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太陽國際集團有限公司
SUN INTERNATIONAL GROUP LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 8029)

ANNOUNCEMENT IN RELATION TO
(1) DISPOSAL COMPLETION
(2) SUBSCRIPTION COMPLETION
(3) UPDATE ON THE SHARE SALE AGREEMENT

Reference is made to (i) the circular (the “**Circular**”) of Sun International Group Limited (the “**Company**”) dated 6 June 2019 in relation to the Disposal, the Share Sale, the Master Service Agreement, the Subscription, the transactions contemplated respectively thereunder, the Special Deals and the Whitewash Waiver; and (ii) the announcement of the Company dated 24 June 2019 in relation to the poll results of the extraordinary general meeting of the Company held on 24 June 2019, the grant of consent to the Special Deals and the grant of the Whitewash Waiver. Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as those defined in the Circular.

DISPOSAL COMPLETION

The Board is pleased to announce that all conditions precedent in respect of the Disposal set out under the section headed “Disposal Agreement – Conditions Precedent” in the “Letter from the Board” in the Circular have been fulfilled, and Disposal Completion took place on 28 June 2019 contemporaneously with Subscription Completion.

At Disposal Completion, the Disposal Vendor, the Disposal Purchaser, the Company, Chau’s Holdings, Cheng Family Investment Holdings, the Subscriber and the PN Holders entered into the Deed of Consideration Settlement, pursuant to which, among others, the whole amount of the Consideration payable by the Disposal Purchaser was set off against part of the principal amount of the Promissory Note 4 in the amount of HK\$7,977,386.44, the outstanding interest accrued up to 31 December 2018 of the Promissory Note 2 in the amount of HK\$9,127,954, the outstanding interest accrued up to 31 December 2018 of the Promissory Note 3 in the amount of HK\$13,932,140.28 and the outstanding interest accrued up to 31 December 2018 of the Promissory Note 4 in the amount of HK\$960,837.28.

With effect from Disposal Completion, the Disposal Vendor ceased to have any interest in the Sale Interest and the Company will cease to pursue the Litigation.

SUBSCRIPTION COMPLETION

The Board is pleased to announce that all conditions precedent in respect of the Subscription set out under the section headed “Subscription Agreement – Conditions Precedent” in the “Letter from the Board” in the Circular have been fulfilled, and Subscription Completion took place on 28 June 2019 contemporaneously with Disposal Completion.

At Subscription Completion, the Disposal Vendor, the Disposal Purchaser, the Company, Chau’s Holdings, Cheng Family Investment Holdings, the Subscriber and the PN Holders entered into the Deed of Consideration Settlement, pursuant to which, among others, (a) the whole amount of the Subscription Monies payable by the Subscriber was set off against (i) the entire principal amount of the Chau’s Holdings Loan in the amount of HK\$59,493,476.63; (ii) the entire principal amount of the Cheng Family Investment Holdings Loan in the amount of HK\$59,485,976.63; (iii) all the outstanding interests accrued up to 31 December 2018 of the Promissory Note 1 in an aggregate amount of HK\$4,731,754.45; (iv) the entire principal amount of the Promissory Note 1 in the amount of HK\$128,695,259; (v) part of the principal amount of the Promissory Note 2 in the amount of HK\$9,665,460.74; and (vi) part of the principal amount of the Promissory Note 4 in the amount of HK\$7,142,613.56; and (b) Chau’s Holdings shall assume a liability owing to Cheng Family Investment Holdings in the amount of HK\$8,400,286.65.

At Subscription Completion, the Company and the PN Holders entered into the Deed of Extension and Waiver, pursuant to which, among others, (i) each of the PN Holder 1 and the PN Holder 4 agreed to waive all the interest accrued on the Promissory Note 1 and the Promissory Note 4 respectively from 1 January 2019 to the date of Subscription Completion; (ii) each of the PN Holder 2 and the PN Holder 3 agreed to extend the maturity date of the Promissory Note 2 and the Promissory Note 3 respectively from 31 January 2021 to 31 January 2023; and (iii) each of the PN Holder 2 and the PN Holder 3 agreed to waive all the interest accrued and to be accrued on the Promissory Note 2 and the Promissory Note 3 respectively from 1 January 2019 to 31 January 2023.

