

SUNSHINE HOLDINGS LIMITED
Company Registration No. CT-140095

The Initial Public Offering of the Company's share was sponsored by UOB Asia Limited.

3RD QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT
FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2007

PART1 INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (Q1, Q2 & Q3), FULL YEAR RESULTS

1.(a)(i) A profit and loss statement for the group together with a comparative statement for the corresponding period of the immediate preceding financial year

	The Group		
	Q3 2007 RMB'000	Q3 2006 RMB'000	% Change
Revenue	103,317	142,635	(28)
Cost of sales	<u>(78,778)</u>	<u>(78,041)</u>	1
Gross profit	24,539	64,594	(62)
Other operating income/(expenses)	25,452	714	3,465
General and administrative expenses	(6,862)	(6,237)	10
Selling and distribution expenses	<u>(8,379)</u>	<u>(1,228)</u>	582
Operating profit	34,750	57,843	(40)
Non-operating income/(expenses)	3,916	(2,383)	N/M
Release of negative goodwill	-	17,597	N/M
Finance costs	<u>(3,638)</u>	<u>-</u>	N/M
Profit before tax	35,028	73,057	(52)
Income tax expense	<u>(9,078)</u>	<u>(21,885)</u>	(59)
Net profit for the period	<u>25,950</u>	<u>51,172</u>	(49)
Attributable to:			
Equity holders of the company	24,208	46,667	(48)
Minority interests	<u>1,742</u>	<u>4,505</u>	(61)
	<u>25,950</u>	<u>51,172</u>	(49)

"% Change" denotes increase/(decrease) in the relevant profit or loss item as compared with the comparative figure and "N/M" denotes "Not meaningful".

1.(a)(ii) The accompanying notes to the financial statements form an integral part of the financial statements

	The Group		
	Q3 2007 RMB'000	Q3 2006 RMB'000	%
			Change
Profit before tax has been arrived at after charging/ (crediting):			
Amortization of land use rights	4	4	-
Depreciation of property, plant and equipment	553	86	543
Foreign currency (gain)/loss	(1,740)	2,350	N/M
Interest income	(111)	(523)	(79)
Gain from securities investments	3,374	-	N/M
Interest expenses	3,638	-	N/M
	=====	=====	

"% Change" denotes increase/(decrease) in the relevant profit or loss item as compared with the comparative figure and "N/M" denotes "Not meaningful".

1.(b)(i) A balance sheet (for the issuer and group) together with a comparative statement as at the end of the immediately preceding financial year

