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If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Sunway International Holdings Limited**, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or the transferee or to the bank or stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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SUNWAY INTERNATIONAL HOLDINGS LIMITED

新威國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 58)

**PROPOSED SHARE CONSOLIDATION
AND
NOTICE OF SPECIAL GENERAL MEETING**

Financial adviser to the Company

 KINGSTON CORPORATE FINANCE

A notice convening the special general meeting of Sunway International Holdings Limited to be held at 1804, Tower 1, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong at 11:30 a.m. on Friday, 1 June 2018 (or immediately after the conclusion or the adjournment of the annual general meeting of the Company to be held at the same venue and on the same day at 11:00 a.m.) or any adjournment thereof is set out on pages SGM-1 to SGM-2 of this circular. Whether or not you intend to be present at the special general meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as practicable to the branch share registrar of Sunway International Holdings Limited in Hong Kong, Tricor Tengis Limited, located at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong and in any event not later than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the special general meeting or any adjournment thereof should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

* *For identification purposes only*

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DEFINITIONS

In this circular, the following expressions shall have the following meanings unless the context requires otherwise:

“Board”	the board of Directors
“Business Day(s)”	a day (other than a Saturday, Sunday and any day on which a tropical cyclone warning no. 8 or above is hoisted or on which a “black” rainstorm warning is hoisted between 9:00 a.m. and 5:00 p.m.) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“CCASS”	Central Clearing and Settlement System, a securities settlement system used within the Hong Kong Exchanges and Clearing Limited market system
“Circular”	this circular despatched to the Shareholders containing, among other things, details of the Share Consolidation and the notice of the SGM
“Company”	Sunway International Holdings Limited, a company incorporated in the Bermuda with limited liability, and the shares of which are listed on the Stock Exchange (Stock Code: 58)
“Consolidated Share(s)”	the ordinary share(s) of HK\$0.10 each in the share capital of the Company after the Share Consolidation becoming effective
“Director(s)”	the director(s) of the Company
“Existing Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company before the Share Consolidation becoming effective
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	2 May 2018, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“SGM”	the special general meeting of the Company to be held at 1804, Tower 1, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong at 11:30 a.m. on Friday, 1 June 2018 (or immediately after the conclusion or the adjournment of the annual general meeting of the Company to be held at the same venue and on the same day at 11:00 a.m.) or any adjournment thereof
“Shareholder(s)”	the holder(s) of Share(s)
“Share Consolidation”	the proposed consolidation of every ten Existing Shares of HK\$0.01 each in the capital of the Company into one Consolidated Share of HK\$0.10
“Share Option(s)”	the option(s) to subscribe for new shares of the Company granted under the Share Option Scheme
“Share Option Scheme”	the share option scheme adopted by the Company on 17 June 2016
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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EXPECTED TIMETABLE

The expected timetable for the Share Consolidation is set out below. The expected timetable is subject to the results of the SGM and is therefore for indicative purpose only. Any change to the expected timetable will be announced in a separate announcement by the Company as and when appropriate. All times and dates in this circular refer to Hong Kong local times and dates.

Event Date

2018

Latest date and time for lodging transfer documents in order to qualify for attending and voting at the SGM..... 4:30 p.m. on Monday, 28 May

Closure of register of members for determining the entitlement to attend and vote at the SGM from Tuesday, 29 May to Friday, 1 June (both days inclusive)

Latest date and time for lodging forms of proxy for the SGM (not less than 48 hours prior to the time of the SGM)..... 11:30 a.m. on Wednesday, 30 May

Date and time of the SGM..... 11:30 a.m. on Friday, 1 June (or immediately after the conclusion or the adjournment of the annual general meeting of the Company to be held at 11:00 a.m. on Friday, 1 June)

Announcement of poll results of the SGM Friday, 1 June

Effective date of the Share Consolidation..... Monday, 4 June

Dealing in the Consolidated Shares commences 9:00 a.m. on Monday, 4 June

Original counter for trading in the Existing Shares in board lots of 20,000 Existing Shares (in the form of existing share certificates) temporarily closes 9:00 a.m. on Monday, 4 June

Temporary counter for trading in the Consolidated Shares in board lots of 2,000 Consolidated Shares (in the form of existing share certificates) opens 9:00 a.m. on Monday, 4 June

First day of free exchange of existing share certificates for new share certificates for the Consolidated Shares Monday, 4 June

