

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.



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)

CONNECTED TRANSACTION
ACQUISITION OF INTEREST IN SUNSHINE 100 RESORT
AND FORMATION OF A JOINT VENTURE

The Board is pleased to announce that, on 10 February 2015 after trading hours, Sunmode, a wholly-owned subsidiary of the Company, entered into the Share Purchase Agreement pursuant to which Sunmode has agreed to purchase from Wayfine and Zhongran the Sale Shares and the Shareholders' Loan at an aggregate consideration of US\$5,951,821. Upon Completion, Sunshine 100 Resort will be held by Sunmode, Tan Holdings and Zhongran as to 51%, 30% and 19%, respectively.

Sunmode, Tan Holdings and Zhongran have also agreed to pass shareholders' resolutions to adopt the JV Articles which will form a joint venture amongst the parties and will set out their respective rights and obligations relating to the management and operation of Sunshine 100 Resort.

As at the date of this announcement, Wayfine is owned and controlled by Oceanic Global Investment Holdings Limited which is, in turn, owned and controlled by Ms. Fan Xiaohua and Ms. Liu Chaohui. Ms. Fan Xiaohua is a Director and she and Ms. Liu Chaohui are deemed controlling shareholders of the Company by virtue of a concert party agreement dated 1 August 2013. Wayfine is an associate of Ms. Fan Xiaohua and Ms. Liu Chaohui and is therefore a connected person of the Company. In addition, as at the date of this announcement, Tan Holdings is an associate of one or more directors of a subsidiary of the Company and is therefore a connected person of the Company.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Zhongran and the ultimate beneficial owner of Zhongran are third parties independent of the Company and connected persons of the Company.

In light of the above, the purchase of Sale Shares and the Shareholders' Loan under the Share Purchase Agreement and the formation of a joint venture by way of the adoption of the JV Articles constitute a connected transaction of the Company under the Listing Rules. Pursuant to Rule 14A.76(2) of the Listing Rules, as each of the applicable percentage ratios exceeds 0.1% but is less than 5%, such connected transaction is exempt from independent shareholders' approval requirements of Chapter 14A of the Listing Rules.

INTRODUCTION

The Board is pleased to announce that, on 10 February 2015 after trading hours, Sunmode, a wholly-owned subsidiary of the Company, entered into the Share Purchase Agreement pursuant to which Sunmode has agreed to purchase from Wayfine and Zhongran the Sale Shares and the Shareholders' Loan at an aggregate consideration of US\$5,951,821. Upon Completion, Sunshine 100 Resort will be held by Sunmode, Tan Holdings and Zhongran as to 51%, 30% and 19%, respectively.

Sunmode, Tan Holdings and Zhongran have also agreed to pass shareholders' resolutions to adopt the JV Articles which will form a joint venture amongst the parties and will set out their respective rights and obligations relating to the management and operation of Sunshine 100 Resort.

SHARE PURCHASE AGREEMENT

The principal terms of the Share Purchase Agreement are set out below:

Date: 10 February 2015

Parties:

- (a) Wayfine, as seller;
- (b) Ms. Fan Xiaohua, as guarantor of Wayfine;
- (c) Zhongran, as seller;
- (d) Mr. Wang Zhiqiang, as guarantor of Zhongran; and
- (e) Sunmode, as purchaser.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Zhongran and the ultimate beneficial owner of Zhongran are third parties independent of the Company and connected persons of the Company.

Consideration: Sunmode has agreed to purchase the Sale Shares and the Shareholders' Loan from Wayfine and Zhongran at the consideration of US\$4,668,095 and US\$1,283,726, respectively, amounting to an aggregate consideration of US\$5,951,821:

Seller	Consideration payable	Attributable Sale Shares	Attributable Shareholders' Loan
Wayfine	US\$4,668,095	US\$400,000 (representing 40% of the total issued share capital in Sunshine 100 Resort)	US\$3,400,000 (representing 40% of the total shareholders' loan in Sunshine 100 Resort)

Seller	Consideration payable	Attributable Sale Shares	Attributable Shareholders' Loan
Zhongran	US\$1,283,726	US\$110,000 <small>(representing 11% of the total issued share capital in Sunshine 100 Resort)</small>	US\$935,000 <small>(representing 11% of the total shareholders' loan in Sunshine 100 Resort)</small>
Total	US\$5,951,821	US\$510,000	US\$4,335,000

Payment of consideration:

The consideration of US\$5,951,821 payable by Sunmode will be paid on Completion in cash and will be satisfied by its internal resources.

