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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
DISPOSAL OF INTEREST IN AN ASSOCIATE

THE DISPOSAL OF INTEREST IN AN ASSOCIATE

On 31 October 2025, SW Kingsway Capital Group Limited, a wholly-owned subsidiary of the Company, entered into the S&P Agreement as Vendor with the Purchaser (an associate of the Company) in relation to the disposal of 15,000 Sales Shares, representing 30% of the issued share capital of KCG Capital. Pursuant to the S&P Agreement, the Vendor agreed to sell and the Purchaser agreed to purchase the Sales Shares in a share buy-back transaction at the Consideration of HK$16,100,000 (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 Disposal exceed 5% but are less than 25%, the Disposal constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

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SALES AND PURCHASE AGREEMENT

The principal terms of the S&P Agreement are set out below.

Date : 31 October 2025 (after trading hours of the Stock Exchange)

Parties :

(1) Vendor : SW Kingsway Capital Group Limited

(2) Purchaser : KCG Capital Holdings Limited

Disposal of Sales Share:

The Sales Shares are 15,000 ordinary shares of KCG Capital, representing 30% of the issued share capital of KCG Capital, owned by the Vendor.

Pursuant to the S&P Agreement, the Vendor shall sell, and the Purchaser shall buy back, the Sales Shares free from all claims, liens, charges, equities, and encumbrances and third-party rights of any kind and together with all rights now or thereafter attaching to, at the Consideration of HK$16,100,000.

KCG Capital is an investment holding company. The principal investment of KCG Capital is KCG Securities Asia Limited, a company incorporated in Hong Kong with limited liability, which is a wholly owned subsidiary of KCG Capital, and is licensed by the SFC to engage in Type 1: Dealing in Securities, Type 4: Advising on Securities, Type 6: Advising on Corporate Finance and Type 9: Asset Management, regulated activities.

Consideration:

The consideration in respect of the Disposal is HK$16,100,000 shall be payable by the Purchaser by bank cashier cheque issued by a bank in Hong Kong, wire transfer or bank transfer in favour of the Vendor or to the Vendor's direction upon Completion.

Conditions Precedent:

Completion of the sale and purchase of the Sale Shares pursuant hereto shall be conditional upon the following conditions precedent being fulfilled or waived on or before the Completion Date:

(a) Representations and warranties given by the Vendor and the Purchaser under this Agreement being true, correct and complete when made and remaining true, correct and complete and not misleading as at the Completion Date; and

(b) The Purchaser being satisfied that all pre-emption or third-party rights over the Sale Shares (if any) have irrevocably been waived.

Completion:

Completion shall take place at the offices of the Vendor at 5:00 p.m. on the Completion Date (or at such other place, on such other time and/or day as the parties may agree).

INFORMATION ON THE VENDOR

SW Kingsway Capital Group Limited is a company incorporated with limited liability in British Virgin Island and a wholly-owned subsidiary of the Company. It is an investment holding company.

INFORMATION ON KCG CAPITAL

KCG Capital is a company incorporated in the British Virgin Islands with limited liability and its principal investment is KCG Securities Asia Limited, a company incorporated in Hong Kong with limited liability, which is a wholly owned subsidiary of KCG Capital, and is licensed by the SFC to engage in Type 1: Dealing in Securities, Type 4: Advising on Securities, Type 6: Advising on Corporate Finance and Type 9: Asset Management, regulated activities. To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner (other than the Vendor) are Independent Third Parties.

The following financial information is extracted from the unaudited management accounts of KCG Capital for the two years immediately preceding the date of this announcement are as follows:

	For the Year ended 31 December 2024 (Unaudited) HK$'000	**For the Year ended 31 December 2023** (Unaudited) HK$'000
Revenue	7,035	6,079
Gain / (Loss) before tax	1,611	(2,277)
Gain / (Loss) for the year	1,611	(2,277)
Total equity	57,029	55,418

The unaudited pro-forma total equity of KCG Capital as at 30 September 2025 was approximately HK$53,452,000 and the net asset value shared by the Company was approximately HK$16,036,000.

REASONS FOR AND BENEFITS OF THE DISPOSAL

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

Prior to the Disposal, the Group held a 30% shareholding interest in KCG Capital and did not participate in the active management or strategic decisions of KCG Capital. No dividend was distributed by KCG Capital in prior years. The Disposal will provide immediate liquidity to improve the Group's cash position, thereby allowing it to better structure its asset portfolio. The Group currently intends to use the proceeds from the Disposal as general working capital and cash reserve for pursuing potential investment opportunities in the future.

The consideration was determined after arm's length negotiations between the parties by reference to the latest unaudited net asset value of KCG Capital and the current market conditions. The proceeds of HK$16,100,000 to be received upon Completion are expected to strengthen the Company's general working capital base. The Directors are of the view that the Disposal is fair and reasonable, on normal commercial terms and in the best interest of the Company and its Shareholders as a whole.

FINANCIAL EFFECT OF THE DISPOSAL

The Group's investment in KCG Capital is classified as an interest in an associate in the Group's consolidated statement of financial position. As a result of the Disposal, the Company expects to recognize an unaudited gain of approximately HK$100,000, which is the difference between the aggregate consideration for the Disposal and the unaudited carrying amount of the Sale Shares.

After the Disposal, the Company will cease to hold any shareholding interest in KCG Capital and will not classify KCG Capital as an associated company.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Disposal exceed 5% but are less than 25%, the Disposal constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements 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 limited liability company incorporated in Bermuda, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 00188)
"Completion Date"	means 15 January 2026 or such other date as may be agreed in writing between the parties;
"Director(s)"	Directors of the Company
"Disposal"	Disposal of the Sale Shares pursuant to the terms and conditions of the S&P Agreement
"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
"KCG Capital"	KCG Capital Holdings Limited is the Purchaser and an associated company of the Company
"Listing Rules"	The Rules Governing the Listing of Securities on the Stock Exchange
"Purchaser"	KCG Capital is a company incorporated in the British Virgin Islands with limited liability and 30% of its current issued capital is owned by the Vendor.
"S&P Agreement"	The sale and purchase agreement entered into on 31 October 2025 between the Vendor and the Purchaser in relation to the sale and purchase of Sale Shares
"SFC"	The Securities and Futures Commission

"Sale Shares"	15,000 ordinary shares of a par value of HK$400 each in the share capital of KCG Capital, representing 30% of the issued share capital of KCG Capital to be sold pursuant to the S&P Agreement
"Shareholder(s)"	Holder(s) of share(s) of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Vendor"	SW Kingsway Capital Group Limited, a company incorporated with limited liability in British Virgin Islands and a wholly-owned subsidiary of the Company
"%"	per cent

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

Hong Kong, 31 October 2025

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 as Non-Executive Director, Robert Tsai To Sze, Elizabeth Law, Huanfei Guan and Julianne Pearl Doe as Independent Non-Executive Directors.