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# **SUNWAH KINGSWAY** **新華滙富**

## **SUNWAH KINGSWAY CAPITAL HOLDINGS LIMITED**

**新華滙富金融控股有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00188)**

### **DISCLOSEABLE TRANSACTION**

#### **FURTHER DISPOSALS OF LISTED SECURITIES**

##### **THE FURTHER DISPOSALS OF LISTED SECURITIES**

Reference is made to the announcement of the Company dated 10 March 2021 in relation to the disposals of an aggregate of 642,000 SMIC Shares at an average daily price between HK\$19.98 and HK\$29.73 per SMIC Share for an aggregate consideration of approximately HK\$14.9 million (exclusive of transaction costs) by the Company, through its wholly-owned subsidiary, in a series of transactions between 18 November 2020 and 10 March 2021.

Between 11 March 2021 and 5 October 2021, the Company, through its wholly-owned subsidiary, conducted on the Stock Exchange a series of on-market transactions to further dispose of an aggregate of 620,000 SMIC Shares (representing approximately 0.008% of the total issued SMIC Shares as at the date of this announcement) at an average daily price between HK\$21.15 and HK\$28.20 per SMIC Share for an aggregate consideration of approximately HK\$14,608,000 (exclusive of transaction costs).

##### **LISTING RULES IMPLICATIONS**

As the Previous Disposals and the Further Disposals took place and completed within a 12-month period, the Further Disposals were required to be aggregated with the Previous Disposals as a series of transactions pursuant to Rule 14.22 of the Listing Rules. As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Further Disposals (both on a standalone basis and when aggregated with the Previous Disposals) exceeds 5% but are less than 25%, the Further Disposals constitute a discloseable transaction of the Company and are therefore subject to the reporting and announcement requirement under Chapter 14 of the Listing Rules.

## **THE PREVIOUS DISPOSALS OF LISTED SECURITIES**

Reference is made to the announcement of the Company dated 10 March 2021 in relation to the disposals of an aggregate of 642,000 SMIC Shares at an average daily price between HK\$19.98 and HK\$29.73 per SMIC Share for an aggregate consideration of approximately HK\$14.9 million (exclusive of transaction costs) by the Company, through its wholly-owned subsidiary, in a series of transactions between 18 November 2020 and 10 March 2021.

## **THE FURTHER DISPOSALS OF LISTED SECURITIES**

Between 11 March 2021 and 5 October 2021, the Company, through its wholly-owned subsidiary, conducted on the Stock Exchange a series of on-market transactions to further dispose of an aggregate of 620,000 SMIC Shares (representing approximately 0.008% of the total issued SMIC Shares as at the date of this announcement) at an average price between HK\$21.15 and HK\$28.20 per SMIC Share for an aggregate consideration of approximately HK\$14,608,000 (exclusive of transaction costs).

As the Further Disposals were made through the open-market of the Stock Exchange, the Company is not aware of the identities of the buyers of the SMIC Shares and accordingly, to the best knowledge, information and belief of the Directors having made all reasonable enquires, the buyers of such SMIC Shares are Independent Third Parties.

## **REASONS FOR AND BENEFITS OF THE FURTHER DISPOSALS**

The Group's principal businesses are the provision of financial services, including securities and commodities and futures broking, corporate finance, asset management, money lending, property investment and proprietary investments.

The Group acquired the SMIC Shares for investment purpose. The Further Disposals realised a loss of approximately HK\$0.9 million, being the difference between the aggregate consideration for the Further Disposals and the aggregate purchase price of the SMIC Shares sold.

In light of the recent market conditions, the Directors consider that notwithstanding the Further Disposals were made at a loss, the Further Disposals will provide immediate liquidity to improve the Group's cash position thereby allowing it to better structure its asset portfolio.

The Group received net proceeds of approximately HK\$14,578,000 from the Further Disposals. The Group currently intends to use the net proceeds from the Further Disposals as general working capital and cash reserve for pursuing potential investment opportunities in the future.

As the Further Disposals were made at the prevailing market price on the open-market of the Stock Exchange, the Directors are of the view that the Further Disposals were fair and reasonable, on normal commercial terms and in the interest of the Company and its Shareholders as a whole.

## INFORMATION ABOUT SMIC

SMIC is a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 00981). According to publicly available information, SMIC is an investment holding company. The various subsidiaries of SMIC are engaged in the different business activities, such as the computer-aided design, sales and marketing, technical research and development, manufacturing, testing, packaging and trading of integrated circuits and other services, as well as designing and manufacturing semiconductor masks, respectively.

The following financial information is extracted from the public document of SMIC:

	<b>For the year ended 31 December</b>	
	<b>2019</b>	<b>2020</b>
	<i>US\$</i>	<i>US\$</i>
	<i>thousands</i>	<i>thousands</i>
<b>Revenue</b>	3,115,672	3,906,975
<b>Profit before tax</b>	182,276	737,408
<b>Profit for the year</b>	158,860	669,098
<b>Total equity</b>	10,197,862	21,681,738
<b>Total assets</b>	16,437,820	31,320,575

## LISTING RULES IMPLICATIONS

As the Previous Disposals and the Further Disposals took place and completed within a 12-month period, the Further Disposals were required to be aggregated with the Previous Disposals as a series of transactions pursuant to Rule 14.22 of the Listing Rules. Pursuant to the Listing Rules, as one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Further Disposals (both on a standalone basis and when aggregated with the Previous Disposals) exceeds 5% but are less than 25%, the Further Disposals constitute a discloseable transaction of the Company and are therefore subject to the reporting and announcement requirement under Chapter 14 of the Listing Rules.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings when used herein.

“Board”	the board of Directors
“Company”	Sunwah Kingsway Capital 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:00188)
“Director(s)”	Directors of the Company
“Further Disposals”	the further disposals by the wholly owned subsidiaries of the Company of 620,000 SMIC Shares on the market of the Stock Exchange for an aggregate consideration of approximately HK\$14,608,000 (exclusive of transaction costs) during the period between 11 March 2021 and 5 October 2021
“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
“Independent Third Party(ies)”	third party(ies) independent of the Company and the connected persons of the Company
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	The People’s Republic of China (excluding Hong Kong, Macau Special Administrative Region and Taiwan)
“Previous Disposals”	the disposals by the wholly owned subsidiaries of the Company of 642,000 SMIC Shares on the market of the Stock Exchange for an aggregate consideration of approximately HK\$14.9 million (exclusive of transaction costs) during the period between 18 November 2020 and 10 March 2021
“Shareholder(s)”	Holder(s) of share(s) of the Company

“SMIC”	Semiconductor Manufacturing International Corporation, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code : 00981)
“SMIC Share(s)”	The ordinary share(s) of SMIC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollar, the lawful currency of the United States of America
“%”	per cent

By Order of the Board  
Sunwah Kingsway Capital Holdings Limited  
***Vincent Wai Shun Lai***  
Company Secretary

Hong Kong, 5 October 2021

*As at the date of this announcement, the directors of the Company are Jonathan Koon Shum Choi as Chairman, Michael Koon Ming Choi as Chief Executive Officer & Executive Director, Janice Wing Kum Kwan and Lee G. Lam as Non-Executive Directors, Robert Tsai To Sze, Elizabeth Law and Huanfei Guan as Independent Non-Executive Directors.*