Basis of Consideration:

The aggregate consideration of US\$5,951,821 was determined after arm's length negotiations among Sunmode, Wayfine and Zhongran with reference to (i) the market value of the Land of US\$10,992,000 as at 10 June 2014 based on the valuation report prepared by American Appraisal Associates, LLC; and (ii) a certain premium over the valuation as Sunshine 100 Resort which will be consolidated into the Company's financial statements after Completion.

Guarantee:

Ms. Fan Xiaohua and Mr. Wang Zhiqiang each agrees to guarantee the obligations of Wayfine and Zhongran with respect to their respective obligations and the accuracy and truthfulness of the representations and warranties under the Share Purchase Agreement.

Completion:

Completion shall take place within 30 days of signing of the Share Purchase Agreement.

THE JV ARTICLES

The principal terms of the JV Articles are set out below:

Date:

The new JV Articles shall be adopted on the date of Completion

Parties:

- (a) Sunmode, as shareholder;
- (b) Tan Holdings, as shareholder; and
- (c) Zhongran, as shareholder.

Capital Contribution:

As at the date of this announcement, Sunmode, Tan Holdings and Zhongran have no immediate plans or timetable for contributing any additional capital and shareholder's loan to Sunshine 100 Resort. However, if Sunmode is subsequently required to contribute additional capital or shareholder's loan to Sunshine 100 Resort for the purposes of developing the Land, the Company will comply with the applicable requirements under Chapter 14 and Chapter 14A of the Listing Rules in respect of its capital contribution as and when required.

Scope of business:

Sunshine 100 Resort will principally be engaged in holding the land use right of the Land, developing the Land, and constructing, selling and/or leasing, and managing the Properties. The Properties are expected to comprise condominium hotels.

Board Composition:

The composition of the board of directors of Sunshine 100 Resort shall remain unchanged upon Completion. The board of directors of Sunshine 100 Resort shall comprise five directors.

Profit Sharing:

Sunmode, Tan Holdings and Zhongran shall share the profits and losses of Sunshine 100 Resort in accordance with their respective capital contribution paid to Sunshine 100 Resort.

REASONS FOR AND BENEFITS OF THE ACQUISITION OF SUNSHINE 100 RESORT AND FORMATION OF THE JOINT VENTURE

The Group is principally engaged in property development of an investment in properties for sale and rent. The acquisition will benefit the Group in leading the management operation of the Properties through Sunmode. This is also conducive to the Group's promotion of the "Sunshine 100" brand and the increase of revenue overseas.

Based on local advice sought by Sunmode and in accordance with the valuation report, under CNMI laws, Sunshine 100 Resort currently holds a leasehold interest in the Land for a lease term of 55 years and will hold a fee simple interest of the units above the first floor of the Properties indefinitely. The Land and the first floor of the Properties will revert to the lessor of the Land after the expiry of the lease term of 55 years and Sunshine 100 Resort is required to negotiate a new lease in order to continue to use, occupy and enjoy the Land and the Properties.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Share Purchase Agreement and the formation of the joint venture are fair and reasonable, the Share Purchase Agreement and the formation of the joint venture are on normal commercial terms or better and in the ordinary and usual course of business of the Group and the Share Purchase Agreement and the formation of the joint venture are in the interests of the Company and its shareholders as a whole.