Original counter for trading in the Consolidated Shares in board lots of 20,000 Consolidated Shares (in the form of new share certificates) re-opens 9:00 a.m. on Tuesday, 19 June

EXPECTED TIMETABLE

Parallel trading in the Consolidated Shares (in the form of new share certificates for the Consolidated Shares and existing share certificates) commences..... 9:00 a.m. on Tuesday, 19 June

Designated broker starts to stand in the market to provide matching services for odd lots of the Consolidated Shares ... 9:00 a.m. on Tuesday, 19 June

Temporary counter for trading in the Consolidated Shares in board lots of 2,000 Consolidated Shares (in the form of existing share certificates) closes..... 4:00 p.m. on Tuesday, 10 July

Parallel trading in the Consolidated Shares (in the form of new share certificates for the Consolidated Shares and existing share certificates) ends 4:00 p.m. on Tuesday, 10 July

Designated broker ceases to stand in the market to provide matching services for odd lots of the Consolidated Shares 4:00 p.m. on Tuesday, 10 July

Last day for free exchange of existing share certificates for new share certificates for the Consolidated Shares 4:30 p.m. on Thursday, 12 July



SUNWAY INTERNATIONAL HOLDINGS LIMITED

新威國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 58)

Executive Directors:

Mr. Leung Chi Fai
Mr. Li Chongyang
Ms. Qi Jiao

Non-executive Directors:

Mr. Huang Weidong (*Chairman*)
Mr. Liu Chenli

Independent non-executive Directors:

Mr. Cong Yongjian
Mr. Lam Kai Yeung
Dr. Lam Huen Sum

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Principal place of business
in Hong Kong:*

Unit 1902 Cheung Kong Center
2 Queen's Road Central
Central
Hong Kong

10 May 2018

To the Shareholders

Dear Sir or Madam,

**PROPOSED SHARE CONSOLIDATION
AND
NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

Reference is made to the announcement of the Company dated 18 April 2018 in relation to the Share Consolidation.

The purpose of this circular is to provide you with information regarding resolution to be proposed at the SGM relating to the Share Consolidation and to give you the notice of the SGM.

* *For identification purpose only*

LETTER FROM THE BOARD

PROPOSED SHARE CONSOLIDATION

The Board proposes to put forward to the Shareholders a proposal of the Share Consolidation on the basis that every ten (10) issued and unissued Existing Shares of a par value of HK\$0.01 each in the share capital of the Company be consolidated into one (1) Consolidated Share of a par value of HK\$0.10 each in the share capital of the Company.

Effects of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$1,000,000,000 comprising of 100,000,000,000 Existing Shares of HK\$0.01 each, of which 6,241,363,246 Existing Shares have been issued and are fully paid or credited as fully paid. Assuming no further Existing Shares will be issued or repurchased between the Latest Practicable Date and the date of the SGM, immediately after the Share Consolidation becoming effective, the authorised share capital of the Company will become HK\$1,000,000,000 comprising of 10,000,000,000 Consolidated Shares of HK\$0.10 each, of which 624,136,324 Consolidated Shares (which are fully paid or credited as fully paid) will be in issue. Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other.

Other than the expenses to be incurred in relation to the Share Consolidation, the implementation of the Share Consolidation will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders.

Conditions of the Share Consolidation

The implementation of the Share Consolidation is conditional upon:

- (i) the passing of an ordinary resolution by the Shareholders at the SGM to approve the Share Consolidation; and
- (ii) the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares.

The Share Consolidation will become effective on the next Business Day immediately following the fulfilment of the above conditions.

Listing application

An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Consolidated Shares to be in issue upon the Share Consolidation becoming effective.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, as well as compliance with the stock admission requirements of the HKSCC, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of

LETTER FROM THE BOARD

deadlines in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the general rules of CCASS and CCASS operational procedures in effect from time to time. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares are listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time the Share Consolidation becomes effective, the Consolidated Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

Adjustments in relation to other securities of the Company

Share Options

As at the Latest Practicable Date, the Company has outstanding Share Options entitling the holders thereof to subscribe for a total of 267,800,000 Existing Shares. Under the terms and conditions of the Share Option Scheme, the Share Consolidation may lead to adjustments to the number of shares of the Company available for issue under the unutilised scheme limit of the Share Option Scheme, and/or the exercise price and/or the number of shares of the Company falling to be issued upon the exercise of the Share Options outstanding. The Company will make further announcement(s) on such adjustment(s) as and when appropriate.

