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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 **ON-MARKET DISPOSALS OF LISTED SECURITIES**

THE DISPOSALS OF LISTED SECURITIES

During the period from 19 October 2020 to 5 October 2021, the Company, through its wholly owned subsidiaries, conducted on the Stock Exchange a series of on-market transactions to dispose of an aggregate of 68,500 Alibaba Shares (representing approximately 0.0003% of the total issued Alibaba Shares as at the date of this announcement) in the range of an average daily price between HK\$141.5 and HK\$300 per Alibaba Share for an aggregate consideration of approximately HK\$13,758,000 (exclusive of transaction costs).

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Disposals exceed 5% but are less than 25%, the Disposals constitute a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirement under Chapter 14 of the Listing Rules.

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

REASONS FOR AND BENEFITS OF THE 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 Alibaba Shares for investment purpose. The Disposals realised a loss of approximately HK\$0.2 million, being the difference between the aggregate consideration for the Disposals and the aggregate purchase price of the Alibaba Shares sold.

In light of the recent market conditions, the Directors consider that notwithstanding the Disposals were made at a loss, the 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\$13,729,000 from the Disposals. The Group currently intends to use the net proceeds from the Disposals as general working capital and cash reserve for pursuing potential investment opportunities in the future.

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

INFORMATION ABOUT ALIBABA

According to publicly available information, Alibaba is a holding company that provides the technology infrastructure and marketing reach to help merchants, brands and other businesses to leverage the power of new technology to engage with users and customers to operate. Alibaba operates four business segments. The Core Commerce segment provides China retail, China wholesale, international retail, international wholesale, Cainiao logistics services and local consumer services through Taobao Marketplace and Tmall. The Cloud Computing segment provides complete suite of cloud services, including database, storage, network virtualization services, big data analytics and others. The Digital Media and Entertainment segment provides consumer services beyond the core business operations. The Innovation Initiatives and Others segment is to innovate and deliver new services and products.

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

	For the year ended 31 March	
	2020	2021
	RMB million	RMB million
Revenue	509,711	717,289
Income before income tax and share of results of equity method investees	166,645	165,578
Net income	140,350	143,284
Total assets	1,312,985	1,690,218
Total equity	870,548	1,074,961

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Disposals exceed 5% but are less than 25%, the Disposals constitute a discloseable transaction of the Company and is 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.

“Alibaba”	Alibaba Group Holding Limited, a company incorporated in Cayman Islands with limited liability, the ordinary shares of which are listed on the Main Board of the Stock Exchange (Stock Code:09988)
“Alibaba Share(s)”	the ordinary share(s) of Alibaba which are listed on the Main Board of the Stock Exchange
“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)”	the directors of the Company

“Disposals”	the disposals by the wholly owned subsidiaries of the Company of 68,500 Alibaba Shares on the market of the Stock Exchange for an aggregate consideration of approximately HK\$13,758,000 (exclusive of transaction costs) during the period from 19 October 2020 to 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)
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	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.