Ms. Fan Xiaohua, who has a material interest in the Share Purchase Agreement and the formation of the joint venture, did not attend the Board meeting nor vote on the Board resolution approving the entering into of the Share Purchase Agreement and the adoption of the JV Articles. In view of Ms. Fan Xiaohua's interest, pursuant to the concert party agreement dated 12 August 2010 and the concert party agreement dated 1 August 2013 (details of both are disclosed in the "History, Reorganization and Group Structure" section of the prospectus of the Company dated 27 February 2014), Mr. Yi Xiaodi and Mr. Fan Xiaochong abstained from voting on such Board resolution.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Wayfine is owned and controlled by Oceanic Global Investment Holdings Limited which is, in turn, owned and controlled by Ms. Fan Xiaohua and Ms. Liu Chaohui. Ms. Fan Xiaohua is a Director and she and Ms. Liu Chaohui are deemed controlling shareholders of the Company by virtue of a concert party agreement dated 1 August 2013. Wayfine is an associate of Ms. Fan Xiaohua and Ms. Liu Chaohui and is therefore a connected person of the Company. In addition, as at the date of this announcement, Tan Holdings is an associate of one or more directors of a subsidiary of the Company and is therefore a connected person of the Company.

In light of the above, the purchase of Sale Shares and the Shareholders' Loan under the Share Purchase Agreement and the formation of a joint venture by way of the adoption of the JV Articles constitute a connected transaction of the Company under the Listing Rules. Pursuant to Rule 14A.76(2) of the Listing Rules, as each of the applicable percentage ratios exceeds 0.1% but is less than 5%, such connected transaction is exempt from independent shareholders' approval requirements of Chapter 14A of the Listing Rules.

INFORMATION ON THE COMPANY AND SUNMODE

The Company is a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange. The principal business of the Company is investment holding. The Group is principally engaged in property and land development, property investment and property management and hotel operation.

Sunmode is a company incorporated in the British Virgin Islands with limited liability on 18 January 2007 and currently a wholly-owned subsidiary of the Company. Its principal business is investment holding.

INFORMATION ON WAYFINE, TAN HOLDINGS AND ZHONGRAN

Wayfine is principally engaged in investment holding.

Tan Holdings is principally engaged in shipping, real estate, movie distribution, entertainment, aircraft handling, hotel management and insurance.

Zhongran is principally engaged in importing and exporting coal.

INFORMATION ON SUNSHINE 100 RESORT

Sunshine 100 Resort was incorporated in CNMI on 3 October 2011 and its principal activity is to hold the land use right of the Land, develop the Land, and construct, sell and/or lease, and manage the Properties. The Properties are currently planned to comprise condominium hotels.

Having made reasonable enquiries, the Company understands that the original acquisition costs of the shares in Sunshine 100 Resort to Wayfine and Tan Holdings were US\$400,000 and US\$300,000, respectively.

Pursuant to the unaudited financial statements of Sunshine 100 Resort, (i) the net book value of Sunshine 100 Resort as at 31 December 2014 was approximately US\$363,022, (ii) for the financial year ended 31 December 2014, the net losses before tax and after tax of Sunshine 100 Resort were both US\$545,624, and (iii) for the financial year ended 31 December 2013, the net losses before tax and after tax of Sunshine 100 Resort were both US\$91,353.

Upon Completion, Sunshine 100 Resort will become a subsidiary of the Company.

DEFINITIONS

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

“associate”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of directors of the Company
“CNMI”	the Commonwealth of the Northern Mariana Islands
“Company”	Sunshine 100 China Holdings Ltd, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange
“Completion”	the completion of the sale and purchase of the Sale Shares and the Shareholders’ Loan under the Share Purchase Agreement
“connected person”	has the meaning ascribed thereto under the Listing Rules
“controlling shareholder”	has the meaning ascribed thereto under the Listing Rules

