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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)

PRIVATE PLACING OF NON-LISTED WARRANTS
AND
RESUMPTION OF TRADING

Financial adviser to the Company

VEDA | CAPITAL
智略資本

Placing Agent

Excalibur

PLACING OF WARRANTS

The Directors are pleased to announce that on 7 November 2007, the Warrant Placing Agreement was entered into between the Company and the Placing Agent whereby the Company appointed the Placing Agent as sole and exclusive placing agent to procure not fewer than six Placees to subscribe for up to 636 million Warrants, on a best effort basis, at the Warrant Issue Price of HK\$0.04 per Warrant.

The Warrants entitle the Placees to subscribe for a maximum of 636 million New Shares at an initial Warrant Exercise Price of HK\$0.20 per New Share for a period of 18 months commencing from the date of issue of the Warrants. Each Warrant carries the right to subscribe for one New Share.

Completion of the Warrant Placing Agreement is subject to the fulfillment of the conditions stated in the section headed "Conditions of the Warrant Placing" in this announcement.

It is intended that the net proceeds from the Warrant Placing of approximately HK\$24.5 million will be applied as general working capital of the Group and any additional proceeds from the issue of the New Shares upon the exercise of the subscription rights attaching to the Warrants in future up to a maximum amount of approximately HK\$151.5 million will be applied as general working capital and as funds for future development of the Group when investment opportunities arise.

The New Shares to be allotted and issued upon the exercise of the subscription rights attaching to the Warrants will be issued under the Specific Mandate to be sought at the SGM.

**For identification purpose only*

Assuming the full exercise of the subscription rights attaching to the Warrants, the total funds, including the funds raised by the Warrant Placing, to be raised is approximately HK\$151.5 million, net of, among other fees, legal fees, printing expenses and the fees for the application of listing of the New Shares.

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the New Shares which may fall to be allotted and issued upon exercise of the subscription rights attaching to the Warrants. No listing of the Warrants will be sought on the Stock Exchange or any other stock exchanges.

GENERAL

A circular containing, among other things, details of (i) the Warrant Placing Agreement; and (ii) the allotment and issue of the New Shares under the Specific Mandate upon exercise of the subscription rights attaching to the Warrants; and (iii) a notice convening the SGM will be despatched to the Shareholders as soon as practicable.

Further announcement will be made by the Company once the number of Warrants placed by the Placing Agent is confirmed.

RESUMPTION OF TRADING

Trading in Shares on the Stock Exchange has been suspended from 9:30 a.m. on 8 November 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 13 November 2007.

WARRANT PLACING AGREEMENT

Date: 7 November 2007

Parties: (i) Issuer : the Company
(ii) Placing Agent : Excalibur Securities Limited

Information on the Placing Agent

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Placing Agent and its ultimate beneficial owners is an Independent Third Party. The Placing Agent will receive a commission equal to 2.5% of the Warrant Issue Price multiplied by the aggregate number of units of the Warrants actually placed by the Placing Agent.

Warrant Issue Price and Warrant Exercise Price

The Warrant Issue Price is HK\$0.04 per Warrant payable in cash.

The Warrant Exercise Price is HK\$0.20 per New Share, subject to adjustments for, subdivision or consolidation of shares, rights issues and other dilutive events which may have adverse effects on the rights of the holder of the Warrants.

The Warrant Exercise Price represents:

- (i) a discount of approximately 51.81% to the closing price of HK\$0.415 per Share as quoted on the Stock Exchange on 7 November 2007, being the last trading day immediately prior to the entering into of the Warrant Placing Agreement; and
- (ii) a discount of approximately 53.16% to the average of the closing prices of HK\$0.427 per Share as quoted on the Stock Exchange for the last five trading days up to and including 7 November 2007;
- (iii) a discount of approximately 23.95% to the average of the closing prices of HK\$0.263 per Share as quoted on the Stock Exchange for the last 30 trading days up to and including 7 November 2007; and
- (iv) a premium of approximately 467% over the unaudited net asset value per Share attributable to the Shareholders of HK\$0.0353 (based on the unaudited net asset value of HK\$113,361,000 as at 31 March 2007 over the existing issued share capital of 3,211,570,000 Shares as at the date of this announcement) as at 31 March 2007.

