

The 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.

This announcement appears for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company.

*This announcement is not for distribution, directly or indirectly, in or into the United States. This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The Shares mentioned in this announcement have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the “**Securities Act**”) and may not be offered or sold in the United States except pursuant to registration or an exemption from the registration requirements of the Securities Act. No public offering of the Shares will be made in the United States.*



Sunshine 100 China Holdings Ltd

陽光100中國控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2608)

ISSUE OF NEW SHARES UNDER GENERAL MANDATE

ISSUE OF NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that on 18 December 2017 (after trading hours), the Company entered into the subscription agreement (the “**Subscription Agreement**”) with the Subscriber in relation to the issue of the Subscription Shares. Pursuant to the Subscription Agreement, the Subscriber agreed to subscribe for a total of 235,055,000 new Subscription Shares, at a price of HK\$3.10 per Subscription Share.

235,055,000 Subscription Shares under the Subscription represent approximately 9.89% of the existing issued share capital of the Company of 2,376,681,625 Shares as at the date of this announcement and approximately 9.00% of the issued share capital of the Company of 2,611,736,625 Shares as enlarged by the Subscription Shares.

The gross proceeds from the Subscription will be HK\$728,670,500. The net proceeds from the Subscription, after deduction of expenses, will be approximately HK\$716,670,500, respectively. The Company intends to apply the net proceeds from the Subscription in the manner set out in the paragraph headed “Reasons for the Subscription and Use of Proceeds” of this announcement.

The Subscription Shares will be allotted and issued under the General Mandate. The Company will apply to the Stock Exchange for approval for the listing of, and permission to deal in, the Subscription Shares.

DEED OF COMPENSATION

On 18 December 2017 (after trading hours), Joywise entered into the Deed of Compensation in favour of the Subscriber, pursuant to which Joywise will compensate the Subscriber in cash where the sale proceeds is less than the reference proceeds in respect of the disposal of any of the Subscription Shares during the Compensation Period.

Completion of the Subscription is subject to the satisfaction (or waiver) of the Conditions set out in the Subscription Agreement. As the Subscription may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

ISSUE OF NEW SHARES UNDER GENERAL MANDATE

On 18 December 2017 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Subscriber shall subscribe for 235,055,000 Subscription Shares at the Subscription Price of HK\$3.10 per Subscription Share. Details of the Subscription Agreement are set out below:

THE SUBSCRIPTION AGREEMENT

Date: 18 December 2017 (after trading hours)

Parties: (i) the Company (as issuer); and
(ii) the Subscriber.

The Company has conditionally agreed to allot and issue, and the Subscriber shall, in reliance on the Company's Warranties, subscribe for the Subscription Shares at the Subscription Price.

Subscriber

The Subscriber is a wholly-owned subsidiary of Huarong International Financial Holdings Limited. The Subscriber and its ultimate beneficial owner are third parties independent of the Company and its connected persons. Upon completion of the Subscription, the Subscriber together with its associates (as defined in Chapter 14A of the Listing Rules) will not become a substantial shareholder of the Company.

Subscription Shares

235,055,000 new Shares to be subscribed by the Subscriber representing: (i) 9.89% of the total issued share capital of the Company of 2,376,681,625 Shares as at the date of this announcement; and (ii) approximately 9.00% of the issued share capital of the Company of 2,611,736,625 Shares as enlarged by the allotment and issuance of all the Subscription Shares. The aggregate nominal value of the Subscription Shares is approximately HK\$2,350,550.

Subscription Price

The Subscription Price of HK\$3.10 per Subscription Share represents: (i) a discount of approximately 10.66% to the closing price of HK\$3.47 per Share as quoted on the Stock Exchange on 15 December 2017; (ii) a discount of approximately 10.35% over the average closing price of approximately HK\$3.458 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Subscription Agreement; and (iii) a discount of approximately 10.14% over the average closing price of approximately HK\$3.45 per Share as quoted on the Stock Exchange for the last twenty consecutive trading days immediately prior to the date of the Subscription Agreement.

