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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**

**ACQUISITIONS OF LISTED SECURITIES**

#### **THE ACQUISITIONS**

The Company, through its wholly owned subsidiary, acquired a total of 95,310,730 China New Economy Fund Shares (representing approximately 11% of the total issued China New Economy Fund as at the date of this announcement) at a total consideration of approximately HK\$16,157,000 (exclusive of transaction costs) through (1) the placing of the new shares under the general mandate of China New Economy Fund on 1 November 2021; and (2) a series of on-market acquisitions on the Stock Exchange on 12 November 2021.

#### **LISTING RULES IMPLICATIONS**

Each of the Acquisitions, on a standalone basis, does not constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

The Acquisitions are comprised of the Placing Acquisition and the On-market Acquisitions which were conducted within a 12-month period. In accordance with Rules 14.22 and 14.23 of the Listing Rules, the Placing Acquisition and the On-market Acquisitions shall be treated as a series of transactions and aggregated for the purposes of Rule 14.06 of the Listing Rules.

One of the applicable percentage ratios (as defined in the Listing Rules) for the Acquisitions exceeds 5% but are less than 25% and all the other applicable percentage ratios are less than 5%. As such, the Acquisitions constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules and are therefore subject to the reporting and announcement requirements under the Listing Rules.

## **THE ACQUISITIONS**

The Company, through its wholly owned subsidiary, acquired a total of 95,310,730 China New Economy Fund Shares (representing approximately 11% of the total issued China New Economy Fund as at the date of this announcement) at a total consideration of approximately HK\$16,157,000 (exclusive of transaction costs) through (1) the placing of the new shares under the general mandate of China New Economy Fund on 1 November 2021; and (2) a series of on-market acquisitions on the Stock Exchange on 12 November 2021. The total consideration of the Acquisitions was fully payable in cash by the Group's internal financial resources.

## **PLACING ACQUISITION**

On 1 November 2021, the Company, through its wholly owned subsidiary, completed a subscription for an aggregate of 64,165,814 China New Economy Fund Shares through the placing of the new shares under the general mandate of China New Economy Fund at a price of HK\$0.162 per China New Economy Fund Shares for an aggregate consideration of approximately HK\$10,395,000 (excluding stamp duty and related expenses). For details, please refer to the "Completion of Placing of New Shares under General Mandate" published by China New Economy Fund on 2 November 2021.

## **ON-MARKET ACQUISITIONS**

On 12 November 2021, the Seller, disposed a total of 23,004,916 China New Economy Fund Shares to Kingsway Lion Spur Technology Limited, a wholly-owned subsidiary of the Company through a block trade transaction on the Stock Exchange, at the aggregate consideration of HK\$4,256,000 (exclusive of transaction costs). The selling price (exclusive of transaction costs) for the acquisition of each China New Economy Fund Share was HK\$0.185. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Seller is an Independent Third Party.

Through a series of acquisitions on the even date, the Company through its wholly owned subsidiary, acquired a total of 8,140,000 China New Economy Fund Shares on the open market at an aggregate consideration of approximately HK\$1,506,000 (exclusive of transaction costs) at average price of approximately HK\$0.185 per China New Economy Fund Share. As the acquisitions were made through the open-market of the Stock Exchange, the Company is not aware of the identities of the sellers of the China New Economy Fund Shares and accordingly, to the best knowledge, information and belief of the Directors having made all reasonable enquires, the sellers are Independent Third Parties.

## **REASONS FOR AND BENEFITS OF THE ACQUISITIONS**

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.

China New Economy Fund is a closed-ended investment company by investing substantially in both private and public enterprises within a diversified portfolio. The China New Economy Fund shares will be held by the Group for long-term investment purpose. The Group holds positive views towards the future financial performance and prospect of China New Economy Fund. The Group considers that the Acquisitions is an opportunity to acquire an attractive investment, which will enhance investment return for the Group.