Upon Subscription Completion, a total of 780,332,000 Subscription Shares have been allotted and issued to the Subscriber at the Subscription Price of HK\$0.345 per Subscription Share. Accordingly, immediately after Subscription Completion, there are 2,171,732,000 Shares in issue.

Upon Disposal Completion and Subscription Completion, (i) the Promissory Note 1, the Promissory Note 4 and the outstanding interest accrued on the Promissory Notes up to 31 December 2018 is set off in full; (ii) the outstanding principal amount of the Promissory Note 2 is reduced from HK\$143,640,000 to HK\$133,974,539.26; (iii) the outstanding principal amount of the Promissory Note 3 remains at HK\$219,240,000; (iv) the interest accrued or to be accrued on the Promissory Note 1 and the Promissory Note 4 from 1 January 2019 to the date of Subscription Completion is waived by the PN Holder 1 and the PN Holder 4 respectively; (v) the maturity date of each of the Promissory Note 2 and the Promissory Note 3 is extended from 31 January 2021 to 31 January

2023; and (vi) the interest accrued or to be accrued on the Promissory Note 2 and the Promissory Note 3 from 1 January 2019 to 31 January 2023 is waived by the PN Holder 2 and the PN Holder 3 respectively.

UPDATE ON THE SHARE SALE AGREEMENT

As additional time is required to finalise the Completion Balance Sheet for the purpose of determining the amount of the Purchase Price, the Share Sale Vendor and the Share Sale Purchaser agreed that Share Sale Completion shall take place on or before 31 July 2019. Further announcement in relation to the Share Sale Completion will be made by the Company as and when appropriate in compliance with the GEM Listing Rules and the Takeovers Code, including but not limited to when the Completion Balance Sheet is prepared and Share Sale Completion takes place.

CHANGES IN THE SHAREHOLDING OF THE COMPANY

Set out below is a table showing the shareholding structure of the Company (i) immediately before Subscription Completion; and (ii) immediately upon Subscription Completion.

Shareholders	Immediately before Subscription Completion		Immediately upon Subscription Completion	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
The Subscriber and parties acting in concert with it:				
– The Subscriber	654,677,040	47.05	1,435,009,040	66.08
– Parties acting in concert with the Subscriber	–	–	–	–
Sub-total	654,677,040	47.05	1,435,009,040	66.08
Public Shareholders	736,722,960	52.95	736,722,960	33.92
Total	<u>1,391,400,000</u>	<u>100.00</u>	<u>2,171,732,000</u>	<u>100.00</u>

Note: The Subscriber is beneficially owned as to 50% by Mr. Cheng and as to 50% by Mr. Chau. Accordingly, both Mr. Cheng and Mr. Chau are deemed under the SFO to be interested in the 1,435,009,040 Shares beneficial owned by the Subscriber.

By Order of the Board
Sun International Group Limited
Cheng Ting Kong
Chairman

Hong Kong, 28 June 2019

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 Company. 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 announcement misleading.

This announcement includes particulars given in compliance with the Takeovers Code for the purpose of giving information with regard to the Group. The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than those relating to the Disposal Purchaser, the Share Sale Purchaser and the Subscriber) and confirm having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the respective directors of the Disposal Purchaser, the Share Sale Purchaser and the Subscriber) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

The directors of the Disposal Purchaser, namely, Ms. To Hoi Man and the spouse of Mr. Cheng, Ms. Yeung So Mui, and Mr. Cheng jointly and severally accept full responsibility for the accuracy of the information relating to the Disposal Purchaser contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed by the directors of the Disposal Purchaser in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

The directors of the Share Sale Purchaser, namely, Mr. Cheng and his spouse, Ms. Yeung So Mui, jointly and severally accept full responsibility for the accuracy of the information relating to the Share Sale Purchaser contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed by the directors of the Share Sale Purchaser in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

The directors of the Subscriber, namely Mr. Cheng and Mr. Chau, jointly and severally accept full responsibility for the accuracy of the information relating to the Subscriber contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed by the directors of the Subscriber in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for a minimum period of seven days from the date of publication and on the Company’s website at <http://www.sun8029.com/>.