SUNNY GLOBAL HOLDINGS LIMITED
新怡環球控股有限公司*

(incorporated in Bermuda with limited liability)
(Stock Code: 1094)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2008

INTERIM RESULTS

The board of directors (the "Board") of Sunny Global Holdings Limited (the "Company") is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2008 together with comparative figures for the corresponding six months ended 31 March 2007.

CONDENSED CONSOLIDATED INCOME STATEMENT

		Six months ended	
		30 June 2008	31 March 2007
		(Unaudited)	(Unaudited)
	Notes	***HK$'000***	*HK$'000*
Revenue	*2, 3*	**57,004**	24,394
Cost of sales		**(53,655)**	(22,631)
Gross profit		**3,349**	1,763
Other income		**527**	1,101
Administrative and other operating expenses		**(19,064)**	(7,073)
Equity settled share-based payment expense		**(45,579)**	—
Impairment loss on goodwill		**—**	(5,000)
Operating loss		**(60,767)**	(9,209)
Other financial income		**666**	312
Finance costs		**(2)**	—
Share of profit of associate		**—**	410
Loss before income tax	*4*	**(60,103)**	(8,487)
Income tax expense	*5*	**(2,186)**	—
Loss for the period		**(62,289)**	(8,487)
Attributable to:			
Equity holders of the Company		**(61,435)**	(8,313)
Minority interests		**(854)**	(174)
Loss for the period		**(62,289)**	(8,487)
		HK cents	*HK cents*
Loss per share for loss attributable to equity holders of the Company	*7*		
— Basic		**(3.60)**	(1.38)
— Diluted		**(2.23)**	(1.01)

* *For identification purpose only*

CONDENSED CONSOLIDATED BALANCE SHEET

	Notes	As at 30 June 2008 (Unaudited) HK$'000	As at 31 December 2007 (Audited) HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		**3,188**	3,479
Goodwill		**365,874**	14,505
Available-for-sale investments		**12,871**	27,583
Deposit for acquisition of subsidiaries		**—**	35,000
		381,933	80,567
Current assets			
Trade receivables, other receivables and deposits	*8*	**142,652**	19,091
Bills receivable		**26,883**	—
Pledged deposits		**15,083**	15,021
Bank balances and cash		**74,498**	118,213
		259,116	152,325
Current liabilities			
Trade and other payables	*9*	**3,505**	7,817
Bills payable		**13,581**	—
Receipt in advance		**5,650**	1,027
Tax payable		**—**	1,735
Obligation under finance lease		**29**	85
Amount due to a minority shareholder		**15,236**	—
Convertible bonds		**13,132**	—
Bank overdraft		**—**	18
		51,133	10,682
Net current assets		**207,983**	141,643
Net assets		**589,916**	222,210
EQUITY			
Equity attributable to the Company's equity holders			
Share capital		**20,080**	321,157
Accumulated losses		**(309,081)**	(247,646)
Other reserves		**872,336**	141,690
		583,335	215,201
Minority interests		**6,581**	7,009
Total equity		**589,916**	222,210

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

The condensed consolidated Financial statements ("Interim financial statements") have been prepared in accordance with the applicable disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), and complied with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants.

These condensed consolidated financial statements should be read in conjunction with the financial statements for the period ended 31 December 2007.

The accounting policies and methods of computation used in the preparation of the interim financial statements are consistent with those used in the annual financial statements for the period ended 31 December 2007.

In the current interim period, the Group has applied, for the first time, a number of new interpretations issued by HKICPA, which are effective for the Group's financial year beginning on 1 January 2008. The adoption of these new interpretations had no material effect on how the results and financial position of the Group for the current and/or prior accounting periods. Accordingly, no prior period adjustment has been required.

The Group has not early applied the following new/revised standards, amendments or interpretations that have been issued but are not yet effective.

HKAS 1 (Revised)	Presentation of Financial Statements[1]
HKAS 23 (Revised)	Borrowing Costs[1]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[3]
HKAS 32 & 1 (Amendments)	Puttable financial instruments and obligations arising on obligation[1]
HKFRS 2 (Amendment)	Vesting conditions and cancellation[1]
HKFRS 3 (Revised)	Business Combinations[3]
HKFRS 8	Operating Segments[1]
HK(IFRIC) — Int 13	Customer Loyalty Programmes[2]

[1] Effective for annual periods beginning on or after 1 January 2009
[2] Effective for annual periods beginning on or after 1 July 2008
[3] Effective for annual periods beginning on or after 1 July 2009

The directors of the Company anticipate that the application of these new standards, amendments or interpretations will have no material impact on the results and the financial position of the Group, except that the effects of the application of HKFRS 3 (Revised) and HKAS 27 (Revised) are not reasonably estimate.