The aggregate of the Warrant Issue Price and the Warrant Exercise Price represents:

- (i) a discount of approximately 42.17% to the closing price of HK\$0.415 per Share as quoted on the Stock Exchange on 7 November 2007, being the last trading day before the entering into of the Warrant Placing Agreement;
- (ii) a discount of approximately 43.79% to the average of the closing prices of HK\$0.427 per Share as quoted on the Stock Exchange for the last five trading days up to and including 7 November 2007;
- (iii) a discount of approximately 8.75% to the average of the closing prices of HK\$0.263 per Share as quoted on the Stock Exchange for the last 30 trading days up to and including 7 November 2007; and
- (iv) a premium of approximately 580% over the unaudited net asset value per Share attributable to the Shareholders of HK\$0.0353 (based on the unaudited net asset value of HK\$113,361,000 as at 31 March 2007 over the existing issued share capital of 3,211,570,000 Shares as at the date of this announcement) as at 31 March 2007.

The Board considers that both the Warrant Issue Price and the Warrant Exercise Price and the aggregate of which are fair and reasonable, which are determined after arm's length negotiations between the Company and the Placing Agent with reference to (i) the continuous loss making performance of the Group since the year ended 30 September 2003; (ii) the aggregate of the Warrant Issue Price and the Warrant Exercise Price of HK\$0.24 represents the highest amount of per Share value for fund raising of the Company during the past 12 months (of which the fund raising per Share value ranged from HK\$0.10 to HK\$0.235); and (iii) recent acute increase in trading prices of the Shares at the end of October 2007, and are in the interests of the Company and the Shareholders as a whole. It is expected that the net price of each New Share to be issued upon the exercise of the rights under the Warrants, after deducting necessary related expenses, will be approximately HK\$0.238 per New Share.

The Placees

The Placing Agent will procure not less than six Placees to subscribe for an aggregate of up to 636 million Warrants on a best effort basis. The Placees shall be independent institutional or private investors and each of them and their respective ultimate beneficial owners will be an Independent Third Party prior to and immediately after Completion. Immediately upon the exercise of the subscription rights attaching to the Warrants, it is expected that none of the Placees will become a substantial Shareholder.

Transferability

The Warrants are transferable in integral multiples of 2,000,000 Warrants. In the event of a transfer of the Warrants to a connected person (as defined under the Listing Rules) of the Company, prior approval from the Stock Exchange, if applicable, and the Company will be required. The Company undertakes to comply with the relevant Listing Rules and to make necessary announcement(s), where appropriate, if and when the Placees makes any transfer of the Warrants to other parties requiring disclosure.

Completion Date

Completion of the Warrant Placing Agreement will take place on the third Business Day after the fulfillment of the conditions referred to in the section headed “Conditions of the Warrant Placing” below.

Information of the Warrants

The Warrants will be issued to the Placees upon Completion in registered form and constituted by the instrument creating the Warrants. The Warrants will rank pari passu in all respects among themselves.

Each Warrant carries the right to subscribe for one (1) New Share at the Warrant Exercise Price and is issued at the Warrant Issue Price.

The subscription rights attaching to the Warrants may be exercised at any time during a period of 18 months commencing from the date of issue of the Warrants. The New Shares, when fully paid and allotted, will rank pari passu in all respects with the then existing issued Shares of the Company.

A total of 636 million Warrants are proposed to be issued. Upon full exercise of the subscription rights attaching to the Warrants, a total of 636 million New Shares will be issued, representing (i) approximately 19.80% of the issued share capital of the Company of 3,211,570,000 Shares as at the date of this announcement; and (ii) approximately 16.53% of the issued share capital of the Company as enlarged by the allotment and issue of the New Shares from the full exercise of the subscription rights attaching to the Warrants.

As at the date of this announcement, there was no other equity securities in issue which carries subscription rights of further issue.

Conditions of the Warrant Placing

Completion of the Warrant Placing Agreement shall be subject to and conditional upon, among other things, the following:

- (a) (if required) the Listing Committee of the Stock Exchange shall have approved the issue of the Warrants either unconditionally or subject to conditions to which neither the Company nor the Placing Agent shall reasonably object and the satisfaction of such conditions;
- (b) the Listing Committee of the Stock Exchange shall have granted (either unconditionally or subject to conditions to which neither the Company nor the Placees shall reasonably object) the listing of, and permission to deal in, the New Shares to be allotted and issued upon the exercise in full of the subscription rights attaching to the Warrants;
- (c) the passing of the necessary resolution(s) by the Shareholders at the SGM approving the Warrant Placing Agreement and all transactions contemplated thereby, including the granting of a specific mandate to the Directors to allot and issue the New Shares; and

- (d) no event having occurred or occurring which would constitute an event of default or a potential event of default (both terms as defined in the instrument creating the Warrants) had the Warrants been issued.

