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CNQC Development Limited

青建發展有限公司

*(Incorporated in the British Virgin Islands
with limited liability)*

Sunley Holdings Limited

新利控股有限公司

*(Incorporated in the Cayman Islands
with limited liability)
(Stock Code: 1240)*

JOINT ANNOUNCEMENT

(1) COMPLETION OF THE SHARE PURCHASE AGREEMENT AND

(2) MANDATORY UNCONDITIONAL CASH OFFER BY THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED ON BEHALF OF CNQC DEVELOPMENT LIMITED TO ACQUIRE ALL THE ISSUED SHARES IN THE ISSUED SHARE CAPITAL OF SUNLEY HOLDINGS LIMITED (OTHER THAN THOSE ALREADY OWNED AND/OR AGREED TO BE ACQUIRED BY CNQC DEVELOPMENT LIMITED AND/OR PARTIES ACTING IN CONCERT WITH IT)

Financial Adviser to CNQC Development Limited

HSBC

Reference is made to the Joint Announcement dated 14 February 2014. All the conditions to the Share Purchase Agreement have been fulfilled and Completion took place on 17 March 2014. Immediately after Completion, the Offeror and parties acting in concert with it own in aggregate 225,000,000 Shares, representing 75% of the entire issued share capital of the Target as at the date of this joint announcement.

Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make a mandatory unconditional cash offer and HSBC will, on behalf of the Offeror, make the Offer to acquire all issued Shares not already owned and/or agreed to be acquired by the Offeror and/or parties acting in concert with it at an offer price of HK\$2.40 per Offer Share as announced in the Joint Announcement. Details of the terms of the Offer are set out in the Joint Announcement. A further announcement will be made when the composite document together with the form of acceptance and transfer in respect of the Offer are despatched.

References are made to (i) the announcement jointly issued by CNQC Development Limited (the “**Offeror**”) and Sunley Holdings Limited (the “**Target**”) dated 14 February 2014 (the “**Joint Announcement**”) in relation to, among other things, the share purchase agreement (the “**Share Purchase Agreement**”) relating to the sale and purchase of 225,000,000 shares of the Target (the “**Shares**”), entered into between the Leading Win Management Limited (the “**Vendor**”), Dr. Ho Kar Chung, Mr. Cheng Wing On, Michael, Mr. Leung Chee Hon, Mr. Tsui Kwok Kin and Mr. Wong Ling, Eddie (collectively, the “**Guarantors**”), the Offeror and Hyday (South Pacific) Investment Pte Ltd (the “**Offeror Guarantor**”) and (ii) the announcement jointly issued by the Offeror and the Target in relation to delay in despatch of the composite document in relation to the mandatory unconditional cash offer to be made by The Hongkong and Shanghai Banking Corporation Limited (“**HSBC**”) on behalf of the Offeror to acquire all the issued Shares (other than those already owned and/or agreed to be acquired by the Offeror and/or parties acting in concert with it) (the “**Offer**”). Terms used herein shall have the same meanings as those defined in the Joint Announcement unless the context otherwise requires.

COMPLETION OF THE SHARE PURCHASE AGREEMENT

The Offeror and the Target (which received notification from the Vendor) announce that all the conditions to the Share Purchase Agreement have been fulfilled and Completion took place on 17 March 2014.

Immediately after Completion and as at the date of this joint announcement, the Offeror and parties acting in concert with it own in aggregate 225,000,000 Shares, representing 75% of the entire issued share capital of the Target. The total consideration for the Purchase Shares pursuant to the Share Purchase Agreement was HK\$540,000,000, equivalent to HK\$2.40 per Share and the consideration payable by the Offeror to the Vendor on Completion Date in relation to the Purchase Shares was HK\$510,000,000 (being the total purchase price less the Retention Sum of HK\$30,000,000 payable by the Offeror which was deposited into the Escrow Account at Completion).

SHAREHOLDING STRUCTURE

Set out below is a table showing the shareholding structure of the Target (i) immediately before Completion; and (ii) immediately after Completion and as at the date of this joint announcement:

	Immediately before Completion		Immediately after Completion and as at the date of this joint announcement	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
Offeror and parties acting in concert with it	—	—	225,000,000	75.0
Vendor	225,000,000	75.0	—	—
Public	<u>75,000,000</u>	<u>25.0</u>	<u>75,000,000</u>	<u>25.0</u>
Total	<u><u>300,000,000</u></u>	<u><u>100.0</u></u>	<u><u>300,000,000</u></u>	<u><u>100.0</u></u>

THE OFFER

Immediately after Completion and as at the date of this joint announcement, the Offeror and parties acting in concert with it own in aggregate 225,000,000 Shares, representing 75% of the entire issued share capital of the Target. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is, upon Completion, required to make a mandatory unconditional cash offer and HSBC will, on behalf of the Offeror, make the Offer to acquire all issued Shares (other than those already owned and/or agreed to be acquired by the Offeror and/or parties acting in concert with it) at an offer price of HK\$2.40 per Offer Share as announced in the Joint Announcement.

Details of the terms of the Offer are set out in the Joint Announcement. It is intended that the composite document containing, among other things, the terms and conditions of the Offer (including the expected timetable), the recommendation from the Independent Board Committee and the advice from the independent financial adviser appointed by the board of directors of the Target in respect of the Offer will be despatched together with the form of acceptance and transfer in respect of the Offer to the Shareholders on or before 21 March 2014 or such later date as may be approved by the Executive. Further announcement will be made when the composite document together with the form of acceptance and transfer in respect of the Offer are despatched.

Shareholders and potential investors are strongly recommended to read this joint announcement together with the Joint Announcement.

By order of the board of directors of
CNQC Development Limited
Du Bo
Chairman

By order of the board of directors of
Sunley Holdings Limited
Ho Kar Chung
Chairman

Hong Kong, 17 March 2014

As at the date of this joint announcement, the Chairman of the board of directors of the Offeror is Mr. Du Bo, and the directors of the Offeror are Mr. Zhang Zhihua and Mr. Ding Hongbin. As at the date of this joint announcement, the Chairman of the board of directors of the Offeror Parent is Mr. Du Bo, and the directors of the Offeror Parent are Mr. Zhang Zhenan, Mr. Zhang Zhihua, Mr. Ding Hongbin, Mr. Yuan Hongjun, Mr. Cao Shujian and Ms. Hu Ming.

The directors of the Offeror and the Offeror Parent jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement, other than that relating to the Vendor, the Guarantors and the Target Group, and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than that expressed by the Vendor, the Guarantors and the Target Group) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.

As at the date of this joint announcement, the Target has (i) three executive directors, namely Dr. Ho Kar Chung, Mr. Cheng Wing On, Michael and Mr. Ho Chi Ling; (ii) one non-executive director, namely Mr. Leung Chee Hon and (iii) three independent non-executive directors, namely Mr. Chuck Winston Calptor, Mr. Ching Kwok Hoo, Pedro and Mr. Tam Tak Kei, Raymond.

The directors of the Target jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement, other than that relating to the Offeror and parties acting in concert with it, and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than that expressed by the Offeror and parties acting in concert with it) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.

In case of any inconsistency, the English text of this joint announcement shall prevail over the Chinese text.