	The Group			The Company		
	30	31	%	30	31	%
	September	December		September	December	
2007	2006	RMB'000	RMB'000	RMB'000	RMB'000	
Non-current assets						
Property, plant and equipment	10,749	9,733	10	-	-	-
Land use rights	112,550	564	19,856	-	-	-
Investment properties	392,300	381,350	3	-	-	-
Investments in subsidiaries	-	-	-	197,834	197,834	-
	<u>515,599</u>	<u>391,647</u>	32	<u>197,834</u>	<u>197,834</u>	-
Current assets						
Completed properties for sale	21,248	39,594	(46)	-	-	-
Properties under development for sale	783,196	442,335	77	-	-	-
Trade receivables	131,255	211,492	(38)	-	-	-
Prepayments and other receivables	507,569	450,461	13	281	100	181
Amounts due from subsidiaries	-	-	-	664,026	724,147	(8)
Pledged bank deposits	15,791	9,710	63	-	-	-
Bank balances and cash	47,537	280,493	(83)	137	1,233	(89)
	<u>1,506,596</u>	<u>1,434,085</u>	5	<u>664,444</u>	<u>725,480</u>	(8)
Current liabilities						
Trade payables	156,757	149,944	5	-	-	-
Sales deposits	83,216	62,371	33	-	-	-
Accruals and other payables	230,031	126,160	82	1,221	1,891	(35)
Intercompany payable	-	-	-	2,981	-	N/M
Amounts due to related party [^]	27,220	13,455	102	10,888	10,888	-
Income tax payables	164,040	150,428	9	-	-	-
Bank and other borrowings	102,248	30,000	241	67,248	-	N/M
	<u>763,512</u>	<u>532,358</u>	43	<u>82,338</u>	<u>12,779</u>	544
Net current assets	<u>743,084</u>	<u>901,727</u>	(18)	<u>582,106</u>	<u>712,701</u>	(18)
	<u>1,258,683</u>	<u>1,293,374</u>	(3)	<u>779,940</u>	<u>910,535</u>	(14)
Capital and reserves						
Issued capital	261,404	261,404	-	261,404	261,404	-
Share premium	204,521	204,521	-	204,521	204,521	-
Capital reserve	49,031	49,031	-	-	-	-
Bond reserve	39,485	39,485	-	39,485	39,485	-
Retained earnings	268,613	265,937	1	(5,815)	63,582	N/M
Equity attributable to equity holders of the company	823,054	820,378	1	499,595	568,992	(12)
Minority interests	51,021	48,450	5	-	-	-
Total equity	<u>874,075</u>	<u>868,828</u>	1	<u>499,595</u>	<u>568,992</u>	(12)
Non-current liabilities						
Bank and other borrowings	67,248	139,061	(52)	67,248	139,061	(52)
Convertible bond	213,097	202,482	5	213,097	202,482	5
Deferred tax liabilities	104,263	83,003	26	-	-	-
	<u>384,608</u>	<u>424,546</u>	(9)	<u>280,345</u>	<u>341,543</u>	(18)
	<u>1,258,683</u>	<u>1,293,374</u>	(2)	<u>779,940</u>	<u>910,535</u>	(14)

"% Change" denotes increase/(decrease) in the relevant balance sheet item as compared with the comparative figure and "N/M" denotes "Not meaningful".

[^] Amounts due to related party are unsecured, interest-free and repayable on demand.

1.(b)(ii) Aggregate amount of borrowings and debts securities for the Group.

	As at 30 September 2007 RMB'000	As at 31 December 2006 RMB'000
Borrowings, secured	<u>382,593</u>	<u>371,543</u>
The borrowings are repayable:		
On demand or within one year ^(a)	102,248	30,000
More than one year ^(b)	<u>280,345</u>	<u>341,543</u>
	<u>382,593</u>	<u>371,543</u>
Less: Amount due for settlement within 12 months or on demand shown under current liabilities	<u>(102,248)</u>	<u>(30,000)</u>
Amounts due after one year	<u>280,345</u>	<u>341,543</u>

Details of any collateral

^(a) The current borrowings comprised the following:

i) short term bank loans of RMB35,000,000 (31 December 2006: RMB30,000,000), which carried fixed interest rates ranging from 7.20% to 10.50% (2006: 5.000% to 8.750%) per annum, are secured by the Group's investment properties and properties under development for sale; and

ii) the current portion of the 2-year credit facility of up to US\$18 million, payable on 6 June 2008. See details per (b)(ii) below.

^(b) The non-current borrowings comprised the following:

i) the amortised cost of the liability portion[^] of a 7% secured subordinated US\$32 million convertible bonds due 2011 (the "Convertible Bonds"). Please refer to note 1(d)(ii) for further details; and

ii) the non-current portion of a 2-year credit facility of up to US\$18 million in aggregate principal amount at an annual interest rate of LIBOR plus 250 basis points. The borrowing is repayable in 2 equal instalments on 6 June 2008 and 6 December 2008 respectively.

Both borrowings as disclosed in (b)(i) and (b)(ii) above are secured by a first fixed charge in respect of the Company's investment in its wholly-owned subsidiary, Elegant Jade Enterprises Limited ("Elegant Jade"), and a corporate guarantee by Elegant Jade. Elegant Jade is the holding company of all of the Group's operating subsidiaries.

[^] Under the International Accounting Standard 32 ("IAS 32"), the Convertible Bonds are accounted as a compound instrument, whereby the fair value of the liability component, included in the borrowings, was determined using a market interest rate of 11.27% for an equivalent non-convertible bonds. The remainder of the proceeds is allocated to the conversion option and included as bond reserve in the shareholders' equity.