If the conditions of the Warrant Placing Agreement are not fulfilled on or before 31 December 2007 (or such later date as may be agreed between the Company and the Placing Agent), the Warrant Placing Agreement will terminate and cease to have any effect and none of the parties shall have any claim against the other save for any antecedent breaches of the provisions thereof.

Voting rights for the holders of the Warrants

The holder of the Warrants will not have any right to attend or vote at any meeting of the Company by virtue of them being holders of the Warrants. The holder of the Warrants shall not have the right to participate in any distributions and/or offers of further securities made by the Company.

Rights of the holders of the Warrants on the liquidation of the Company

If the Company is wound up during the subscription period of the Warrants, all subscription rights attaching to the Warrants which have not been exercised shall lapse, save for in the event of a voluntary winding-up, the holders of the Warrants shall be entitled within six weeks after the passing of such a resolution approving the winding-up to exercise the subscription rights attaching to the Warrants in accordance with the terms and conditions of the Warrants.

Mandate to issue the New Shares

The New Shares will be allotted and issued under the Specific Mandate to be sought at the SGM.

APPLICATION FOR LISTING

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the New Shares which may fall to be allotted and issued upon exercise of the subscription rights attaching to the Warrants. No listing of the Warrants will be sought on the Stock Exchange or any other stock exchanges.

REASONS FOR THE WARRANT PLACING

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.

The Board has considered other alternative fund raising methods such as debt financing, rights issue or open offers but the Board believes that the Warrant Placing is more appropriate means of fund raising for the Company. The Warrant Placing is not interest bearing and after considering different methods to raise further capital for the Group, the Board considers that the Warrant Placing represents the lowest cost method to increase the capital base of the Company. The Company was given to understand that the Warrant Placing has less underwriting risk when compared to an open offer and a rights issue so far as the Placing Agent is concerned and after arm's length negotiation between the Placing Agent and the Company, the Warrant Placing is considered to be the most appropriate way for the current fund raising of the Company. Given the recent fluctuations in the

stock market, the Directors consider that it is prudent for the Group to conduct the Warrant Placing to have sufficient fund for its future diversification and/or expansion of business. Although the Warrant Exercise Price is at a substantial discount to the prevailing market price of the Shares, given there is a period of 18 months to exercise the Warrants, the Warrant Placing does not have any immediate dilution effect on the shareholding of the existing Shareholders. In addition to the net proceeds that will be raised upon Completion, further capital will be raised upon the exercise of the subscription rights attaching to the Warrants by the holder of such Warrants during the subscription period without incurring any additional underwriting commission to the Company.

In view of the interest of the Placees in investing in the Group and the immediate inflow of approximately HK\$24.5 million, coupled with the potential inflow of further capital up to a maximum of approximately HK\$151.5 million upon the exercise of the subscription rights attaching to the Warrants, the Directors are of the view that the Warrant Placing provides a good opportunity to strengthen the Company's financial position and in the event the Placees fully exercise their subscription rights under the Warrant Placing Agreement, funds received may cater for future needs for its operation and development. In view of the above, the Board considers that the Warrant Placing are justified and on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

The Board considers that the terms of the Warrant Placing including the Warrant Issue Price and the Warrant Exercise Price have been arrived at after arm's length negotiations between the Company and the Placing Agent and are fair and reasonable and in the interests of the Company and the Shareholders as a whole given (i) the continuous loss making performance of the Group since the year ended 30 September 2003; (ii) the aggregate of the Warrant Issue Price and the Warrant Exercise Price of HK\$0.24 represents the highest amount of per Share value for fund raising of the Company during the past 12 months (of which the fund raising per Share value ranged from HK\$0.10 to HK\$0.235); and (iii) recent acute increase in trading prices of the Shares at the end of October 2007. In addition, given that the New Shares will be allotted and issued under the Specific Mandate to be sought at the SGM, all the Shareholders are offered a chance to express their views on the terms of the Warrant Placing through voting at the SGM.