Convertible notes

As at the Latest Practicable Date, the Company had convertible notes with principal amount of HK\$30,000,000. Based on the opinions obtained from the legal advisers of the Company, in view of the on-going legal proceedings, the Company maintains the position that all remaining convertible notes of the Company are void and are not capable of converting into shares of the Company.

REASONS FOR THE SHARE CONSOLIDATION

Pursuant to Rule 13.64 of the Listing Rules, where the market price of the securities of the issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the Stock Exchange reserves the right to require the issuer either to change the trading method or proceed with a consolidation or splitting of securities. In this regards, the Share Consolidation would enable the Company to comply with the trading requirements of the Listing Rules and facilitate the Company to proceed with any possible fund raising exercise.

In view of the prevailing trading price of the Existing Shares, the Board proposes to implement the Share Consolidation. It is expected that the Share Consolidation would bring about a corresponding upward adjustment in the trading price of the Consolidated Shares on the Stock Exchange. Furthermore, as the theoretical market value of each new board lot of the Consolidated Shares upon the Share Consolidation becoming effective will be higher than the market value of each existing board lot of the Existing Shares, the transaction cost as a

LETTER FROM THE BOARD

proportion of the market value of each board lot will be lower. The Board considers that the Share Consolidation would enable the Company to comply with the trading requirements under the Listing Rules and is beneficial to and in the interest of the Company and the Shareholders as a whole. Following the Share Consolidation becoming effective, depending on the then market circumstances and the Company's needs of funds, the Company may consider possible equity fund raising activities. The Company will make further announcement(s) as and when appropriate pursuant to the Listing Rules.

OTHER ARRANGEMENTS

Fractional entitlement to Consolidated Shares following the Share Consolidation

Fractional Consolidated Shares will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Existing Shares of the Company regardless of the number of share certificates held by such holder.

Board lot size

Currently, the Existing Shares are traded on the Stock Exchange in the board lot size of 20,000 Existing Shares. Upon the Share Consolidation becoming effective, the board lot size for trading in the Consolidated Shares will remain as 20,000 Consolidated Shares.

Based on the closing price of HK\$0.027 per Existing Share (equivalent to the theoretical closing price of HK\$0.27 per Consolidated Share) as quoted on the Stock Exchange on the Latest Practicable Date, the value of each board lot of the Existing Shares is HK\$540 and the theoretical market value of each board lot of the Consolidated Shares, assuming the Share Consolidation had become effective, would be HK\$5,400.

Arrangement on odd lot trading

In order to facilitate the trading of odd lots (if any) of the Consolidated Ordinary Shares, the Company has appointed Kingston Securities Limited as an agent to provide matching services, on a best effort basis regarding the sale and purchase of odd lots of Consolidated Ordinary Shares from 9:00 a.m. on Tuesday, 19 June 2018 to 4:00 p.m. on Tuesday, 10 July 2018 (both dates inclusive). Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares should contact Mr. James Lee of Kingston Securities Limited at Suite 2801, 28th Floor, One IFC, 1 Harbour View Street, Central, Hong Kong (telephone number: 2298 6228) during the office hours of such period.

Holders of odd lots of the Consolidated Ordinary Shares should note that the matching of the sale and purchase of odd lots of the Consolidated Ordinary Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional advisers.

LETTER FROM THE BOARD

Exchange of share certificates for Consolidated Ordinary Shares

Subject to the Share Consolidation becoming effective, which is currently expected to be on Monday, 4 June 2018, being the Business Day immediately after the date of the SGM, Shareholders may during the period from Monday, 4 June 2018 to Thursday, 12 July 2018 (both days inclusive), submit their existing share certificates in yellow colour for the Existing Shares to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong to exchange for new share certificates in green colour for the Consolidated Shares at the expense of the Company.

Shareholders should note that after the prescribed time for free exchange of share certificates, a fee of HK\$2.50 (or such higher amount as may from time to time be allowed by the Stock Exchange) will be payable by the Shareholders to the share registrar for each existing share certificate for the Existing Shares submitted for cancellation or each new share certificate issued for the Consolidated Shares, whichever the number of share certificates involved is higher.

After Tuesday, 10 July 2018, trading will only be in Consolidated Shares which share certificates will be issued in green colour. Existing share certificates in yellow colour for the Existing Shares will cease to be valid for trading and settlement purpose, but will remain valid and effective as documents of title.