1.(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	The Group	
	Q3	Q3
	2007	2006
	RMB'000	RMB'000
OPERATING ACTIVITIES		
Profit before tax	35,028	73,057
Adjustments for:		
Depreciation of property, plant and equipment	553	86
Amortisation of land use rights	-	4
Release of negative goodwill	-	(17,597)
Interest income	(111)	(523)
Interest expenses	3,638	-
Operating cash flows before movements in working capital	39,108	55,027
Completed properties for sale	7,635	-
Properties under development for sale	(130,860)	(35,716)
Land use rights	4	-
Trade receivables	42,284	(46,165)
Prepayments and other receivables	63,668	(100,810)
Trade payables	61,381	42,372
Sales deposits	7,401	11,545
Accruals and other payables	(208)	4,952
Foreign currency translation	(1,648)	-
Cash generated/(used in) from operations	88,765	(68,795)
Dividends paid	-	(29,536)
Income tax paid	(5,295)	(2,759)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	83,470	(101,090)
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,104)	(19)
Acquisition of subsidiary (Note 1)	(52,791)	(58,218)
Additional payment to a subsidiary	(6,000)	-
(Decrease)/Increase in pledged bank deposits	(2,753)	128,601
Interest received	111	523
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	(62,537)	70,887
FINANCING ACTIVITIES		
Repayment of bank loans	(28,000)	(137,153)
Proceeds from bank borrowings	15,000	-
Interest paid	(3,043)	-
(Decrease)/Increase in amounts due to related party	(3,830)	22,793
NET CASH USED IN FINANCING ACTIVITIES	(19,873)	(114,360)
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,060	(144,563)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	46,477	190,661
CASH AND CASH EQUIVALENTS AT END OF PERIOD	47,537	46,098

Note 1: Summary of cash flows arising from the acquisition of subsidiary:

	The Group	
	Q3	Q3
	2007	2006
	RMB'000	RMB'000
Cash and bank balances	8,209	1,670
Other current assets	-	242,735
Non-current assets	112,000	128,798
Current liabilities	(37,025)	(235,628)
Non-current liabilities	(22,184)	(42,143)
Minority interests	-	(17,947)
Net identifiable assets and liabilities acquired	61,000	77,485
Negative goodwill on consolidation	-	(17,597)
Purchase consideration	61,000	59,888
Less: cash and bank balances of subsidiary acquired	8,209	(1,670)
Net cash outflow from acquisition of subsidiary	52,791	58,218

1.(d)(i) statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	<u>The Group</u>							
	Share capital	Share premium	Capital reserve	Bond reserve	Retained earnings	Attributable to equity holders of the company	Minority interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 July 2007	261,404	204,521	49,031	39,485	248,173	802,614	51,511	854,125
Acquisition of subsidiaries	-	-	-	-	(3,768)	(3,768)	(2,232)	(6,000)
Dividends paid	-	-	-	-	-	-	-	-
Net profit for the period	-	-	-	-	24,208	24,208	1,742	25,950
Balance at 30 September 2007	261,404	204,521	49,031	39,485	268,613	823,054	51,021	874,075

	<u>The Group</u>							
	Share capital	Share premium	Capital reserve	Bond reserve	Retained Earnings	Attributable to equity holders of the company	Minority interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 July 2006	261,404	204,521	49,031	-	162,166	677,122	4,972	682,094
Acquisition of subsidiaries	-	-	-	-	-	-	17,947	17,947
Dividends paid	-	-	-	-	(29,536)	(29,536)	-	(29,536)
Net profit for the period	-	-	-	-	46,667	46,667	4,505	51,172
Balance at 30 September 2006	261,404	204,521	49,031	-	179,297	694,253	27,424	721,677

	<u>The Company</u>				
	Share capital	Share Premium	Bond Reserve	Retained earnings	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 July 2007	261,404	204,521	39,485	2,972	508,382
Dividends paid	-	-	-	-	-
Net loss for the period	-	-	-	(8,787)	(8,787)
Balance at 30 September 2007	261,404	204,521	39,485	(5,815)	499,595