It is intended that the net proceeds from the Warrant Placing of approximately HK\$24.5 million will be applied as general working capital of the Group and any additional proceeds of up to approximately HK\$151.5 million from the issue of the New Shares upon the exercise of the subscription rights attaching to the Warrants in future will be applied as general working capital and as funds for future development of the Group when investment opportunities arise. As at the date of this announcement, the Company has not identified any specific investment plans. Since the exercise of the subscription rights attaching to the Warrants is at the discretion of the holder of the Warrants, the Company is not able to ascertain the exact additional proceeds which may be raised from the issue of the New Shares as at the date of this announcement.

Assuming the full exercise of the subscription rights attaching to the Warrants, the total funds, including the funds raised by the Warrant Placing, to be raised is approximately HK\$151.5 million, net of, among other fees, legal fees, printing expenses and the fees for the application of listing of the New Shares.

There will be no change to the composition of the Board and the principal business engaged by the Group as a result of or in connection with the Warrant Placing.

EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE-MONTH PERIOD

The followings are the summary of the fund raising activities of the Company during the past 12 months immediately preceding the date of this announcement:

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	HK\$2,700,000 was utilized for the consideration of acquiring subsidiaries and the remaining balance of HK\$2,150,000 has been maintained at the banks of the Group
20 Mar 07	subscription of 70,000,000 new Shares at the 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	HK\$6,000,000 was utilized for the consideration of acquiring subsidiary and the remaining balance of HK\$3,650,000 has been maintained at the banks of the Group
10 Apr 07	(i) private placing of 48,000,000 non-listed 2008 warrant at an issue price of HK\$0.016 per warrant and exercise price of HK\$0.134 per new Share. All 48,000,000 non-listed 2008 warrant had been fully exercised	HK\$7,032,000 (of which HK\$600,000 was from warrant placing and HK\$6,432,000 was from the exercise of the subscription rights attaching to the 48,000,000 warrant pursuant to the subscription agreement dated 3 April 2007)	general mandate granted at the annual general meeting held on 30 March 2007	proceeds from warrant placing as general working capital. Proceeds from exercise of warrant as general working capital and as funds for future development when investment opportunities arise	HK\$6,000,000 was utilized for the consideration of acquiring subsidiary and the remaining balance of HK\$1,032,000 has been maintained at the banks of the Group

Date of announcement	Event	Net proceeds	General mandate used	Intended use of proceeds	Actual use of proceeds
	(ii) private placing of 130,000,000 non-listed 2009 warrant at an issue price of HK\$0.016 per warrant and exercise price of HK\$0.156 new Share. All 130,000,000 non-listed 2009 warrant had been fully exercised	HK\$22,180,000 (of which HK\$1,900,000 was from warrant placing and HK\$20,280,000 was from the exercise of the subscription rights attaching to the 130,000,000 warrant pursuant to the subscription agreement dated 3 April 2007)	general mandate granted at the annual general meeting held to 30 March 2007	proceeds from warrant placing as general working capital. Proceeds from exercise of warrant as general working capital and as funds for future development when investment opportunities arise	HK\$22,180,000 has been maintained at the banks of the Group
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 as detailed in the announcements of the Company dated 27 April 2007 and 14 May 2007	For the Payment of relevant acquisition as detailed on the announcements of the Company dated 27 April 2007 and 14 May 2007
18 July 2007	placing of 469,000,000 Shares at an issue price of HK\$0.235 per Placing Shares	HK\$109 million	general mandate granted on 7 Sept 2007	50% for general working capital; remaining balance for possible investments	HK\$109 million has been maintained at the banks of the Group

Based on the management account of the Company, the Group has unaudited cash balance of approximately HK\$186.3 million as at 30 September 2007. Given the recent fluctuations in the stock market, the Directors consider that it is prudent for the Group to conduct the Warrant Placing to raise funding for any of its future diversification and/or expansion of business.

CHANGES OF SHAREHOLDING STRUCTURE

As at the date of this announcement, the Company has 3,211,570,000 Shares in issue. The shareholding structure of the Company i) as at the date of this announcement; and ii) immediately after the full exercise of the subscription rights attaching to the Warrants are as follows:

	As at the date of this announcement		Immediately after the full exercise of the subscription rights attaching to Warrants	
	No. of Shares	Approximate %	No. of Shares	Approximate %
Success Way Holdings Limited (<i>Note 1</i>)	453,000,000	14.11	453,000,000	11.77
Mr. Too Shu Wing (<i>Note 2</i>)	5,000,000	0.16	5,000,000	0.13
Public Shareholders				
— Placees	—	—	636,000,000	16.53
— Other public Shareholders	2,753,570,000	85.73	2,753,570,000	71.57
Total:	<u>3,211,570,000</u>	<u>100.00</u>	<u>3,847,570,000</u>	<u>100.00</u>

Notes:

1. Success Way Holdings Limited is beneficially owned by Liu Yi Dong Family Trust and the beneficiaries of which are Mr. Liu Yi Dong and his family members.
2. An executive Director.

