had a service contract with any member of the Group which was not determinable within one year without payment of compensation, other than statutory compensation.

### 4. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors and his respective close associates had any interests in any business apart from the Group's businesses which competed or might compete, either directly or indirectly, with the businesses of the Group.

### 5. LITIGATION

As at the Latest Practicable Date, the Company had the following litigations of material importance:

#### 1. Sunway Financial Management Limited as the plaintiff

Reference is made to the Company's announcement dated 20 January 2020 in relation to provision of financial assistance and announcement dated 12 August 2020 in relation to clarification on audited annual results announcement, despite the issue of legal demand letters in August 2019, the six borrowers (and their guarantors, if applicable) (the "**Loan Debtors**") who are independent third parties have failed to settle any outstanding loans and interests. As a result, Sunway Financial Management Limited has taken the following legal proceedings against the Loan Debtors:

##### (a) Huali Capital Investment Holding Co., Limited ("**Huali Capital**")

- (i) In respect of the loan advanced to Huali Capital (a company registered in Hong Kong), which was guaranteed by Tailor Wealth Group Limited ("**Tailor Wealth**"), a Writ of Summons against Huali Capital had been issued in the High Court of Hong Kong under the action no. HCA 746/2020 on 21 May 2020 and had been served upon Huali Capital at its registered office on 1 June 2020. Gallant Solicitors and Notaries ("**Gallant**"), solicitors for the Company, had obtained judgment (the "**Judgment**") in default on 18 August 2020. Since Huali Capital had failed to satisfy the Judgment, a statutory demand was served on Huali Capital on 7 October 2020. The Company filed a petition for winding up against Huali Capital on 18 November 2020. An Order for winding up by the Court was made on 17 February 2021 and it is ordered that Huali Capital be wound up.

(ii) In respect of the guarantor Tailor Wealth (a company registered in the British Virgin Islands (“**BVI**”)), Mr. Matthew Richardson (“**Mr. Matthew Richardson**”) of Grant Thornton (British Virgin Islands) Limited, a licensed insolvency practitioner in BVI and Mr. David Bennett (“**Mr. David Bennett**”) of Grant Thornton Recovery & Reorganisation Limited in Hong Kong had been appointed as joint liquidators. A Winding Up Order was made on 18 January 2021 and it was ordered that Tailor Wealth be liquidated by the Court.

**(b) Mei Rui Group Limited (“Mei Rui”)**

In respect of the loan advanced to Mei Rui (a company registered in the BVI), legal advice had been obtained from a BVI legal firm, namely Appleby to take legal action against Mei Rui. Mr. Matthew Richardson and Mr. David Bennett had been appointed as joint liquidators. A Winding Up Order was made on 18 January 2021 and it was ordered that Mei Rui be liquidated by the Court.

The parties are now negotiating settlement on repayment of indebtedness.

**(c) Shenzhen Siping Investment Company Limited (“Shenzhen Siping”)**

In respect of the loan advanced to Shenzhen Siping (a company incorporated in Mainland China), legal advice had been obtained from a legal firm in the Mainland China namely Zhuoxin Law Firm. The legal actions against Shenzhen Siping for the recovery of outstanding loan receivables had been commenced in August 2020. It is now waiting for Zhuoxin Law Firm to provide updates regarding the progress of the legal action.

**(d) Fuzhou Xufa Trading Company Limited (“Fuzhou Xufa”)**

In respect of the loan advanced to Fuzhou Xufa (a company incorporated in Mainland China), legal advice had been obtained from a legal firm in the Mainland China, namely Zhuoxin Law Firm, to commence legal actions against Fuzhou Xufa for the recovery of outstanding loan receivables. Subsequently, HK\$1 million had been received from Fuzhou Xufa and the parties had reached an agreement to withdraw the PRC legal action for further negotiation. However, final settlement has not been reached yet due to lasting travel restrictions. Meanwhile, application for refund of half of the costs of the legal action from the Mainland Court is being under progress.

**(e) Charmate Development Limited (“Charmate”)**

In respect of the loans advanced to Charmate (a company registered in the BVI) which were guaranteed by Mr. Chen Zhiguo, legal advice had been obtained from a BVI legal firm, namely Appleby, to take legal action against Charmate. Mr. Matthew Richardson and Mr. David Bennett had been appointed as joint liquidators. A Winding Up Order was made on 18 January 2021 and it was ordered that Charmate be liquidated by the Court.

