

DISPOSAL OF SUBSIDIARIES

The Board of Directors of Sunshine Holdings Limited (the “Company”) wishes to announce that the Company had completed the disposal of three subsidiaries. Details of which are as follows:

1. Henan Ding Sheng Real Estate Co., Ltd 河南鼎盛实业有限公司 (“Ding Sheng”) and Henan Zhong Cheng Jia Sheng Property Management Co., Ltd 河南中诚嘉盛物业管理有限公司 (“Zhong Cheng Jia Sheng”)

The Company has, through its wholly-owned subsidiary, Anyang Huilong Real Estate Co., Ltd 安阳辉龙房地产有限公司 (“Anyang Huilong”) disposed of Henan Ding Sheng Real Estate Co., Ltd 河南鼎盛实业有限公司 (“Ding Sheng”) and Henan Zhong Cheng Jia Sheng Property Management Co., Ltd 河南中诚嘉盛物业管理有限公司 (“Zhong Cheng Jia Sheng”) for a consideration of zero yuan each (the “Sale Consideration” and the “Disposal”) to a minority shareholder of Ding Sheng and two other unrelated parties (“Buyers”).

Anyang Huilong held an 80% equity interest each in both Ding Sheng and Zhong Cheng Jia Sheng prior to the Disposal. Zhong Cheng Jia Sheng’s main business is the management of the property under the ownership of Ding Sheng.

On the date of the Disposal, Ding Sheng and Zhong Cheng Jia Sheng had a combined net liabilities value of approximately RMB10.81 million which was equivalent to the valuation arrived at by Henan Tian Heng Assets Valuation Service Company 河南天衡资产评估事务所, an independent asset valuer.

The Company will also waive up to approximately RMB8.65 million, which is equivalent to 80% share of the combined net liabilities value of Ding Sheng and Zhong Cheng Jia Sheng, of Ding Sheng’s liabilities owed to the Company and its subsidiaries (the “Group”) upon the completion of the Disposal. In return, the Buyers have agreed to repay the balance amount of approximately RMB30 million which is equivalent to the net liabilities owed to the Group by December 31, 2009.

The Sale Consideration for the Disposal was arrived at on a willing-buyer, willing-seller basis, after taking into account valuation carried out by the independent valuer.

No sale proceeds and gain or loss would therefore be realised from the disposal of Ding Sheng and Zhong Cheng Jia Sheng.

2. Beijing Chengguo Hotel Management Co., Ltd 北京成果酒店管理有限公司 (“Beijing Chengguo”)

The Company, through its wholly owned subsidiary, Beijing Sunshine Elegant Jade Real Estates Co., Ltd (北京阳光美基置业有限公司), has a 63% equity interest in Beijing Feng Bao Heng Investment Co., Ltd (北京丰宝恒投资有限公司) (“Feng Bao Heng”). Feng Bao Heng has, in turn, completed the disposal of its wholly-owned subsidiary, Beijing Chengguo Hotel Management Co., Ltd 北京成果酒店管理有限公司 (“Beijing Chengguo”) for a consideration of RMB 87,300 (the “Sale Consideration” and the “Disposal”). The Disposal is conducted as part of the ordinary business of the Company and its subsidiaries (the “Group”).

The Company had a 63% effective equity interest in Beijing Chengguo prior to the Disposal.

On the disposal date, Beijing Chengguo’s net asset value was RMB 87,300 which was equivalent to the valuation arrived at by Henan Jiu Ding Assets Valuation Co. Ltd (河南九鼎资产评估有限公司), an independent asset valuer.

The Sale Consideration for the Disposal was arrived at on a willing-buyer, willing-seller basis, after taking into account valuation carried out by the independent valuer.

No material sale proceeds and gain or loss would therefore be realised from the disposal of Beijing Chengguo.

None of the Directors or any of the substantial shareholders of the Company has any interest, direct or indirect, in the abovementioned transactions.

By Order of the Board

Guo Yinghui
Chairman

19 March 2009