“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“JV Articles”	means the articles of incorporation and the by-laws to be adopted by a shareholders’ resolution and a directors’ resolution for the formation of the joint venture amongst the relevant parties pursuant to which, Sunshine 100 Resort will be governed under the terms thereof
“Land”	<p>Parcels of land held by leasehold interests which are situated at Wing Beach in Marpi Saipan and consisting of:</p> <ol style="list-style-type: none"> i. Lot 029 A 01, containing an area of approximately 5,717 square meters, more or less, as shown on DLS Check No. 029 A 00 recorded at the Commonwealth Recorder’s Office; ii. Lot No. 020 A 01, containing an area of approximately 40,000 square meters, more or less, as shown on DLS Check No. 020 A 00 recorded at the Commonwealth Recorder’s Office; iii. Lot 020 A 02, containing an area of 3,183 square meters, more or less, as shown on DLS Check No. 020 A 00 recorded at the Commonwealth Recorder’s Office; iv. Lot 020 A 04, containing an area of 8,015 square meters, more or less, as shown on DLS Check No. 020 A 00 recorded at the Commonwealth Recorder’s Office; v. Lot 021 A 01, containing an area of 43,036 square meters, more or less, as shown on DLS Check No. 021 A 00 recorded at the Commonwealth Recorder’s Office; vi. Lot 018 A 02, containing an area of 2,458 square meters, more or less, as shown on DLS Check No. 018 A 01 recorded at the Commonwealth Recorder’s Office; vii. Lot 018 A 03, containing an area of 2,457 square meters, more or less, as shown on DLS Check No. 018 A 01 recorded at the Commonwealth Recorder’s Office; viii. Lot 018 A 04, containing an area of 2,457 square meters, more or less, as shown on DLS Check No. 018 A 01 recorded at the Commonwealth Recorder’s Office;

- ix. Lot 018 A 05, containing an area of 2,457 square meters, more or less, as shown on DLS Check No. 018 A 01 recorded at the Commonwealth Recorder's Office;
- x. Lot 018 A 06, containing an area of 2,457 square meters, more or less, as shown on DLS Check No. 018 A 01 recorded at the Commonwealth Recorder's Office;
- xi. Lot 018 A 07, containing an area of 2,457 square meters, more or less, as shown on DLS Check No. 018 A 01 recorded at the Commonwealth Recorder's Office;
- xii. Lot 018 A 08, containing an area of 2,457 square meters, more or less, as shown on DLS Check No. 018 A 01 recorded at the Commonwealth Recorder's Office;
- xiii. Lot 014 A 01, containing an area of 10,000 square meters, more or less, as shown on DLS Check No. 014 A 00 recorded at the Commonwealth Recorder's Office; and
- xiv. Lot 013 A 01, containing an area of 41,000 square meters, more or less, as shown on DLS Check No. 013 A 01 recorded at the Commonwealth Recorder's Office.

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People's Republic of China which, for the purpose of this announcement, excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
“Properties”	properties to be constructed on the Land
“Shareholders' Loan”	the outstanding loans in the amount of approximately US\$4,335,000 as at the date of signing the Share Purchase Agreement
“Sale Shares”	510,000 shares of Sunshine 100 Resort at par value of US\$1 each
“Share Purchase Agreement”	the share purchase agreement dated 10 February 2015 among Wayfine, Ms. Fan Xiaohua, Zhongran, Mr. Wang Zhiqiang and Sunmode in respect of the sale and purchase of the Sale Shares and the Shareholders' Loan at an aggregate consideration of US\$5,951,821

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it under the Listing Rules
“substantial shareholder”	has the meaning ascribed thereto under the Listing Rules
“Sunmode”	Sunmode Limited (新進有限公司), a company incorporated in the British Virgin Islands with limited liability
“Sunshine 100 Resort”	Sunshine 100 Resort Development Company Limited, a company incorporated in CNMI with limited liability
“Tan Holdings”	Tan Holdings Corporation, a company incorporated in CNMI with limited liability
“Wayfine”	Wayfine Holdings Limited (偉發控股有限公司), a company incorporated in the British Virgin Islands with limited liability
“United States”	means the United States of America
“US\$”	means United States dollar, the lawful currency of the United States
“Zhongran”	Zhongran Investments Company Limited, a company incorporated in the British Virgin Islands with limited liability

By order of the Board
Sunshine 100 China Holdings Ltd
Yi Xiaodi
Chairman and Executive Director

Beijing, the PRC
10 February 2015

As at the date of this announcement, the executive directors of the Company are Mr. Yi Xiaodi and Mr. Fan Xiaochong, the non-executive director of the Company is Ms. Fan Xiaohua, and the independent non-executive directors of the Company are Mr. Chen Jinsong, Mr. Gu Yunchang and Mr. Ng Fook Ai, Victor.