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# **SUNNY GLOBAL HOLDINGS LIMITED**

## **新怡環球控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 1094)

### **(1) SUBSCRIPTION OF NEW SHARES AND (2) RESUMPTION OF TRADING**

On 13 March 2007, the Company entered into the Subscription Agreement with the Subscriber pursuant to which the Subscriber has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue 50,000,000 Shares in cash at the Subscription Price of HK\$0.10 per Subscription Share.

The Subscription Price of HK\$0.10 per Subscription Share represents: (i) a discount of approximately 4.76% to the closing price of HK\$0.105 per Share as quoted on the Stock Exchange on 13 March 2007, being the date of the Subscription Agreement and the date on which the terms of the Subscription were fixed; and (ii) a discount of approximately 3.85% to the average closing price of approximately HK\$0.104 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to 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 recent trading performance of the Shares. The Directors consider that the Subscription Price and the terms of the Subscription Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

The Subscription Shares represent approximately 3.40% of the existing issued share capital of the Company and approximately 3.29% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares. The net proceeds of the Subscription of approximately HK\$4,850,000 will be applied towards the general working capital of the Group.

At the request of the Company, trading in the Shares was suspended with effect from 9:30 a.m. on 14 March 2007 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for resumption of trading in the Shares with effect from 9:30 a.m. on 15 March 2007.

#### **SUBSCRIPTION AGREEMENT**

On 13 March 2007, the Company entered into the Subscription Agreement with the Subscriber, pursuant to which the Subscriber has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue 50,000,000 Shares in cash at the Subscription Price of HK\$0.10 per Subscription Share.

#### **The Subscriber**

The Subscriber is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in investment holding. Other than the beneficial interests in the 117,108,000 Shares held by the Subscriber as at the date of this announcement, each of the Subscriber and its ultimate beneficial owner is an independent third party, not a connected person of the Company and not party acting in concert with any of the directors, chief executive and other shareholders of the Company or its subsidiaries or any of their respective associates.

### **Number of Subscription Shares**

The Subscription Shares represent approximately 3.40% of the existing issued share capital of the Company and approximately 3.29% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

### **Subscription Price**

The Subscription Price of HK\$0.10 per Subscription Share represents:

- (i) a discount of approximately 4.76% to the closing price of HK\$0.105 per Share as quoted on the Stock Exchange on 13 March 2007, being the date of the Subscription Agreement and the date on which the terms of the Subscription were fixed; and
- (ii) a discount of approximately 3.85% to the average closing price of approximately HK\$0.104 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to date of the Subscription Agreement.

The net Subscription Price, after deduction of relevant expenses, is approximately HK\$0.098 per Subscription Share.

The Subscription Price was arrived at after arm's length negotiations between the Company and the Subscriber with reference to 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 and are in the interests of the Company and the Shareholders as a whole.

### **Rights**

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

### **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 290,000,000 Shares. As at the date of this announcement, no portion of the General Mandate was utilised. The Company has not allotted and issued any Shares pursuant to the General Mandate and the General Mandate is sufficient for the issue and allotment of the Subscription Shares. The Company has not repurchased any Shares within the last 30 days prior to the date of this announcement.

### **Conditions of the Subscription**

The Subscription is conditional upon:

- (i) the Listing Committee of the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in, the Subscription Shares;
- (ii) if necessary, the Bermuda Monetary Authority granting consent to the allotment and issue of the Subscription Shares; and
- (iii) all necessary consents and approvals required to be obtained by the Subscriber in respect of the Agreement and the transactions contemplated hereby, including but not limited to the Subscription, having been obtained.

In the event that the conditions of the Subscription are not fulfilled on or before 26 March 2007 or such other date as may be agreed between the parties to the Subscription Agreement, the Subscription Agreement shall cease and determine and neither the Company nor the Subscriber shall have any obligations and liabilities under the Subscription Agreement.

### **Completion of the Subscription**

Completion of the Subscription will take place at 4:00 p.m. on the third Business Days after the conditions of the Subscription are fulfilled (or such other date as may be agreed between the parties to the Subscription Agreement).

## Application for listing

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.

## REASONS FOR THE SUBSCRIPTION AGREEMENT

The Group is engaged in the design and trading of a wide range of leisure and athletic footwear. The Group is also engaged in the information technology business including the provision of system integration services, facility management services and information technology infrastructure network development in the People's Republic China and Hong Kong.

By entering into the Subscription Agreement, the Group can raise capital to further strengthen its financial position.

The gross proceeds of the Subscription is approximately HK\$5,000,000. The net proceeds of the Subscription of approximately HK\$4,850,000 will be applied towards the general working capital of the Group.

The Directors consider that the Subscription Agreement is entered into upon normal commercial terms following arm's length negotiations between the Company and the Subscriber and that the terms of the Subscription Agreement are fair and reasonable so far as the interests of the Company and the Shareholders as a whole are concerned. The Directors also consider that the Subscription will strengthen the financial position (in particular, the working capital and cash flow position) of the Group.