In respect of the guarantor Mr. Chen Zhiguo (being a Chinese national), legal advice had been obtained from Ms. Vivien Leung, a barrister practising in Hong Kong, that it is permissible to commence legal action against Mr. Chen as the guarantor only (i.e. without joining Charmate in the legal action) to recover the indebtedness under Hong Kong laws. The notarized Hong Kong legal opinion, statement of claim and the list of evidence were sent to a legal firm in the Mainland China, namely Zhuoxin Law Firm, to commence legal action against Mr. Chen in the Mainland Court.

**(f) Fuzhou Dongye Trading Company Limited (“Fuzhou Dongye”)**

In respect of the loan advanced to Fuzhou Dongye and the subsequent assignment of loan to Sky Long, legal advice had been obtained from a Samoa legal firm, namely Leung Wai Law Firm as to the most cost-effective way to recover the loan receivables from Sky Long. It has been noted that Sky Long is the holding company of Tailor Wealth which is the holding company of Huali Capital. Since winding up and enforcement actions have been taken against Tailor Wealth and Huali Capital, actions will be taken against Sky Long after the result of the liquidation of Tailor Wealth in the BVI and Huali Capital in Hong Kong in order to save costs.

**2. Sunway New Energy Industry Group Limited as the plaintiff**

References are made to the announcements of the Company dated 12 September 2017, 10 October 2017 and 25 April 2018 in relation to the memorandum of understanding dated 12 September 2017 (as supplemented on 10 October 2017 and 25 April 2018) (the “**MOU**”) entered into among Sunway New Energy, Divine Lands International Gas Holdings Group Limited (神州國際燃氣控股集團有限公司) (the “**Vendor**”) and Deng Chao (鄧超) (the “**Guarantor**”) in relation to the possible acquisition of the entire issued share capital of Sino New Energy International Limited (中國超燃能源國際有限公司) (the “**Possible Acquisition**”).

Pursuant to the MOU, Sunway New Energy had paid in cash an earnest money in the sum of HK\$100,000,000 (the “**Refundable Earnest Money**”) to the Vendor. The Refundable Earnest Money shall be applied as part payment of the consideration for the Possible Acquisition upon signing of the formal agreement. Should Sunway New Energy decide not to proceed with the Possible Acquisition or Sunway New Energy and the Vendor fail to enter into the formal agreement within the exclusivity period, the Vendor shall refund the Refundable Earnest Money together with interest accrued thereon to Sunway New Energy.

Since Sunway New Energy decides not to proceed with the Possible Acquisition and no formal agreement was entered into between Sunway New Energy and the Vendor within the exclusivity period, Sunway New Energy had requested the Vendor to return the Refundable Earnest Money. However, the Vendor fails to return the Refundable Earnest Money to Sunway New Energy.

Reference is made to the announcement of the Company dated 2 July 2019 on which Sunway New Energy had filed a writ with the Sichuan Le Shan Intermediate People's Court\* (四川省樂山市中級人民法院) (the “**Court**”) for the commencement of legal proceedings against, among others, the Vendor and the Guarantor for the return of the Refundable Earnest Money. On the same day, the Court had accepted the writ filed by Sunway New Energy.

According to the civil ruling by the Court on 16 July 2019, the Guarantor's assets with value within RMB100,000,000 being the shares of PRC companies as owned by the Guarantor (the “**Frozen Assets**”) were suspended for a period of three years. As advised by the Company's PRC Counsel dated 25 September 2020, the Frozen Assets, which were also under liquidation proceedings in some other legal cases, had to be released under the PRC laws. However, for prudence purpose and compliance with HKFRS 9, full impairment had already been made against the Refundable Earnest Money during the year ended 31 December 2019 in accordance with the valuation report.

Meanwhile, a bill of indictment had been sent to the Vendor and the legal proceedings are still in progress. As advised by the Company's PRC counsel, the trial has commenced on 23 February 2021. It is now waiting for the final judgement which may take 1 to 2 months for the Court to deliver the Judgment. Upon service of the judgment, the losing party has the right to lodge an appeal within 30 days from the date of service. In the event of not lodging any appeal, the winning party may enforce the judgment if the judgment sum is not paid by the losing party.