SPECIAL GENERAL MEETING

The SGM will be held at 1804, Tower 1, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong at 11:30 a.m. on Friday, 1 June 2018 (or immediately after the conclusion or the adjournment of the annual general meeting of the Company to be held at the same venue and on the same day at 11:00 a.m.) for the purpose of considering and if thought fit, to approve the resolution regarding the proposed Share Consolidation as set out in the notice of the SGM on pages SGM-1 to SGM-2 of this circular.

A form of proxy for use at the SGM is enclosed. Whether or not you are able to attend the SGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

VOTING AT THE SPECIAL GENERAL MEETING

Pursuant to Rule 13.39 of the Listing Rules, all votes of the Shareholders at the general meetings must be taken by poll. Therefore the chairman of the meeting will demand a poll on the resolution put to vote at the SGM.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Board considers that the proposed resolution in relation to the Share Consolidation to be put forward at the SGM is in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends all Shareholders to vote in favour of the resolution to be proposed at the SGM.

By order of the Board
Sunway International Holdings Limited
新威國際控股有限公司*
Leung Chi Fai
Executive Director and Company Secretary

NOTICE OF SPECIAL GENERAL MEETING



SUNWAY INTERNATIONAL HOLDINGS LIMITED

新威國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 58)

NOTICE IS HEREBY GIVEN that the special general meeting of Sunway International Holdings Limited (the “Company”) will be held at 1804, Tower 1, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong at 11:30 a.m. on Friday, 1 June 2018 (or immediately after the conclusion or the adjournment of the annual general meeting of the Company to be held at the same venue and on the same day at 11:00 a.m.) for the following purpose:

ORDINARY RESOLUTION

1. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution of the Company:

“(i) **THAT** subject to and conditional upon The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the Consolidated Shares (as defined below) arising from the Share Consolidation (as defined below), with effect from the first business day immediately following the date on which this resolution is passed:

(a) every ten (10) issued and unissued ordinary shares of HK\$0.01 each in the share capital of the Company be consolidated into one (1) consolidated share of HK\$0.10 (the “Consolidated Share”) (the “Share Consolidation”); and

(b) all fractional Consolidated Shares will be disregarded and not be issued to the holders of the Existing Shares but will be aggregated and, if possible, sold for the benefit of the Company; and

(ii) the directors of the Company (the “Director(s)”) be and are hereby authorised to do all such acts and things and execute all such documents as they may consider necessary, desirable or expedient to give effect to or in connection with the Share Consolidation including, without limitation, to aggregate all

* *For identification purpose only*

NOTICE OF SPECIAL GENERAL MEETING

fractional Consolidated Shares arising from the Share Consolidation (if any) and sell them for the benefit of the Company.”

By Order of the board of Directors
Sunway International Holdings Limited
新威國際控股有限公司*
Leung Chi Fai
Executive Director and Company Secretary

Hong Kong, 10 May 2018

Registered Office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or if he holds two or more shares, more than one proxy to attend and vote in his stead. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong together with a power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney, not less than 48 hours before the time for holding the meeting or any adjournment thereof.
3. Where there are joint holders of a share of the Company, any one of such holders may vote at the meeting, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such holders are present at the meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding. Several executors or administrators of a deceased member in whose name any share stands shall for this purpose be deemed joint holders thereof.
4. The register of members of the Company will be closed from Tuesday, 29 May 2018 to Friday, 1 June 2018, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for attending the forthcoming special general meeting, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. on Monday, 28 May 2018.
5. If Typhoon Signal No. 8 or above, or a "black" rainstorm warning is in effect any time after 9:30 a.m. on the date of the special general meeting, the meeting will be rescheduled. The Company will post an announcement on the website of the Company at www.irasia.com/listco/hk/sunway/index.htm and on the HKEXnews website of the Stock Exchange at www.hkexnews.hk to notify the shareholders of the Company of the date, time and place of the rescheduled meeting.

As at the date hereof, the board of Directors comprises three executive Directors, namely, Mr. Leung Chi Fai, Mr. Li Chongyang and Ms. Qi Jiao, two non-executive Directors, namely, Mr. Huang Weidong (Chairman) and Mr. Liu Chenli and three independent non-executive Directors, namely, Mr. Cong Yongjian, Mr. Lam Kai Yeung and Dr. Lam Huen Sum.

* For identification purpose only