

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

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 13 April 2022 in relation to the disposals of an aggregate of 33,600 Tencent Shares at an average daily price between HK\$353 and HK\$548 per Tencent Share for an aggregate consideration of approximately HK\$14.1 million (exclusive of transaction costs) by the Company, through its wholly-owned subsidiaries, in a series of transactions between 23 September 2021 and 13 April 2022.

Between 14 April 2022 and 23 September 2022, the Company, through its wholly-owned subsidiaries, conducted on the Stock Exchange a series of on-market transactions to further dispose of an aggregate of 39,700 Tencent Shares (representing approximately 0.00041% of the total issued Tencent Shares as at the date of this announcement) at an average daily price between HK\$289 and HK\$375 per Tencent Share for an aggregate consideration of approximately HK\$13,121,000 (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 13 April 2022 in relation to the disposals of an aggregate of 33,600 Tencent Shares at an average daily price between HK\$353 and HK\$548 per Tencent Share for an aggregate consideration of approximately HK\$14.1 million (exclusive of transaction costs) by the Company, through its wholly-owned subsidiaries, in a series of transactions between 23 September 2021 and 13 April 2022.

THE FURTHER DISPOSALS OF LISTED SECURITIES

Between 14 April 2022 and 23 September 2022, the Company, through its wholly-owned subsidiaries, conducted on the Stock Exchange a series of on-market transactions to further dispose of an aggregate of 39,700 Tencent Shares (representing approximately 0.00041% of the total issued Tencent Shares as at the date of this announcement) at an average daily price between HK\$289 and HK\$375 per Tencent Share for an aggregate consideration of approximately HK\$13,121,000 (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 Tencent Shares and accordingly, to the best knowledge, information and belief of the Directors having made all reasonable enquires, the buyers of such Tencent 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 Tencent Shares for investment purpose. The Further Disposals realised a loss of approximately HK\$0.8 million, being the difference between the aggregate consideration for the Further Disposals and the aggregate purchase price of the Tencent 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\$13,092,000 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 TENCENT

Tencent 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:00700). According to publicly available information, Tencent is an investment holding company. Tencent and its subsidiaries are principally involved in the provision of value-added services (VAS), FinTech and business services, online advertising services, and others business segment. The VAS segment is mainly involved in provision of online/mobile games, community value-added services and applications across various Internet and mobile platforms. The FinTech and business services segment primarily consists of: (a) payment, wealth management and other FinTech services; and (b) cloud services and other enterprise-facing activities. The online advertising segment is mainly engaged in display based and performance-based advertisements. The others business segment consists of the financials of investment in, production of and distribution of, films and television programmes for third parties, copyrights licensing, merchandise sales and various other activities.

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

	For the year ended 31 December	
	2020	2021
	<i>RMB' Million</i>	<i>RMB' Million</i>
Revenue	482,064	560,118
Profit before income tax	180,022	248,062
Profit for the year	160,125	227,810
Total equity	778,043	876,693

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 39,700 Tencent Shares on the market of the Stock Exchange for an aggregate consideration of approximately HK\$13,121,000 (exclusive of transaction costs) during the period between 14 April 2022 and 23 September 2022
“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 People’s Republic of China
“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”	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 33,600 Tencent Shares on the market of the Stock Exchange for an aggregate consideration of approximately HK\$14.1 million (exclusive of transaction costs) during the period between 23 September 2021 and 13 April 2022
“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
“Tencent”	Tencent Holdings Limited, 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 : 00700)
“Tencent Share(s)”	ordinary share(s) in the share capital of Tencent
“%”	per cent

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

Hong Kong, 23 September 2022

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.