IMPLICATIONS UNDER THE LISTING RULES

Pursuant to Rule 15.02(1) of the Listing Rules, the New Shares to be issued on exercise of the Warrants must not, when aggregated with all other equity securities remain to be issued on exercise of any other subscription rights, if all such rights were immediately exercised, whether or not such exercise is permissible, exceed 20% of the issued share capital of the Company at the time the Warrants are issued. Options granted under share option schemes which comply with Chapter 17 of the Listing Rules are excluded for the purpose of such limit. As at the date of this announcement, all 48,000,000 non-listed 2008 warrants and 130,000,000 non-listed 2009 warrants pursuant to the subscription agreement dated 3 April 2007 had been exercised in full and there are no securities with subscription rights outstanding and not yet exercised. Assuming full exercise of the subscription rights attaching to the Warrants, 636 million New Shares, representing (i) 19.80% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.53% of the issued share capital of the Company as enlarged by the allotment and issue of all of the New Shares, assuming no Shares are further issued or repurchased. Accordingly, the issue of the Warrants is in compliance with Rule 15.02(1) of the Listing Rules.

Further announcement will be made by the Company once the number of Warrants placed by the Placing Agent is confirmed.

RESUMPTION OF TRADING

Trading in Shares on the Stock Exchange has been suspended from 9:30 a.m. on 8 November 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 13 November 2007.

DEFINITIONS

Terms or expressions used in this announcement shall, unless the context otherwise requires, shall have the meanings ascribed to them below:

“Board”	the board of Directors
“Business Day”	any day (not being a Saturday, Sunday and a public holiday) on which licensed banks in Hong Kong are generally open for business 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 Warrant Placing in accordance with the terms and conditions of the Warrant Placing Agreement
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	a party which is not connected persons (as defined under the Listing Rules) of the Company and is independent of the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Share(s)”	a maximum of 636 million new Shares which may fall to be allotted and issued upon the exercise of the subscription rights attached to the Warrants
“Placee(s)”	any person or entity whom the Placing Agent have procured to subscribe for the Warrants
“Placing Agent”	Excalibur Securities Limited, a licensed corporation carrying on type 1 regulated activity (Dealing in securities) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“PRC”	the People’s Republic of China
“Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company
“Specific Mandate”	the specific mandate to be granted to the Directors by the Shareholders at the SGM to allot and issue the New Shares which may be issued on exercise of the Warrants
“Shareholders”	holders of the Shares

“SGM”	the special general meeting of the Company to be convened and held to approve, among others, the Placing Agreement and the Specific Mandate
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Warrant(s)”	636 million non-listed warrants to be issued by the Company at the Warrant Issue Price, each entitles the holder thereof to subscribe for one New Share at the Warrant Exercise Price of HK\$0.20 (subject to adjustment) at any time during a period of 18 months commencing from the date of issue of the Warrants
“Warrant Exercise Price”	an initial exercise price of HK\$0.20 per New Share (subject to adjustment) at which holder of the Warrants may subscribe for the New Shares
“Warrant Placing”	a private placing of the Warrants at the Warrant Issue Price pursuant to the Warrant Placing Agreement
“Warrant Placing Agreement”	the conditional subscription agreement dated 7 November 2007 and entered into between the Company and the Placing Agent in relation to the Warrant Placing
“Warrant Issue Price”	HK\$0.04 per unit of Warrant to be issued pursuant to the Warrant Placing
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board
Sunny Global Holdings Limited
Li Chun Tak
Executive Director

Hong Kong, 12 November 2007

As at the date of this announcement, Messrs. Yip Kwan, Ben, Li Chun Tak and Too Shu Wing, are the executive Directors; Mr. Wong Kam Fat Tony is the non-executive Director; and Messrs. Au Tin Fung, Chan Chun Wai, Chan Wai Ming and Tsui Pak Hang are the independent non-executive Directors.