The Subscription Price was arrived at after arm's length negotiations between the Company and the Subscriber with reference to the prevailing market price and the recent trading performance of the Shares. The Directors consider that the Subscription Price and the terms of the Subscription Agreement are fair and reasonable, on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

Ranking of the Subscription Shares

The Subscription Shares, when allotted and issued, will rank pari passu in all respects among themselves and with the Shares in issue on the date of allotment and issuance of the Subscription Shares.

Conditions of the Subscription

The Subscription is conditional upon the fulfilment of the following conditions:

- (i) the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Subscription Shares, and such approval not having been revoked;
- (ii) the Company's Warranties and the Subscriber's Warranties having remained true and accurate in all material respects; and
- (iii) other internal requirements and/or procedures of Huarong International Financial Holdings Limited having been satisfied.

In the event that any of the above conditions is not fulfilled or waived on or before 31 March 2018 (or such other date as may be agreed between the Company and the Subscriber), the Subscription Agreement shall lapse and neither the Company nor the Subscriber shall have any claim against the other for costs, damages, compensation or losses (save for any accrued rights and obligations of the Company and the Subscriber and shall be without prejudice to the continued application of certain clauses of the Subscription Agreement).

Completion of the Subscription

Completion of the Subscription shall take place no later than the third Business Day following the satisfaction or waiver of all the conditions as set out in the Subscription Agreement (or such other date as the Company and the Subscriber shall agree).

APPLICATION FOR LISTING

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

GENERAL MANDATE TO ISSUE THE SUBSCRIPTION SHARES

The Subscription Shares will be allotted and issued pursuant to the General Mandate. The maximum number of Shares that can be issued under the General Mandate is 475,000,000 Shares. The General Mandate is sufficient for the allotment and issue of all the Subscription Shares. As such, the issue of the Subscription Shares is not subject to further Shareholders' approval. The General Mandate will be utilized as to approximately 49.49% upon the allotment and issue of all the Subscription Shares.

DEED OF COMPENSATION

On 18 December 2017 (after trading hours), Joywise entered into the Deed of Compensation in favour of the Subscriber, pursuant to which Joywise will compensate the Subscriber in cash where the sale proceeds is less than the reference proceeds in respect of the disposal of any of the Subscription Shares during the Compensation Period.

CHANGES IN THE SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief, the shareholding structure of the Company (a) as at the date of this announcement; and (b) immediately upon completion of the Subscription (assuming there is no other change in the issued share capital of the Company from the date of this announcement to the date of completion of the Subscription) are as follows:

	As at the date of this announcement		Upon completion of the Subscription	
	Number of Shares	Approximate percentage of shareholding	Number of Shares	Approximate percentage of shareholding
Joywise (<i>Note</i>)	1,381,375,012	58.12%	1,381,375,012	52.89%
Public:				
Subscriber	–	–	235,055,000	9.00%
Other Public Shareholders	995,306,613	41.88%	995,306,613	38.11%
Total	<u>2,376,681,625</u>	<u>100%</u>	<u>2,611,736,625</u>	<u>100%</u>

Note: 40% and 60% of the issued share capital of Joywise are held by Ming Fai International Limited (“**Ming Fai**”) and Harvest Well Holdings Limited (“**Harvest Well**”), respectively. 72.4% of the issued share capital of each of Ming Fai and Harvest Well are held by Fantasy Races Limited. Thus, Ming Fai, Harvest Well and Fantasy Races Limited are deemed under the SFO to be interested in the Shares held by Joywise. Certain Directors, including Mr. YI Xiaodi, Mr. FAN Xiaochong and Ms. FAN Xiaohua, are also deemed under the SFO to be interested in the Shares held by Joywise by virtue of being founders of discretionary trusts and parties to concert party agreements. Please refer to the Company's annual report published on 28 April 2017 for details.

Immediately following completion of the Subscription, the Company will continue to comply with the public float requirement under Rule 8.08 of the Listing Rules.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION AND USE OF PROCEEDS

The Group is principally engaged in the business of property investment, property development and property management.

