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## OFFER ANNOUNCEMENT

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### VOLUNTARY UNCONDITIONAL CASH OFFER

by

LIONWAY ASSETS LIMITED

HONG YUEXIONG

LU YAOSHENG

WANG HUIJIN

YANG ZHENG

and

CHEN ZHIHUA

to acquire all the issued ordinary shares in the share capital of

SUNRAY HOLDINGS LIMITED

(Incorporated in Bermuda)

(Company Registration Number: 32633)

#### 1. INTRODUCTION

Lionway Assets Limited, Hong Yuexiong, Lu Yaosheng, Wang Huijin, Yang Zheng and Chen Zhihua (collectively, the “**Joint Offerors**”) wish to announce that the Joint Offerors are making a voluntary unconditional cash offer (the “**Offer**”) for all the issued ordinary shares (the “**Shares**”) in the capital of Sunray Holdings Limited (the “**Company**”), other than those Shares held, directly or indirectly, by the Joint Offerors as at the date of this announcement (the “**Offer Shares**”).

#### 2. THE OFFER

2.1 The Joint Offerors, jointly and severally, are making the Offer on the following basis:

For each Offer Share: **S\$0.0051 in cash (the “Offer Price”).**

The Offer Price represents a **premium** of approximately 20% to the audited consolidated net tangible asset value per Share of RMB0.0185 as at 31 March 2015 (based on an exchange rate of S\$1:RMB4.358).

2.2 The Offer Shares are to be acquired (a) fully paid, (b) free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever, and (c) together with all rights, benefits and entitlements attached thereto as at the date of this announcement (the “**Offer Date**”) and thereafter attaching thereto (including the right to receive and retain all dividends, other distributions and return of capital

(if any) which may be announced, declared, paid or made thereon by the Company on or after the Offer Date).

2.3 **The Offer is unconditional in all respects.**

2.4 **The Offer will close at 5.30 p.m. (Singapore time) on 15 December 2015 or such later date(s) as may be announced from time to time by the Joint Offerors.**

### **3. INFORMATION ON THE JOINT OFFERORS**

3.1 The Joint Offerors are existing shareholders of the Company and Mr Hong Yuexiong is also a director of the Company.

3.2 As at the date of this announcement, the shareholdings of Lionway Assets Limited, Mr Hong Yuexiong, Mr Lu Yaosheng, Mr Wang Huijin, Mr Yang Zheng and Mr Chen Zhihua in the Company are as follows:

|                                       | <b>No. of Shares</b> | <b>Percentage<sup>(1)</sup> (%)</b> |
|---------------------------------------|----------------------|-------------------------------------|
| Lionway Assets Limited <sup>(2)</sup> | 67,048,128           | 20.01                               |
| Hong Yuexiong                         | 35,975,379           | 10.74                               |
| Lu Yaosheng                           | 23,975,379           | 7.16                                |
| Wang Huijin                           | 19,991,132           | 5.97                                |
| Yang Zheng                            | 19,991,132           | 5.97                                |
| Chen Zhihua                           | 113,174              | 1.57                                |

Notes:

(1) Based on the issued share capital of 335,000,000 Shares as at the date of this announcement.

(2) As at the date of this announcement, Huang Quan owns the entire issued and paid-up share capital of Lionway Assets Limited and is deemed to be interested in 67,048,128 Shares registered in the name of Lionway Assets Limited.

3.3 For the purpose of making the Offer, the Joint Offerors have agreed that all Offer Shares tendered in acceptance of the Offer shall be allocated to and registered in the Register of Members of the Company as between the Joint Offerors, as nearly as may be, in accordance with the proportion in which the Shares held by the Joint Offeror bears to the total number of Shares held by the Joint Offerors, as at the date of the Offer Document (as defined below), and any funding required to satisfy all acceptances of the Offer shall be funded by the Joint Offerors in the same aforementioned proportions.

#### **4. RATIONALE FOR THE OFFER AND THE JOINT OFFERORS' INTENTION FOR THE COMPANY**

- 4.1 Since the delisting of the Company from the Official List of the Singapore Exchange Securities Trading Limited on 1 April 2014, the Shares have become illiquid as there is no available market for the Shares to be traded on. The Company and its subsidiaries (the "**Group**") continue to incur losses and in the most recently completed financial year ended 31 March 2015, the pre-tax loss for the Group had increased to RMB41.6 million from RMB21.7 million for the financial year ended 31 March 2014 despite the on-going efforts of the Group's management.
- 4.2 The Joint Offerors are however, cautiously optimistic that the business of the Group can turn around given time and the right economic conditions. Accordingly, the Joint Offerors intend to jointly acquire all the Shares in the Company.
- 4.3 The Offer provides an opportunity for the shareholders of the Company to exit their investment in the Company as it is often difficult for shareholders of an unlisted company such as the Company to sell their shares in the absence of a public market for the shares.
- 4.4 The Joint Offerors have no current intention to change the underlying business model of the Group. The Joint Offerors also have no current intention to discontinue the employment of the employees of the Group.

#### **5. OFFER DOCUMENT**

The offer document (the "**Offer Document**") which contains details of the Offer has been despatched today together with the accompanying Form of Acceptance and Transfer ("**FAT**") to the shareholders of the Company.

Full details of the procedures for acceptance of the Offer are set out in the Offer Document and the FAT.

An electronic copy of the Offer Document and the FAT are available on the Company's website at [www.sunray.cn](http://www.sunray.cn).

It is the responsibility of any shareholder of the Company who wishes to (a) download the Offer Document, the FATs and/or any related documents, or (b) accept the Offer, to satisfy himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments. Such shareholder shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Joint Offerors shall be fully indemnified and held harmless by such shareholders for any such taxes, imposts, duties or other requisite payments as the Joint Offerors may be required to pay. In (i) downloading the Offer Document, the FATs and/or any related documents and/or (ii) accepting the Offer, the shareholder represents and warrants to the Joint Offerors that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements. **Any shareholder who is in any doubt about his position should consult his professional adviser in the relevant jurisdiction.**

**Issued by**

**Lionway Assets Limited**

**Hong Yuexiong**

**Lu Yaosheng**

**Wang Huijin**

**Yang Zheng**

**Chen Zhihua**

**25 November 2015**