### 3. The Company/its subsidiary as the plaintiff

By a Generally Indorsed Writ of Summons dated 23 June 2015 and Statement of Claim dated 18 August 2015 issued by the Company and First Billion Global Limited, a wholly-owned subsidiary of the Company (collectively, the “**Plaintiffs**”) against Xiao Guang Kevin (蕭光) (“**Mr. Xiao**”) and Wang Zhining (王志寧) (“**Mr. Wang**”) (collectively, the “**Defendants**”), the vendor and the guarantor, respectively, all of whom are parties to a very substantial acquisition of the Company (the “**VSA**”) as announced by the Company in its announcement dated 30 January 2014 and its circular dated 31 March 2014, the Plaintiffs claim that the Defendants have fundamentally breached the terms and conditions of the SPA (the “**SPA Legal Proceedings**”). Accordingly, the Plaintiffs are seeking to rescind the SPA under which, as part of the consideration price, certain convertible notes were issued by the Company to Mr. Xiao.

On 16 March 2017, the Plaintiffs filed an Amended Statement of Claim to the Court of First Instance adding Ms. Liu as a defendant to the SPA Legal Proceedings claiming, amongst other things, that Ms. Liu is a nominee of Mr. Wang and further claim against the Defendants for misrepresentation regarding the undisclosed guarantees given by Zhuhai Hoston in favour of 王天 (Wang Tian) which has led to the Group's involvement in such litigation.

Pursuant to the Order of the Court of First Instance dated 5 December 2017, the Plaintiffs filed and served on the Defendants their Further and Better Particulars of the Amended Statement of Claim on 9 January 2018. Upon counsel's advice, the Plaintiffs are considering to further amend the Amended Statement of Claim in order to, amongst other things, simplify their claims and to make clear their causes of action. For the purpose of saving costs, the Plaintiffs have allowed the Defendants to withhold preparing their Amended Defence pending the Plaintiff's aforesaid application to further amend the Amended Statement of Claim.

As at the Latest Practicable Date, no Judgment has been made by the Court.

#### 4. The Company/its subsidiary as the defendant

- (a) References are made to the announcement of the Company dated 11 November 2016 and the annual report of the Company for the year ended 31 December 2019 in relation to the civil complaints involving Zhuhai Hoston, an indirectly owned (95%) subsidiary of the Company.

Upon the respective applications of Kou Jinshui (寇金水) and 珠海河川商貿有限公司 (Zhuhai Hechuan Commercial and Trade Co., Ltd.\*) (“**Zhuhai Hechuan**”), an independent third party, three bank accounts of Zhuhai Hoston and 70% equity interest of Zhuhai Hoston in Guangdong Hengjia were impounded, for the three years from 27 July 2017 to 27 July 2020, by the Xiangzhou People’s Court pursuant to an execution order dated 27 December 2016. As at the Latest Practicable Date, the share impoundment has expired and become invalid.

- (b) References are made to the Company’s announcements dated 5 February 2016, 14 March 2017 and 4 September 2017 in relation to an action commenced by Liu Qian (劉倩) (“**Ms. Liu**”) as the plaintiff against the Company as the defendant.

The court further gave directions on 31 December 2018 for the parties to consider fixing a case management summons but no case management summons has been fixed yet as of the date of this report.

The amount of the claims by Ms. Liu, in relation to the convertible notes with a face value of HK\$15 million, was about HK\$40 million as per the Statement of Claim dated 29 January 2016. The convertible notes were issued in favour of the vendor as part of the consideration of the sale and purchase agreement dated 3 October 2013 (“**SPA**”). According to a legal opinion dated 16 March 2021 given by the Company’s solicitors, upon the fundamental breach of the SPA, it is open for the Company to argue that the terms and conditions under the SPA has failed and the outstanding convertible notes are void and have no effect.

Save as disclosed above and elsewhere in this Circular, as at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened by or against the Group.

#### 6. MATERIAL CONTRACT

Save as disclosed below, there was no contract (not being contract in the ordinary course of business of the Company) that had been entered into by member(s) of the Group within two years immediately preceding the date of this circular which is or may be material to the Group.

The subscription agreement dated 29 November 2019, as supplemented by a supplemental agreement dated 28 February 2020, entered into between the Company Wealthy Port Holdings Limited as the subscriber to subscribe for 149,063,676 subscription Shares at the subscription price of HK\$0.100 per subscription Share. Completion took place on 30 March 2020.

**7. DIRECTORS' INTEREST IN CONTRACTS AND ASSETS**

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been, since 31 December 2020 (being the date to which the latest published audited financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors had any material interest, directly or indirectly, in any contract or arrangement subsisting which was significant in relation to the business of the Group as at the Latest Practicable Date.