In the On-market Acquisitions, the acquisitions conducted in the open market were made at market price and the price in the block trade was executed at a market price close to the five-day average closing price of China New Economy Fund Shares as quoted on the Stock Exchange for the five trading days immediately prior to the date of this announcement. The Directors are of the view that the Acquisitions were fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

### **INFORMATION ABOUT CHINA NEW ECONOMY FUND**

China New Economy Fund Limited was incorporated in the Cayman Islands as an exempted company with limited liability. China New Economy Fund was established for the purpose of acting as a closed-ended investment company. According to publicly available information, the principal investment objective of China New Economy Fund is to achieve long-term capital appreciation through investing globally in both private and public enterprise that have demonstrated the ability to manufacture a product or deliver a service that is supported by the economies of Mainland China, Hong Kong, Macau and Taiwan. The investment manager of the Company is Evergrande Securities (Hong Kong) Limited.

The following financial information is extracted from the public document of China New Economy Fund:

	<b>For the year ended 31 December</b>	
	<b>2019</b>	<b>2020</b>
	<b>HK\$</b>	<b>HK\$</b>
<b>Revenues</b>	5,447,693	3,417,096
<b>Loss before tax</b>	(34,070,940)	(31,106,691)
<b>Loss for the year</b>	(34,070,940)	(31,106,691)
<b>Total equity</b>	61,441,400	71,112,713

### **LISTING RULES IMPLICATIONS**

Each of the Acquisitions, on a standalone basis, does not constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

The Acquisitions comprised the Placing Acquisition and the On-market Acquisitions which were conducted within a 12-month period. In accordance with Rules 14.22 and 14.23 of the Listing Rules, the Placing Acquisition and the On-market Acquisitions shall be treated as a series of transactions and aggregated for the purposes of Rule 14.06 of the Listing Rules.

One of the applicable percentage ratios (as defined in the Listing Rules) for the Acquisitions exceeds 5% but are less than 25% and all the other applicable percentage ratios are less than 5%. As such, the Acquisitions constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules and are therefore subject to the reporting and announcement requirements under the Listing Rules.

## DEFINITIONS

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

“Acquisitions”	the Placing Acquisition and the On-market Acquisitions
“Board”	the board of Directors
“China New Economy Fund”	China New Economy Fund Limited, a company incorporated in the Cayman Islands as an exempted company with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 00080)
“China New Economy Fund Share(s)”	ordinary shares in the share capital of China New Economy Fund
“Company”	Sunwah Kingsway Capital 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:00188)
“Director(s)”	Directors of the Company
“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
“On-market Acquisitions”	On 12 November 2021, (1) the Seller, disposed a total of 23,004,916 China New Economy Fund Shares to Kingsway Lion Spur Technology Limited, a wholly-owned subsidiary of

the Company through a block trade transaction on the Stock Exchange, at the aggregate consideration of approximately HK\$4,256,000 (exclusive of transaction costs); and (2) the Company through its wholly owned subsidiary, acquired a total of 8,140,000 China New Economy Fund Shares on the open market at an aggregate consideration of approximately HK\$1,506,000 (exclusive of transaction costs) at average price of approximately HK\$0.185 per China New Economy Fund Share

“PRC”	The People’s Republic of China (excluding Hong Kong, Macau Special Administrative Region and Taiwan)
“Placing Acquisition”	the Company, through its wholly owned subsidiary, completed to subscribe an aggregate of 64,165,814 China New Economy Fund Shares through the placing of the new shares under the general mandate of China New Economy Fund at an aggregate consideration of approximately HK\$10,395,000 (excluding stamp duty and related expenses) on 1 November 2021
“Seller”	Morris Global Capital Limited, a company incorporated in the British Virgin Islands with limited liability, whose registered office is at 3rd Floor, J&C Building, P.O. Box 933, Road Town, Tortola, British Virgin Islands. VG1110
“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, 12 November 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.*