	<u>The Company</u>				
	Share capital	Share Premium	Bond Reserve	Retained earnings	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 July 2006	261,404	204,521	-	29,653	495,578
Dividends paid	-	-	-	(29,536)	(29,536)
Net profit for the period	-	-	-	101	101
Balance at 30 September 2006	261,404	204,521	-	218	466,143

1.(d)(ii) Details of any changes in company's share capital arising from rights issue, bonus issue, share buy backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There were no movements in the Company's share capital during the three months ended 30 September 2007.

Convertible Bond

On 5 December 2006, the Company issued a 7% secured subordinated US\$32 million convertible bond due 2011 ("Convertible Bond"). The Convertible Bond may be convertible into fully paid-up ordinary shares in the capital of the Company at the option of the holders, at any time on or after 6 December 2007 up to the close of business on 6 December 2011. Unless previously converted, or purchased and cancelled, the Convertible Bond shall be redeemed by the Company at 100% of their principal amount on 6 December 2011. The Convertible Bond principal will be redeemed in RMB at an agreed US\$/RMB currency conversion rate.

The conversion price for the Convertible Bond is S\$0.30 per share, subject to adjustment for, amongst other things, subdivision or consolidation of shares, bonus issues, rights issues and other dilutive events pursuant to the terms of the Convertible Bond. Based on the unadjusted initial conversion price of S\$0.30 per ordinary share, the Convertible Bond may be converted into 166,399,999 ordinary shares in the capital of the Company.

2. Whether the figures have been audited, or reviewed in accordance with which standard (eg. The Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard.

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The same accounting policies and methods of computation adopted by the Group in the audited financial statements for the year ended 31 December 2006 have been consistently applied by the Group for the periods presented.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

6. Earnings per ordinary shares of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	The Group	
	Q3	Q3
	2007	2006
	RMB'000	RMB'000
Net profit attributable to shareholders	<u>24,208</u>	<u>46,667</u>
Earnings per share		
Basic (Singapore cents)	<u>0.58 cents*</u>	<u>1.11 cents*</u>
Diluted (Singapore cents)	<u>0.48 cents**</u>	<u>1.11 cents*</u>

* Based on issued share capital of 832,000,000 ordinary shares.

** Based on 998,399,999 ordinary shares. Calculated based on the weighted average number of 832,000,000 ordinary shares, adjusted for the assumed conversion of the convertible bond.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year

	The Group		The Company	
	30 September	31 December	30 September	31 December
	2007	2006	2007	2006
	RMB'000	RMB'000	RMB'000	RMB'000
Net asset value (net of minority interests) as at end of financial period/ year	<u>823,054</u>	<u>820,378</u>	<u>499,595</u>	<u>568,992</u>
Net asset value per ordinary share as at the end of financial period/ year (Singapore cents)	<u>19.6 cents*</u>	<u>19.5 cents*</u>	<u>11.9 cents*</u>	<u>13.5 cents*</u>

* Based on issued share capital of 832,000,000 ordinary shares

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss any significant factors that affected the turnover, costs and earning of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period report on.

(a) Review of profit and loss statement of the group

Overview

Sunshine Holdings Limited is an award-winning Henan-based developer of residential and commercial properties. Our Group strategically focuses on building affordable quality housing for the general public in tier-2 and 3 cities which exhibit high rate of urbanization and strong end-user demand.

Revenue

In accordance with the International Financial Reporting Standards, we adopt the completion method of revenue recognition. In contrast to percentage of completion method, we only recognize revenue arising from the sale of properties when the property is delivered and the completion certificate is issued by the relevant government authorities. As a result, even though we may have pre-sold our development properties, the sale will not be recorded as revenue if the above conditions are not met. Hence, our revenue and profit can be lumpy on a quarter-to-quarter basis.