The interim financial statements are unaudited and have been reviewed by the audit committee of the Company.

2. REVENUE

An analysis of the Group's revenue is as follows:

	Six months ended	
	30 June 2008	31 March 2007
	HK$'000	*HK$'000*
Revenue — Turnover		
Information technology business		
— Trading of hardware and software	**12,325**	15,217
— Provision of services	**8,051**	9,177
Energy trading	**26,883**	—
General trading	**9,745**	—
	57,004	24,394

Turnover represents total invoiced value of goods sold, net of sales tax and services rendered.

3. SEGMENT INFORMATION

The Group's operating businesses are structured and managed separately, according to the nature of their operations and the products and services they provide. Each of the Group's business segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of other business segments.

In accordance with the Group's internal financial reporting policy, its segment information is presented by way of two segments format: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

3. SEGMENT INFORMATION *(Continued)*

Primary reporting format — Business segments

The following tables present revenue, loss and certain assets and liabilities information for the Group's business segments:

	Energy Trading *HK$'000*	**Information technology business** *HK$'000*	**General Trading** *HK$'000*	**Corporate** *HK$'000*	**Total** *HK$'000*
Six months ended 30 June 2008					
By principal activity:					
Sales to external customers	**26,883**	**20,376**	**9,745**	**—**	**57,004**
Segment results	**(22,780)**	**(1,118)**	**(446)**	**(39,186)**	**(61,294)**
Other income					**527**
Financial income					**666**
Finance cost					**(2)**
Loss before income tax					**(60,103)**
Income tax expense					**(2,186)**
Loss for the period					**(62,289)**
Segment assets	**137,191**	**437,057**	**930**	**65,871**	**641,049**
Segment liabilities	**13,466**	**18,805**	**174**	**18,688**	**51,133**

	Information technology business *HK$'000*	Corporate *HK$'000*	Total *HK$'000*
Six months ended 31 March 2007			
By principal activity:			
Sales to external customers	24,394	—	24,394
Segment results	(6,269)	(4,041)	(10,310)
Financial income			312
Other revenue			1,101
Share of profit of an Associate	410	—	410
Loss before income tax			(8,487)
Income tax expense			—
Loss for the period			(8,487)
Segment assets	114,657	8,950	123,607
Segment liabilities	6,163	500	6,663

3. SEGMENT INFORMATION *(Continued)*

Secondary reporting format — Geographical segments

The following tables provide an analysis of the Group's revenue and contribution to loss from operations by geographical market:

	Hong Kong	**The People's Republic of China (the "PRC")**	**USA**	**Others**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***
Six months ended 30 June 2008					
Segment revenue:					
Sales to external customers —	**24,328**	**27,573**	**4,992**	**111**	**57,004**
Segment results	**(34,406)**	**(27,558)**	**649**	**21**	**(61,294)**
Other revenue					**527**
Financial income					**666**
Finance costs					**(2)**
Loss before income tax					**(60,103)**
Income tax expense					**(2,186)**
Loss for the period					**(62,289)**

	The People's Republic of China (the "PRC")	Others	Total
	HK$'000	*HK$'000*	*HK$'000*
Six months ended 31 March 2007			
Segment revenue:			
Sales to external customers —	20,592	3,802	24,394
Segment results	(6,562)	(3,748)	(10,310)
Financial income			312
Other revenue			1,101
Share of profit of an associate			410
Loss before income tax			(8,487)
Income tax expense			—
Loss for the period			(8,487)

4. LOSS BEFORE INCOME TAX

	Six months ended 30 June 2008 HK$'000	Six months ended 31 March 2007 HK$'000
Loss before income tax is arrived at after charging:		
Costs of inventories recognised as expense		
— Information technology business	**12,187**	18,195
— Energy trading	**13,581**	—
— General trading	**9,436**	—
Depreciation and amortisation on property, plant and equipment		
— owned assets	**432**	496
— leased assets	**40**	—
Impairment loss on goodwill	**—**	5,000
Rental in respect of land and buildings under operating leases	**751**	352
Staff costs		
— Salaries and allowances	**5,441**	2,436
— Retirement scheme contributions	**99**	117
— Equity settled share-based payment expenses	**45,579**	—

5. INCOME TAX EXPENSE

No Hong Kong profits tax has been provided in the financial statements as the Group did not derive any assessable profit in Hong Kong for the period.