The gross proceeds from the Subscription will be HK\$728,670,500. The net proceeds, after deduction of all relevant expenses (including but not limited to legal expenses and disbursements) incidental to the Subscription of approximately HK\$12,000,000, are estimated to be approximately HK\$716,670,500, representing a net issue price of approximately HK\$3.05 per Subscription Share.

The Directors consider that the Subscription represents an opportunity to raise additional funding for the business operations of the Group and will strengthen the Group's financial position. The Company intends to apply the net proceeds from the Subscription as general working capital of the Group to repay loans, to develop new real estate-related businesses and for general corporate purposes (including property development and project acquisition).

The Directors consider that the Subscription Agreement is entered into following arm's length negotiations between the Company and the Subscriber and the terms of the Subscription Agreement (including the Subscription Price) are fair and reasonable, on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

As the Subscription may or may not proceed, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

EQUITY FUND RAISING ACTIVITIES DURING THE PAST TWELVE MONTHS

The Company did not undertake any equity fund raising exercise in the 12 months immediately preceding the date of this announcement, but undertook the following debt raising activity during such period:

The Company issued 8.50% senior notes due 2020 (the "Notes") with a total principal amount of US\$235,000,000 on 27 September 2017. The Notes are listed on the Singapore Exchange Securities Trading Limited. The net proceeds raised from the issuance of the Notes were approximately US\$232,600,000. The net proceeds from the issuance of the Notes were applied towards the repayment of certain of the Company's existing indebtedness and for general corporate purposes.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

"Board"	the board of Directors
"Business Day"	any day (excluding a Saturday, Sunday or a public holiday) on which banks are open for business in Hong Kong
"Company"	Sunshine 100 China Holdings Ltd (陽光100 中國控股有限公司), a company incorporated in Cayman Islands, the shares of which are listed on the Main Board of the Stock Exchange

“Compensation Period”	means a period of six months ending on the last day of a three-year period from Completion
“Completion”	completion of the subscription for the Subscription Shares by the Subscriber pursuant to Subscription Agreement
“Deed of Compensation”	the deed of compensation entered into by Joywise and the Subscriber on 18 December 2017 (after trading hours)
“Directors”	the director(s) of the Company
“General Mandate”	the general mandate granted to the Directors by the Shareholders at the annual general meeting on 26 June 2017 to allot and issue and deal with 20% of the then issued share capital of the Company as at the date of the annual general meeting representing 475,000,000 Shares
“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 PRC
“Joywise”	Joywise Holdings Limited, a limited liability company incorporated in the British Virgin Islands, and a controlling shareholder (as defined in the Listing Rules) of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China and for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Share(s)”	the issued and fully paid shares of the Company, all of which are listed on the Stock Exchange
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subscriber”	Beyond Steady Limited, a limited liability company incorporated in the British Virgin Islands, and a wholly-owned subsidiary of Huarong International Financial Holdings Limited, the shares of which are listed on the Stock Exchange
“Subscription”	subscription for the Subscription Shares by the Subscriber
“Subscription Agreement”	the subscription agreement entered into by the Company and the Subscriber on 18 December 2017
“Subscription Price”	HK\$3.10 per Subscription Share
“Subscription Shares”	235,055,000 new Shares to be subscribed by the Subscriber and issued by the Company at the Subscription Price pursuant to the Subscription Agreement
“United States” or “US”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“US\$”	United States dollars, the lawful currency of the United States
“Warranties”	warranties given by the Company and/or the Subscriber pursuant to the Subscription Agreement

By Order of the Board
Sunshine 100 China Holdings Ltd
YI Xiaodi
Chairman and Executive Director

Beijing, the PRC
18 December 2017

As at the date of this announcement, our executive directors are Mr. YI Xiaodi and Mr. FAN Xiaochong, the non-executive directors of the Company are Ms. FAN Xiaohua and Mr. WANG Gongquan, and the independent non-executive directors of the Company are Mr. GU Yunchang, Mr. NG Fook Ai, Victor and Mr. WANG Bo.