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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)

PLACING OF NEW SHARES AND RESUMPTION OF TRADING

Placing agent



Grand Vinco Capital Limited

On 16 July 2007, the Company entered into the Placing Agreement with the Placing Agent. Pursuant to which, the Placing Agent has agreed to place, on best efforts basis, to not less than six independent placees for up to 469,000,000 Shares at a price of HK\$0.235 per Placing Share, for and on behalf of the Company.

The Placing is conditional upon the Listing Committee of the Stock Exchange granting or agreeing to grant the listing of and permission to deal in the Placing Shares.

The maximum number of 469,000,000 Placing Shares represents approximately 19.99% of the entire issued share capital of the Company of 2,345,608,000 Shares as at the date of this announcement and approximately 16.67% of the Company's entire issued share capital as enlarged by the Placing. The issue of the Placing Shares will be made under the general mandate of the Company dated 9 July 2007. The net proceeds from the Placing of approximately HK\$109 million (assuming the Placing Shares are fully placed) will be used for general working capital of the Group and/or possible investments opportunities.

At the request of the Stock Exchange, the Directors wish to address that they have noted the recent increases in the price of the Shares on 16 July 2007 and wish to state that they are not aware of any reasons for such increases.

The Directors also wish to confirm that, save for the Placing, there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under rule 13.23 under the Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by rule 13.09 under the Listing Rules, which is or may be of a price-sensitive nature.

An announcement regarding the number of Placing Shares successfully placed by the Placing Agent will be issued by the Company upon the completion of the Placing.

Trading in Shares on the Stock Exchange has been suspended from 12:01 p.m. on 16 July 2007. Application has been made by the Company to the Stock Exchange for the resumption of trading in Shares on the Stock Exchange with effect from 9:30 a.m. on 19 July 2007.

THE PLACING AGREEMENT

- Date: 16 July 2007, of which the terms of the Placing Agreement were also fixed on the same date.
- Placing Agent: Grand Vinco Capital Limited, an Independent Third Party.
- Placees: The Placing Shares will be placed to not less than six placees (which will be independent individual, corporate and/or institutional investors). The placees and their ultimate beneficial owners will be Independent Third Parties. It is expected that no placee will become a substantial Shareholder immediately following completion of the Placing. Upon completion of the Placing, the placees will be considered as public Shareholders of the Company.
- Number of Placing Shares: Up to 469,000,000 Shares, to be placed by the Placing Agent on best efforts basis. Assuming the Placing Shares are fully placed, the Placing Shares represent approximately 19.99% of the entire issued share capital of the Company of 2,345,608,000 Shares as at the date of this announcement and approximately 16.67% of the Company's entire issued share capital as enlarged by the Placing. The issue of the Placing Shares will be made under the general mandate of the Company dated 9 July 2007, in which 469,021,600 Shares may be allotted and issued. As at the date of this announcement, the said general mandate has not been utilized.

Placing Price:	<p>HK\$0.235 per Placing Share. The Placing Price was agreed after arm's length negotiations between the Company and the Placing Agent, with reference to, among other things, the recent trading price of the Shares on Stock Exchange. The net price per Placing Share to the Company, after deducting the placing fee, will be approximately HK\$0.233. The Placing Price represents:</p> <p>(a) a discount of approximately 17.54% to the closing price of HK\$0.285 per Share as quoted on the Stock Exchange on 16 July 2007, being the last trading day of the Shares immediately before the date of this announcement;</p> <p>(b) a discount of approximately 2.49% to the average closing price of approximately HK\$0.241 per Share, for the last 5 trading days of the Shares immediately before the date of this announcement; and</p> <p>(c) a discount of approximately 2.89% to the average closing price of approximately HK\$0.242 per Share, for the last 10 trading days of the Shares immediately before the date of this announcement.</p>
Condition:	The Placing is conditional upon the Listing Committee of the Stock Exchange granting or agreeing to grant the listing of and permission to deal in the Placing Shares.
Rights of the Placing Shares:	The Placing Shares will rank pari passu with the existing Shares.
Placing Commission:	The Placing Agent will receive a placing commission of 1% on the gross proceeds of the Placing.
Completion of the Placing:	<p>The completion of the Placing is expected to take place on or before 30 July 2007 (or such other date as the Company and the Placing Agent may agree in writing).</p> <p>The Company shall make an application to the Stock Exchange for the listing of, and permission to deal in, the Placing Shares in due course.</p>

EFFECT OF THE PLACING AND THE SUBSCRIPTION ON SHAREHOLDING

The shareholdings in the Company immediately before completion of the Placing and immediately after completion of the Placing are and will be as follows:

	As at the date of this announcement		Upon completion of the Placing	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
Mr. Lam Shu Chung	358,000,000	15.26%	358,000,000	12.72%
Mr. Wong Kam Fat Tony (Director)	225,000,000	9.59%	225,000,000	7.99%
Public Shareholding: Placeses	–	–	469,000,000	16.67%
Public Shareholders	<u>1,762,608,000</u>	<u>75.15%</u>	<u>1,762,608,000</u>	<u>62.62%</u>
Total	<u><u>2,345,608,000</u></u>	<u><u>100.00%</u></u>	<u><u>2,814,608,000</u></u>	<u><u>100.00%</u></u>

REASONS FOR AND BENEFITS OF THE PLACING AND USE OF THE PROCEEDS

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 PRC and Hong Kong.

