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太陽國際資源有限公司
SUN INTERNATIONAL RESOURCES LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 8029)

**MEMORANDUM OF UNDERSTANDING
IN RELATION TO THE POSSIBLE ACQUISITION**

The Board announces that on 12 May 2017, the Purchaser, a wholly-owned subsidiary of the Company, and the Vendors entered into the non-legally binding MOU relation to the Possible Acquisition.

The Board wishes to emphasise that no binding agreement in relation to the Possible Acquisition has been entered into by the Vendors and the Purchaser as at the date of this announcement. As such, the Possible Acquisition may or may not proceed. If the Possible Acquisition materialises, it will constitute a notifiable and connected transaction on the part of the Company under the GEM Listing Rules.

Shareholders and investors are urged to exercise caution when dealing in the securities of the Company. Further announcement in respect of the Possible Acquisition will be made by the Company in compliance with the GEM Listing Rules as and when appropriate.

This announcement is made by the Company pursuant to Rule 17.10 of the GEM Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board announces that on 12 May 2017, the Purchaser, a wholly-owned subsidiary of the Company, and the Vendors entered into the non-legally binding MOU in respect of the Possible Acquisition.

THE MOU

Date: 12 May 2017

Vendors: (1) Eminent Crest Holdings Limited, as Vendor A;
(2) Peak Stand Holdings Limited, as Vendor B; and
(3) Sheen Light Holdings Limited, as Vendor C

Purchaser: Galileo Capital Group (BVI) Limited, a wholly-owned subsidiary of the Company

The Vendors are companies incorporated in BVI with limited liability and are principally engaged in investment holding. As at the date of this announcement, each of the Vendors is beneficially owned as to 50% by Mr. Chau and as to 50% by Mr. Cheng, an executive Director and the chairman of the Company. Each of Mr. Chau and Mr. Cheng indirectly holds approximately 47.05% of the issued share capital of the Company. Accordingly, each of the Vendors is a connected person of the Company under the GEM Listing Rules.

Subject matter

Pursuant to the MOU, subject to the to the terms and conditions of the Sale and Purchase Agreement, the Vendors shall as beneficial owners sell and the Purchaser shall purchase the Sale Shares, representing the entire issued share capital of the Target Company, free from all Encumbrances and together with all rights attaching thereto, including all dividends and distributions declared, made or paid after the date of Completion.

Consideration

The total consideration for the Sale Shares will be determined after arm's length negotiations between the parties to the MOU and will be set out in the Sale and Purchase Agreement.

The consideration shall be settled by the Purchaser by way of cash at Completion and/or procuring the Company to issue promissory notes and/or such other methods agreed between the parties thereto.

Sale and Purchase Agreement

The Vendors and the Purchaser shall negotiate in good faith towards one another in ensuring that the Sale and Purchase Agreement be entered into as soon as possible and in any event, on or before the date falling three months from the date of the MOU or such later date as the Vendors and the Purchaser may agree.

The MOU shall expire upon the expiry of three months from the date of the MOU (or such later date as the Vendors and the Purchaser may agree) or upon the execution of the Sale and Purchase Agreement, whichever is earlier.

Conditions precedent to the Possible Acquisition

Completion of the Possible Acquisition is conditional upon:

- (i) the Purchaser being satisfied with the results of the due diligence review to be conducted pursuant to the MOU;
- (ii) the approval by the independent Shareholders at an extraordinary general meeting of the Sale and Purchase Agreement and the transactions contemplated thereunder; and
- (iii) any other conditions agreed by the Vendors and Purchaser to be set out in the Sale and Purchase Agreement.

Due diligence review

The Purchaser shall and shall procure that its advisers and agents shall, forthwith upon the signing of the MOU, conduct such review of the assets, indebtedness, operations and other aspects of the Target Company as it may consider appropriate and the Vendors shall provide and procure the Target Company and its agents to provide such assistance as the Purchaser and its advisers and agents may require in connection with such review.

Exclusivity

In consideration of the expenses to be incurred by the Purchaser in the negotiation of the MOU and in conducting its due diligence review, the Vendors will not, and will procure that the Target Company and its directors, officers, employees, representatives and agents will not, directly or indirectly, for a period of three months from the date of the MOU (or such other period to be agreed by the parties thereto) (i) solicit, initiate or encourage inquiries or offers from, or (ii) initiate or continue negotiations or discussions with or furnish any information to, or (iii) enter into any agreement or statement of intent or understanding with, any person or entity other than the Purchaser with respect to the sale or other disposition of the Sale Shares or the sale, subscription, or allotment of any part thereof or any other shares of the Target Company. If the Target Company or the Vendors receive any such inquiry or offer, the Vendors will promptly notify the Purchaser.