The provision for PRC income tax has been provided in the financial statements as determined in accordance with the relevant income tax rules and regulations in the PRC for those subsidiaries established in the PRC.

6. INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend in respect of the six months ended 30 June 2008 (six months ended 31 March 2007: Nil).

7. LOSS PER SHARE

The calculation of basic loss per share is based on the Group's loss attributable to equity holders of the Company for the period of HK$61,435,000 (period ended 31 March 2007: HK$8,313,000) and on weighted average of 1,707,254,010 (period ended 31 March 2007: 602,123,288) ordinary shares in issue during the period.

The calculation of diluted loss per share for current period is based on the Group's loss attributable to equity holders of the Company of HK$61,435,000 (period ended 31 March 2007: HK$8,313,000) and on weighted average of 2,755,816,010 (period ended 31 March 2007: 821,516,000) ordinary shares outstanding during the period, adjusted for the effects of all dilutive potential shares.

8. TRADE RECEIVABLES, OTHER RECEIVABLES AND DEPOSITS

	As at 30 June 2008 *HK$'000*	As at 31 December 2007 *HK$'000*
Trade receivables	**3,036**	6,820
Prepayments and deposits	**78,317**	1,126
Other receivables	**61,299**	11,145
	142,652	19,091

The Group's policy is to allow an average credit period of 30 to 90 days to its trade customers. At 30 June 2008, the ageing analysis of the trade receivables were as follows:

	As at 30 June 2008 *HK$'000*	As at 31 December 2007 *HK$'000*
0-30 days	**1,316**	4,097
31-60 days	**684**	205
61-90 days	**410**	204
91-180 days	**25**	568
181-365 days	**601**	1,746
	3,036	6,820

9. TRADE AND OTHER PAYABLES

	As at 30 June 2008 *HK$'000*	As at 31 December 2007 *HK$'000*
Trade payables	**1,055**	867
Accruals and other payables	**2,450**	6,950
	3,505	7,817

9. TRADE AND OTHER PAYABLES *(Continued)*

At 30 June 2008, the ageing analysis of the trade payables were as follows:

	As at 30 June 2008 *HK$'000*	As at 31 December 2007 *HK$'000*
0-30 days	**505**	352
31-60 days	**417**	366
61-90 days	**—**	11
91-180 days	**—**	5
181-365 days	**—**	—
Over 365 days	**133**	133
	1,055	867

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATING AND FINANCIAL REVIEW

During the six months ended 30 June 2008, the Group recorded a turnover of approximately HK$57.0 million, representing an increase of around 134% as compared to HK$24.4 million for the six months ended 31 March 2007 owing to the contribution of turnover from the subsidiaries newly acquired.

The following table provides an analysis of the Group's revenue by business segmentation.

	For the Six months ended 30 June 2008		For the six months ended 31 March 2007		**Percentage of change Yr. to Yr.**
	HK$'000	***%***	*HK$'000*	*%*	*%*
IT Business					
— Trading	**12,325**	**21.6**	15,217	62.4	(19.0)
— Services	**8,051**	**14.1**	9,177	37.6	(12.3)
Energy trading	**26,883**	**47.2**	—	—	N/A
General trading	**9,745**	**17.1**	—	—	N/A
TOTAL	**57,004**	**100**	24,394	100	133.7

The gross profit margin in the IT business increased from 7.2% to 12.2% owing to better source of suppliers located.

Regarding the energy trading division, the gross profit margin is 2.1%. The energy trading division was still going through its development stage to build up an energy trading platform for the Group.

The increase in expenses in this period was primarily attributable to (i) the increase in share based payment from the issue of the share options granted under the share option scheme of the Company; and (ii) the cost of setting up the Group's operations for its new energy business.

The Group is still implementing a tight cost control policy in order to improve the net profit margin in the coming year.

The Group has recorded a loss attributable to shareholders amounted to approximately HK$61.4 million or a loss of HK$3.60 cent per share because it has not yet to achieve the optimal economies of scale in the energy trading sector.

NEW BUSINESS

In May 2008, the Group acquired 75% share capital of Great Hill Trading Limited which is the holding company of Welford Industrial Limited. Welford entered into a joint venture agreement with Guangdong Zhenrong Energy Limited for the crude oil, fuel and natural gas related businesses. It is expected that the investment in Welford represents a good opportunity for the Group to diversify its existing business and to participate in the energy market in the PRC.