## CHANGES OF SHAREHOLDING STRUCTURE

The changes of the shareholding structure of the Company as a result of the Subscription are as follows:

	As at the date of this announcement and immediately before completion of the Acquisition and completion of the Subscription		Immediately after completion of the Acquisition and before completion of the Subscription		Immediately after completion of the Acquisition and completion of the Subscription	
	No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %
Info Fortune Holdings Limited (Note 1)	196,792,000	13.39	196,792,000	10.77	196,792,000	10.48
Grandtech Management Limited	160,544,458	10.92	160,544,458	8.78	160,544,458	8.55
Goldlite International Limited (Note 2)	150,000,000	10.20	150,000,000	8.21	150,000,000	7.99
Wyndham Profit International Limited (Note 2)	75,000,000	5.10	75,000,000	4.10	75,000,000	3.99
Hikari International Limited (Note 2)	75,000,000	5.10	75,000,000	4.10	75,000,000	3.99
Mr. Lam Shu Chung or his nominee company(ies) (Note 3)	-	-	358,000,000	19.58	358,000,000	19.06
The Subscriber	117,108,000	7.97	117,108,000	6.41	167,108,000	8.90
Other public Shareholders (Note 4)	695,555,542	47.32	695,555,542	38.05	695,555,542	37.04
Total:	<u>1,470,000,000</u>	<u>100.00</u>	<u>1,828,000,000</u>	<u>100.00</u>	<u>1,878,000,000</u>	<u>100.00</u>

### Notes:

1. Info Fortune Holdings Limited is a company wholly-owned by Mr. Lee Man Fa.
2. Lum Lap Kwan, Simon is the sole shareholder of Goldlite International Limited and a 45% shareholder of Hikari International Limited. Wong Wai Wing, Stephanie is the sole shareholder of Wyndham Profit International Limited and a 55% shareholder of Hikari International Limited.
3. The 358,000,000 Shares are to be allotted and issued by the Company to Mr. Lam Shu Chung or his nominee company(ies) as consideration for the Acquisition at the date of completion of the Acquisition, which is expected to be on or about 24 March 2007.

4. Wellington International Invest Limited is interested in 20,000,000 issued Shares and 210,000,000 underlying Shares which may be allotted and issued upon the exercise of the 210,000,000 non-listed warrants. For further details in relation to such warrants, please refer to the announcement of the Company dated 22 August 2006.

### **EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE-MONTH PERIOD**

On 16 August 2006, the Company entered into a warrant placing agreement with Wellington International Invest Limited and Mr. Pun Yan Chak for the subscription of 230,000,000 non-listed warrants at an issue price of HK\$0.01 per warrant and an exercise price of HK\$0.10 per warrant.

The net proceeds of the placing of the warrants of approximately HK\$2,100,000 and the net proceeds of the issue of 20,000,000 Shares upon the exercise of the subscription rights attaching to the 20,000,000 warrants of approximately HK\$2,000,000 have been applied towards the general working capital of the Group.

### **RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares was suspended with effect from 9:30 a.m. on 14 March 2007 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for resumption of trading in the Shares with effect from 9:30 a.m. on 15 March 2007.

### **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“acting in concert”	has the meaning ascribed to this term under the Hong Kong Code on Takeovers and Mergers
“Acquisition”	the acquisition of the Class A shares of HK\$1.00 each in the share capital of DigiSat Network Limited which represent 80% of the issued Class A shares by Joy Century Holding Limited as contemplated under the sale and purchase agreement dated 22 December 2006. For further details in relation to such acquisition, please refer to the announcement of the Company dated 5 January 2007 and the circular of the Company dated 12 February 2007
“associates”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday and public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Company”	Sunny Global Holdings Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Stock Exchange
“Completion”	completion of the sale and purchase of the Sale Shares in accordance with the terms and conditions of the Agreement
“connected persons”	has the meaning ascribed to it in the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“General Mandate”	the general mandate granted to the Directors to allot, issue and deal with Shares at the special general meeting of the Company held on 27 November 2006
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Shareholders”	holders of the Shares

“Shares”	ordinary shares of HK\$0.10 each in the share capital of the Company
“Subscriber”	Rainbow Bridge Group Limited, a company incorporated in the British Virgin Islands with limited liability and is the subscriber of the Subscription Shares
“Subscription”	the subscription for the Subscription Shares by the Subscriber pursuant to the Subscription Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	the Agreement dated 13 March 2007 and entered into between the Company and the Subscriber in respect of the Subscription
“Subscription Price”	the subscription price of HK\$0.10 per Subscription Share
“Subscription Shares”	an aggregate of 50,000,000 Shares to be subscribed by the Subscriber pursuant to the Subscription Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board  
**Sunny Global Holdings Limited**  
**Too Shu Wing**  
*Chairman*

Hong Kong, 14 March 2007

*\* for identification purpose only*

*As at the date of this announcement, the Board comprises Mr. Too Shu Wing, Mr. Yan Wa Tat and Mr. Tai King Foon who are the executive Directors, Mr. Lee Man Fa who is the non-executive Director, Mr. Liu Kwok Wah, Mr. Chan Wai Ming and Mr. Tsui Pak Hang who are the independent non-executive Directors.*

Please also refer to the published version of this announcement in The Standard.