REASONS FOR THE POSSIBLE ACQUISITION

The Company is an investment holding company. The Group is principally engaged in the provision of computer software services, equine services, the provision of type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities), type 5 (advising on futures contracts) and type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) in Hong Kong, and the money lending business.

The Target Company is principally engaged in the provision of money lending business.

The Directors consider that the Possible Acquisition, if materialises, represents a good opportunity for the Group to strengthen the development of money lending business of the Group and enhance future Shareholders' return following the Possible Acquisition. Accordingly, the Directors are of the view that the terms of the MOU are fair and reasonable and the Possible Acquisition is in the interests of the Company and Shareholders as a whole.

GENERAL

The MOU does not constitute legally-binding commitment in respect of the Possible Acquisition. The Possible Acquisition is subject to, among others, the execution and Completion of the Sale and Purchase Agreement. The Board wishes to emphasise that no binding agreement in relation to the Possible Acquisition has been entered into by the Vendors and the Purchaser as at the date of this announcement. As such, the Possible Acquisition may or may not proceed.

If the Possible Acquisition materialises, it will constitute a notifiable and connected transaction on the part of the Company under the GEM Listing Rules. Further announcement(s) will be made by the Company in accordance with all applicable requirements of the GEM Listing Rules as and when appropriate.

Shareholders and investors are urged to exercise caution when dealing in the securities of the Company. Further announcement in respect of the Possible Acquisition will be made by the Company in compliance with the GEM Listing Rules as and when appropriate.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings:

“Board”	the board of Directors
“BVI”	the British Virgin Islands
“Company”	Sun International Resources Limited, a company incorporated in the Cayman Islands with limited liability whose issued shares are listed on GEM
“Completion”	completion of the sale and purchase of the Sale Shares in accordance with the terms and conditions of the Sale and Purchase Agreement
“connected person”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“Encumbrance”	any mortgage, charge, pledge, lien (otherwise than arising by statute or operation of law), hypothecation or other encumbrance, priority or security interest, deferred purchase, title retention, leasing, sale-and-purchase, sale-and-leaseback arrangement over or in any property, assets or rights of whatsoever nature or interest of any agreement for any of the same
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“MOU”	the non-legally binding memorandum of understanding dated 12 May 2017 and entered into between the Vendors and the Purchaser setting out the preliminary understanding in relation to the Possible Acquisition

“Mr. Chau”	Mr. Chau Cheok Wa, a controlling Shareholder
“Mr. Cheng”	Mr. Cheng Ting Kong, an executive Director, the chairman of the Company and a controlling Shareholder
“Possible Acquisition”	the Possible Acquisition by the Purchaser from the Vendors of the Sale Shares as contemplated under the MOU
“Purchaser”	Galileo Capital Group (BVI) Limited, a company incorporated in BVI with limited liability and a wholly-owned subsidiary of the Company
“Sale and Purchase Agreement”	the formal sale and purchase agreement which may or may not be entered into between the Vendors and the Purchaser in relation to the Possible Acquisition
“Sale Shares”	375,000,000 ordinary shares in the share capital of the Target Company, of which 142,500,000 shares, 217,500,000 shares and 15,000,000 shares are legally and beneficially owned by Vendor A, Vendor B and Vendor C respectively, being the entire issued share capital of the Target Company
“Share(s)”	ordinary share(s) of HK\$0.04 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Sun Finance Company Limited, a company incorporated in Hong Kong with limited liability and a licensed money lender
“Vendor A”	Eminent Crest Holdings Limited, a company incorporated in BVI with limited liability
“Vendor B”	Peak Stand Holdings Limited, a company incorporated in BVI with limited liability
“Vendor C”	Sheen Light Holdings Limited, a company incorporated in BVI with limited liability

“Vendors” collectively, Vendor A, Vendor B and Vendor C

“HK\$” Hong Kong dollars, the lawful currency for the time being of Hong Kong

By order of the Board
Sun International Resources Limited
Cheng Ting Kong
Chairman

Hong Kong, 12 May 2017

As at the date of this announcement, the Board comprises three executive directors, namely, Mr. Cheng Ting Kong, Ms. Cheng Mei Ching and Mr. Lui Man Wah and three independent non-executive Directors, namely, Mr. Chan Tin Lup, Trevor, Mr. Tou Kin Chuen and Mr. Jim Ka Shun.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the issuer. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement 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 document misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of posting and on the designed website of this Company at <http://www.sun8029.com/>.