The Group's revenue in Q3 2007 and Q3 2006 were as follow:

	<u>Q3 2007</u> <u>RMB million</u>	<u>Q3 2006</u> <u>RMB million</u>
(1) Sales of developed properties (net of sales tax)	97.5	141.5
(2) Rental income from investment properties	1.1	1.0
(3) Property management income	4.7	0.1
	<u>103.3</u>	<u>142.6</u>

Our revenue decreased by 28% from RMB142.6 million in Q3 2006 to RMB103.3 million in Q3 2007. The decrease in revenue was attributed mainly to the lower sales of developed properties with no commercial units sold in Q3 2007 as we reviewed the various options available for the discharge of such units. The revenue of sales of developed properties in Q3 2007 was derived mainly from the sales of residential units in Sunlight City – Yi Yuan project (approximately 18,000 sqm sold at an average price of about RMB2,200 per sqm) and Western Modern City (approximately 17,000 sqm sold at an average price of about RMB3,100). Commercial units command higher pricing and profit margin than residential units.

The increase in property management income was mainly attributed to the commercial properties at International Commercial City Retail Mall in Zhengzhou managed by Zhong Cheng Jia Sheng Property Management Co., Ltd, which we acquired in Q4 2006.

Gross Profit

Our gross profit decreased by 62% from RMB64.6 million in Q3 2006 to RMB24.5 million in Q3 2007. The decrease was in line with the lower sales turnover achieved in Q3 2007. Our gross profit margin decreased from 45.3% in Q3 2006 to 23.8% in Q3 2007 mainly due to only residential units with lower profit margin was sold in Q3 2007 as compared to Q3 2006 when both commercial and residential units were sold.

Other operating income

Our other operating income increased by RMB24.7 million in Q3 2007. This was attributed mainly to our share on gain of sales of properties in arrangements forged through contracts. .

Operating Profit

In line with lower sales and gross profit recorded and higher operating expenses, our operating profit in Q3 2007 was lower than Q3 2006. The increase in operating expenses was mainly due to higher staff cost and office expenses following the acquisition of two subsidiaries as well as higher traveling expenses and marketing expenses incurred in promoting the launch of new projects at Shangqiu project, Zhou Kou and Luoyang.

Non-operating income

The increase in non-operating income was attributed mainly to gain from securities investments and foreign exchange gain as a result of exchange rates movements between RMB and foreign currencies during the period under review.

Release of Negative Goodwill

The negative goodwill in Q3 2006 arose from the acquisition of a subsidiary during the period under review. It represents the excess of the Group's interest in the fair value of the newly acquired subsidiary's identifiable assets, liabilities and contingent liabilities over cost, which has been fully released to our Group's profit and loss statement in Q3 2006.

Finance Costs

Finance costs in Q3 2007 relate mainly to interest incurred in financing the acquisition of investment properties. Financing costs aggregating approximately RMB5.9 million incurred for project development were capitalized as part of development costs.

Income tax expenses

Income tax expenses in Q3 2007 relate mainly to accrual of tax expenses (including land appreciation tax, which is computed based on the applicable rates promulgated by the local provincial tax authorities) from the operating profit generated from the sales of developed properties during the period under review.

Net profit attributable to equity holders of the company

In line with the lower sales recorded, higher operating expenses and finance costs incurred for land bank expansion purpose in Q3 2007, our net profit attributable to equity holders of the company decreased by 48% from RMB46.7 million to RMB24.2 million. Excluding the negative goodwill, our net profit attributable to equity holders of the company would have decreased by 17% instead.

For the nine-month period ended 30 September 2007, we attained a net profit attributable to equity holders (net of negative goodwill) of approximately RMB48.1 million compared to that of approximately RMB40.4 million over the same period in 2006.

(b) Review of balance sheet of the Group

Non-current assets

The increase in our non-current assets by RMB124.0 million or approximately 32%, was mainly due to the acquisition of land use right of RMB112 million in Q3 2007 and the surplus on fair value changes in our Group's investment properties of RMB11.0 million in Q2 2007 compared to the position as at 31 December 2006.

