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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)

**MASTER SERVICES AGREEMENT
CONTINUING CONNECTED TRANSACTION**

The Company announces that on 3 October 2013, Kingsway Services as service provider entered into the Master Services Agreement with SIFS as client for the provision of certain office space and administrative and management services.

Kingsway Services is an indirect wholly-owned subsidiary of the Company. SIFS is an indirect wholly-owned subsidiary of SIL, the ultimate controlling shareholder of the Company. The transactions contemplated under the Master Services Agreement therefore constitutes a continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

As the annual amount of the continuing connected transaction under the Master Services Agreement for the three financial years ending 2014, 2015 and 2016, respectively, is expected to be more than 0.1% but less than 5% under the applicable percentage ratio, the Master Services Agreement is subject to the reporting, annual review and announcement requirements but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

INTRODUCTION

The Company announces that on 3 October 2013, Kingsway Services, as service provider, entered into the Master Services Agreement with SIFS, as client.

MASTER SERVICES AGREEMENT

Date: 3 October 2013

Parties:

Kingsway Services, as service provider, is an indirect wholly-owned subsidiary of the Company.

SIFS, as client, is an indirect wholly-owned subsidiary of SIL, which is the ultimate controlling shareholder of the Company.

Term:

The term of the Master Service Agreement will be from 3 October 2013 and ending on the earlier of (i) termination of the Master Services Agreement and (ii) 30 June 2016. Either party may terminate the Master Services Agreement by 30 days prior written notice to the counter party.

Principal Terms:

Kingsway Services agrees to provide the following services to SIFS during the term of the Master Services Agreement:

- (a) provision of office space of approximately 1,033 square feet at the Premises (inclusive of rates and management fees) for approximately HK\$82,000 per month;
- (b) general cleaning, maintenance and upkeep of the office space occupied by SIFS at the Premises for approximately HK\$32,250 per month;
- (c) administrative and general management services as required by SIFS to carry on its business, including but not limited to information technology services, services of general staff in human resources services, provision of electricity and water in order to carry on the business of the SIL Group and any other services as may be agreed between the parties to the Master Services Agreement, for approximately HK\$45,000 per month.

Consideration and payment terms:

Total Service Fee payable by SIFS for 2013 to 2014 financial year is expected to be approximately HK\$2,000,000, which was determined on an arm's length basis between the parties with reference to (i) the costs of renting the Premises and proportioning the rent, management fee and rates in relation to the floor area utilized by SIFS; (ii) the costs of general management services, including water, electricity allocated to SIFS; and (iii) office support fee and other third party and out-of-pocket costs and expenses incurred by Kingsway Services or its respective employees on behalf of SIFS in the performance of the services to be provided under the Master Services Agreement. The Service Fee shall be subject to adjustment to be agreed between the parties to the Master Services Agreement depending on the amount of office space occupied by SIFS in Hong Kong and office space which may be provided in the PRC from time to time and increase in lease costs, staff costs and utility costs payable by Kingsway Services. The Service Fee will be satisfied by SIFS in cash within 30 calendar days upon receipt of a summary of service fee for each quarterly period from Kingsway Services.

Proposed Annual Cap:

It is estimated that the maximum aggregate amount of servicing fees payable by SIFS to the service provider under the Master Services Agreement will not exceed the Annual Caps set out below.

Financial year ending 2014	Maximum annual value of HK\$2,500,000
Financial year ending 2015	Maximum annual value of HK\$3,000,000
Financial year ending 2016	Maximum annual value of HK\$3,500,000

The Annual Caps are calculated based on the agreed scope of services to be provided to SIFS from time to time, the anticipated increasing rental fees for offices in Hong Kong and taking into account the possible office space which may be taken up by SIFS in offices presently occupied by the Group in the PRC.

Reasons for the transaction:

The Group is engaged in providing financial services in Hong Kong and making proprietary investments, including investments in various listed and unlisted assets for short to medium term capital gains. Kingsway Services is primarily engaging in the provision of administrative and management services to the Group, including but not limited to, the provision of office space, general cleaning, maintenance and upkeep, human resources and information technology.

SIFS is primarily engaged in private equity investment and the provision of administration services to the SIL Group (excluding the Company). The services provided by Kingsway Services allows the SIL Group to concentrate on its primary business endeavors.

The Board, including the independent non-executive Directors, are of the view that the transaction contemplated under the Master Services Agreement was entered into in the ordinary and usual course of business of the Company and on normal commercial terms and the terms are fair and reasonable and are in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

SIFS is an indirect wholly-owned subsidiary of SIL, the ultimate controlling shareholder of the Company. In the circumstances, SIFS is a connected person of the Company and the transactions contemplated under the Master Services Agreement constitute a continuing connected transaction for the Company under the Listing Rules. Given that the annual amount of the Service Fee payable under the Master Services Agreement is expected to be more than 0.1% but less than 5% under the applicable percentage ratio, the Master Services Agreement is subject to the reporting, annual review and announcement requirements but is exempt from the independent shareholders' approval requirement under the Listing Rules.

Dr. Jonathan Koon Shum Choi being the Chairman and controlling shareholder of SIL and his associate, Mr. Michael Koon Ming Choi, have abstained from voting on the relevant resolutions of the Board in relation to the approval of the Master Services Agreement. Ms. Elizabeth Law and Dr. Lee G. Lam, being

directors of SIL, are considered to have a conflict of interest in the Master Services Agreement by virtue of their directorship with SIL and they abstained from voting on the board resolution in respect of the Master Services Agreement.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“Board”	the board of Directors
“Company”	Sunwah Kingsway Capital Holdings Limited, a company incorporated in Bermuda with limited liability whose issued Shares are listed on the Stock Exchange of Hong Kong
“Directors”	Director(s) 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
“Kingsway Services”	Kingsway Group Services Limited, an indirect wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong
“Master Services Agreement”	Master Services Agreement entered into between Kingsway Services and SIFS dated 3 October 2013
“PRC”	the People’s Republic of China
“Premises”	as of the date of this Master Service Agreement, the premises situated at Unit A, 26 th Floor, United Centre, 95 Queensway, Hong Kong which may be amended and/or changed on notice by Kingsway Services and agreed to by SIFS
“Service Fee”	the service fee payable by SIFS under the Master Services Agreement

“Shareholder(s)”	holder(s) of the shares of the Company
“SIFS”	Sunwah International Financial Services Limited, an indirect wholly-owned subsidiary of SIL
“SIL Group”	SIL and its subsidiaries, including SIFS
“SIL”	Sunwah International Limited, a company with its shares listed on the Toronto Stock Exchange, the ultimate controlling shareholder of the Company
“%”	per cent

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

Hong Kong, 3 October 2013

As at the date of this announcement, the directors of the Company are Jonathan Koon Shum Choi as Chairman, Mary Yuk Sin Lam as Deputy-Chairman & Executive Director, 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, Stanley Kam Chuen Ko and Elizabeth Law as Independent Non-Executive Directors.