**8. MISCELLANEOUS**

- (a) The company secretary of the Company is Mr. Law Chun Choi, a fellow member of the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants, the Hong Kong Institute of Chartered Secretaries and the Chartered Governance Institute.
- (b) The registered office of the Company is situated at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (c) The place of business of the Company is at 3/F, Mandarin Commercial House, 38 Morrison Hill Road, Wanchai, Hong Kong.
- (d) The Hong Kong branch share registrar and transfer office of the Company is Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (e) This circular has been prepared in both English and Chinese. In the case of any discrepancies, the English text shall prevail over the respective Chinese text.

**9. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be made available for inspection during normal business hours at the Company's place of business at 3/F, Mandarin Commercial House, 38 Morrison Hill Road, Wanchai, Hong Kong, for a period of 14 days commencing from the date of this circular:

- (a) the memorandum of association and bye-laws of the Company;
- (b) the annual reports of the Company for each of the two years ended 31 December 2019 and 2020;
- (c) the material contract referred to in the paragraph headed "Material Contract" in this appendix; and
- (d) this circular.

---

## NOTICE OF SGM

---



### SUNWAY INTERNATIONAL HOLDINGS LIMITED

新威國際控股有限公司\*

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 58)**

**NOTICE IS HEREBY GIVEN THAT** a special general meeting (the “**SGM**”) of Sunway International Holdings Limited (the “**Company**”) will be held at Suite 2418, 24/F, Jardine House, 1 Connaught Place, Central, Hong Kong on Wednesday, 21 July 2021 at 3:00 p.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolution as an ordinary resolution of the Company:

#### **ORDINARY RESOLUTION**

**“THAT** the disposal (the “**Disposal**”) by the Company and/or its subsidiaries (collectively the “**Group**”) of up to 353,000 shares (“**Approved Sale Shares**”) of US\$0.0001 (“**Vobile Group Shares**”) in the share capital of Vobile Group Limited, a company incorporated in the Cayman Islands with limited liability whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 3738) be and are hereby approved subject to the following conditions:

- (i) the Group shall disposal all or in part(s) of the Approved Sale Shares held by the Group in the open market through the trading system of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”);
- (ii) the mandate for the Disposal will be valid for a period of 12 months from the date of passing of this resolution (unless revoked or varied by ordinary resolution of the shareholders in general meeting of the Company) (the “**Mandate Period**”);
- (iii) the selling price of each Vobile Group Share shall be based on the prevailing market price of Vobile Group Shares at the time of making the Disposal;
- (iv) the minimum selling price of the Disposal shall not be less than HK\$1.79 (exclusive of the transaction costs) per Vobile Group Share;
- (v) all of the percentage ratios under the Rules Governing the Listing of the Securities on the Stock Exchange for the Disposals are below 75%; and
- (vi) the Disposal(s) shall comply with relevant applicable laws and regulations, including any applicable trading regulations in Hong Kong,

and the directors of the Company (the “**Directors**”) be and are hereby authorized and empowered to determine, decide, execute all such documents, instruments and agreements and to do all such acts and things as they may in their absolute discretion consider necessary,

\* For identification purposes only

---

## NOTICE OF SGM

---

desirable or expedient for the purposes of or in connection with implementing, completing and giving effect to the Disposal and the transactions contemplated thereunder from time to time during the Mandate Period and with full power to authorize any other person to do so in the name of and as the act of the Company during the Mandate Period.”

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

Hong Kong, 2 July 2021

*Registered office:*  
Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Head office and principal place of  
business in Hong Kong:*  
3/F., Mandarin Commercial House  
38 Morrison Hill Road  
Wanchai, Hong Kong

*Notes:*

1. A shareholder entitled to attend and vote at the SGM is entitled to appoint another person as his proxy to attend and vote instead of him. A shareholder who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a shareholder of the Company.
2. The form of proxy in the case of an individual shall be signed by the appointor or his attorney and in the case of a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
3. Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of the Company in respect of such share shall alone be entitled to vote in respect thereof.
4. If the form of proxy is returned without any indication as to how the proxy shall vote, the proxy will vote or abstain as he thinks fit.
5. If no name is inserted in the space for the name of your proxy on the form of proxy, the chairman of the SGM will act as your proxy.
6. To be valid, the form of proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power of attorney or authority must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not less than 48 hours before the time for holding the SGM or any adjournment of such meeting.
7. In order to qualify for attending and voting at the SGM, all relevant transfer documents accompanied by the relevant Share certificates must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. on Thursday, 15 July 2021 for registration.
8. The Chinese version of the notice is for reference only. Should there be any discrepancies, the English version will prevail.
9. As at the date of hereof, the Board comprises three executive Directors, namely, Mr. Fok Po Tin (Chairman), 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. Yu Shui Sang Bernard and Mr. Chan Sung Wai.