Current assets

The increase in our current assets by RMB72.5 million or approximately 5% was mainly due to additional properties under development for sale of RMB340.9 million, and net increase in prepayments and deposits for equity interests and lands use right of RMB57.1 million, offset by a decrease in our cash and bank balances of RMB233.0 million, trade receivables of RMB80.2 million and completed properties for sales of RMB18.3 million.

Current liabilities

The increase in our current liabilities by RMB231.2 million or approximately 43% was mainly due to reclassification of borrowings of approximately RMB68.0 million (being current portion of a 2-year credit facility) from non-current liabilities to current liabilities, and increase in accruals and other payables and sales deposits of RMB103.9 million and RMB20.8 million respectively. Increase in amounts due to related party of RMB13.8 million also pushed up the total current liabilities balances as of Q3 2007.

Non-current liabilities

Our non-current liabilities decreased by RMB40.0 million or approximately 9% was attributed mainly to reclassification of borrowings of approximately RMB68.0 million (being current portion of a 2-year credit facility) from non-current liabilities to current liabilities, offset by the increase in deferred tax liabilities of RMB21.3 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

Industry Outlook

The rapid economic growth, ongoing infrastructure development and the government's urbanization program have brought about the healthy development of buoyant property markets in the 2nd and 3rd tier cities in Henan Province. For the first 9 months in 2007, the gross floor area (GFA) of properties sold in Henan and its total sales value grew by 64% and 90% respectively. The average selling price has also increased by 16.15% compared to the corresponding period in the previous year. These favorable market conditions will underpin the Group's positive prospects.

Projects under Development

A summary of our projects under development is as follows:

Name of Projects	Zonging for Land Usage	Est. Remaining GFA (sqm)	Indicative Selling Price Range (RMB/sqm)	Expected Completion*
Shining Holiday Shopping Center II	Com	24,400	7,000 – 12,000	4Q 2007
Shangqiu Project	Res/Com	70,000	(Res) 2,100 – 2,700 (Com) 6,000 – 7,200	4Q 2007
Luoyang Project	Res/Com	150,000	(Res) 3,400 – 3,900 (Com) 6,000 – 8,400	2007/ 2008/2009
Zhengzhou Yuhua	Res/Com	240,000	(Res) 8,400 – 12,000 (Com) 6,000 – 8,000	2008/2009
Zhoukou Project	Res/Com	360,000	(Res) 2,100 – 2,600 (Com) 4,800 – 7,000	2008/2009
Western District of Xinxiang	Res/Com	800,736*	(Res) 1,500 – 1,800 (Com) 3,600 – 4,000	2008/2009
Zhong Mou New Town	Res/Com	97,415	(Res) 3,000 – 3,500 (Com) 3,300 – 4,000	2008
Yan Ming Hu	Res	274,000	(Res) 9,000 – 13,000	2008/2009
Total	-	2,016,551	-	-

* Barring unforeseen circumstances and changes in the regulatory environment and market conditions.

Projects for Future Development

Besides developing the above projects, the Group is also actively engaged in negotiations to acquire additional land or property projects and is working to achieve a significant land bank expansion within a short period of time.

Further announcements will be made accordingly to update the progress of these land and property acquisitions.

In addition to increasing the rate of development of existing and new projects, the Group will also work to improve the construction schedules and marketing programs. With these concerted efforts, the Group targets a substantial increase in the total GFA under development and completion in FY2008. As the Group had acquired its land bank at a relatively low cost (approximately RMB 300 per square metre on the average), the profitability of the Group is expected to be improved under this favourable condition.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared / recommended, a statement to that effect.

No dividend has been declared or recommended for the three months ended 30 September 2007.

BY ORDER OF THE BOARD

GUO YINGHUI
Chairman

14 November 2007

SUNSHINE HOLDINGS LIMITED
Company Registration No. CT-140095

CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(4) OF THE LISTING MANUAL

To the best of our knowledge, nothing has come to the attention of the Board of Directors of the company which may render the financial statements for the three months ended 30 September 2007 to be false or misleading.

Signed for and behalf of the Board of Directors

(Signed)

Zhao Zhanmei
Director

(Signed)

Li Bin
Director

14 November 2007