OUTLOOK

Currently, the Group has participated in the IT business which is under a competitive landscape with suppressed profit margin. The group is planning to reallocate the resources from high capital expenditure business to stable income business such as energy trading.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2008, the Group maintained cash and bank balances of approximately HK$74 million (31 December 2007: HK$118 million) without any borrowings (31 December 2007: nil).

The gearing ratio of the Group as of 30 June 2008 was nil (31 December 2007: nil). As of 30 June 2008, the Group's working capital (net current assets) and current ratio were approximately HK$208 million (31 December 2007: HK$141.6 million) and 5.1x (31 December 2007: 14.3x) respectively. In term of the quality of current assets, over 30% of current assets were cash at banks whereas the Group is expected to preserve a healthy liquidity position. The existing available cash and bank balances are considered sufficient to adequate liquidity and capital resources for the Group's operating requirements.

PLEDGE OF ASSETS AND CONTINGENT LIABILITIES

As at 30 June 2008, the Company's bank deposits of approximately HK$15 million (31 December 2007: HK$15 million) was pledged to secure general banking facilities granted to the Group. The Group had no significant contingent liabilities as at 30 June 2008 (31 December 2007: Nil).

FOREIGN EXCHANGE EXPOSURE

The Group has limited exposure to fluctuation in foreign currencies as most of its transactions are denominated in HK dollars, US dollars and Renminbi. Exchange rates between these currencies with Hong Kong dollars were relatively stable during the period under review. The Group has not entered into any foreign currency forward exchange contract for the purpose of hedging against foreign exchange risks involved in the Group's operations.

STAFF AND REMUNERATION POLICY

The Group determines staff remuneration in accordance with market terms and individual qualifications an performance. Staff recruitment and promotion is based on individuals' merit and their development potential for the positions offered. As at 30 June 2008, the Group employed approximately 35 employees.

The Company maintains a share option scheme (the "Scheme"), pursuant to which share options are granted to selected directors or employees of the Group, with a view to attract and retain quality personnel and to provide them with incentive to contribute to the business and operation of the Group.

During the period of six months ended 30 June 2008, 160,500,000 share options were granted and 2,240,000 share options were exercised.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's bye-laws or the laws of Bermuda, being the jurisdiction in which the Company is incorporated, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities during the six months ended 30 June 2008.

CORPORATE GOVERNANCE

Compliance with the Code on Corporate Governance Practices

The Company has complied with the code provisions of the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 to the Listing Rules during the period under review, except for the deviations as below:

Under the code provision A.4.1 of the Code, non-executive directors should be appointed for a specific term and subject to re-election. The independent non-executive directors of the Company are not appointed for a specific term of office. However, all independent non-executive directors are subject to retirement by rotation and re-election at annual general meetings in accordance with the bye-laws of the Company.

AUDIT COMMITTEE

The audit committee of the Company comprises three members namely Mr. Au Tin Fung, Mr. Chan Chun Wai, and Ms. So Wai Yee, Betty, the independent non-executive directors of the Company.

The audit committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed with the management in respect to the financial reporting matters, including review of the unaudited interim accounts of the Group for the period, and are of the opinion that such statements comply with the applicable accounting standards and the Listing Rules and that adequate disclosure have been made.

REMUNERATION COMMITTEE

The Remuneration Committee comprises three members namely Mr. Au Tin Fung, Mr. Chan Chun Wai and Ms. So Wai Yee, Betty, the independent non-executive directors of the Company.

The Remuneration Committee is to review and determine the remuneration policy and other remuneration related matters of the Directors and the senior management of the Group.

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by the directors of the Company on terms no less exacting than the required standard of the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules. The Company, having made specific enquiry of all directors, confirmed that all directors have complied with the required standard of dealings set out therein throughout the six months ended 30 June 2008.

On behalf of the Board
Liu Po
Executive Director

Hong Kong, 23 September 2008

As at the date of this announcement, Messrs. Li Chun Tak, Wong Hin Shek, Dai Zhongcheng, Liu Po and Zhao Peilai are the executive Directors, Mr. Wong Kam Fat Tony is the non-executive Director, and Messrs. Au Tin Fung, Chan Chun Wai, and Ms. So Wai Yee, Betty are the independent non-executive Directors.