For the year ended 30 September 2005 and 2006, the loss for the year was HK\$58,205,000 and HK\$36,283,000 respectively. For the 6 months ended 31 March 2007, the loss of the period was HK\$8,487,000. In order to turn around the poor financial performance in previous years, as stated in the interim report 2007 of the Company, the Company acquired subsidiaries, in full compliance with the disclosure requirements under the Listing Rules, if any, to strengthen the business and income base of the Group. The fund raised by the Group in the past 12 months (approximately HK\$27,532,000) were utilized as consideration for those acquisitions in aggregate approximately HK\$18,800,000 and the remaining balance were further utilized as the operation costs of the subsidiaries. Thus, the Directors conduct the Placing for additional funding to strengthen the business of the Group.

The estimated net proceeds of the Placing will be approximately HK\$109 million, which will be used approximately 50% for general working capital of the Company and/or the remaining balance for possible investments opportunities, including but not limited to further acquisition of new business into the Group.

The Board is keen to explore other suitable business opportunities and diversifying its investment to other potential industries with favorable investment return and prospect, and the Board believes strong working capital and a healthy bank balance is required of for the development of its existing and future business. In view of the current market conditions, the Directors consider that the Placing represents a good opportunity to broaden the shareholders base and capital base of the Company and to raise capital for the Company for strengthening the existing business and its future business developments. The Directors have confirmed that no specific targets or projects have been identified by the Group as at the date of this announcement. The Directors consider the terms of the Placing Agreement to be fair and reasonable and in the interest of the Group and the Shareholders as a whole.

As at the date of this announcement, the Company has no present intention to conduct further fund raising activities.

EQUITY FUNDRAISING ACTIVITIES IN THE PAST TWELVE MONTHS

According to the information provided by the Directors, we summaries the fund raising activities of the Company during the past 12 months immediately preceding the date of announcement in the following table:

Date of announcement	Event	Net proceeds	General mandate used	Intended use of proceeds	Actual use of proceeds
22-Aug-06	Private placing of 230,000,000 non-listed warrants at an issue price of HK\$0.01 per warrant and an initial exercise price of HK\$0.10 per new Share	HK\$4,100,000 (in which HK\$2,000,000 is derived from the exercise of the subscription rights attaching to the 20,000,000 warrants pursuant to the subscription agreement dated 16 August 2006	General mandate granted at the annual general meeting held on 24 March 2006	General working capital	General working capital in which HK\$4,100,000 was utilized for the consideration of acquiring subsidiary

Date of announcement	Event	Net proceeds	General mandate used	Intended use of proceeds	Actual use of proceeds
14-Mar-07	Subscription of 50,000,000 new Shares at the subscription price of HK\$0.10 per Share	HK\$4,850,000	General mandate granted at the annual general meeting held on 27 November 2006	General working capital	General working capital in which HK\$2,700,000 was utilized for the consideration of acquiring subsidiaries and HK\$2,150,000 for operation costs of the Group
20-Mar-07	Subscription of 70,000,000 new Shares at subscription price of HK\$0.14 per Share	HK\$9,650,000	General mandate granted at the annual general meeting held on 27 November 2006	General working capital	General working capital in which HK\$6,000,000 was utilized for the consideration of acquiring subsidiary and HK\$3,650,000 for operation costs of the Group
10-Apr-07	Private placing of 48,000,000 non-listed 2008 warrants at an issue price of HK\$0.016 per warrant and exercise price of HK\$0.134 per new Share	HK\$7,032,000 (in which HK\$6,432,000 is derived from the exercise of the subscription rights attaching to the 48,000,000 warrants pursuant to the subscription agreement Dated 3 April 2007)	General mandate granted at the annual general meeting held on 30 March 2007	General working capital	General working capital in which HK\$6,000,000 was utilized for the consideration of acquiring subsidiary and HK\$2,932,000 for operation costs of the Group

Date of announcement	Event	Net proceeds	General mandate used	Intended use of proceeds	Actual use of proceeds
	Private placing of 130,000,000 non-listed 2009 warrants at an issue price of HK\$0.016 per warrant and exercise price of HK\$0.156 new Share	HK\$1,900,000			
14-May-07	Issue of 200,000,000 Shares at HK\$0.164 per Share for the payment of acquisition of sale shares of Mr. Ngai Tin Yee and New Concept Management Limited	N/A	General mandate granted at the annual general meeting held on 30 March 2007	For the Payment of relevant acquisition	For the Payment of relevant acquisition

GENERAL

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DEFINITIONS:

Unless the context otherwise requires, the following terms shall have the meanings set out below:

“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	board of Directors
“Company”	Sunny Global Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Stock Exchange
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party”	an independent third party, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, who is not connected with the Company and its connected persons (as defined under the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placing”	the placing of the Placing Shares by the Company, through the Placing Agent, pursuant to the Placing Agreement
“Placing Agent”	Grand Vinco Capital Limited, an Independent Third Party
“Placing Agreement”	the placing agreement entered into between the Company and the Placing Agent dated 16 July 2007 in relation to the Placing
“Placing Price”	HK\$0.235 per Placing Share
“Placing Shares”	469,000,000 new Shares to be placed pursuant to the Placing Agreement, representing an aggregate nominal value of HK\$46,900,000

“Share(s)”	ordinary share(s) of HK\$0.1 each in the issued capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board of
SUNNY GLOBAL HOLDINGS LIMITED
Too Shu Wing
Chairman

Hong Kong, 18 July 2007.

As at the date of this announcement, the Board comprises 4 executive directors, namely Mr. Too Shu Wing, Mr. Yan Wa Tat, Mr. Tai King Foon and Mr. Wong Kam Fat Tony, and 3 independent non-executive directors namely Mr. Liu Kwok Wah, Mr. Chan Wai Ming and Mr. Tsui Pak Hang.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed 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 of the statements in this announcement misleading.

* *for information purposes only*