

SUNSHINE HOLDINGS LIMITED

(Incorporated in the Cayman Islands)

Company Registration No. CT-140095

INCORPORATION AND DISPOSAL OF SUBSIDIARIES

Incorporation of Subsidiaries

- I. The Directors of Sunshine Holdings Limited (the “Company”) would like to announce that the Company, through its wholly-owned subsidiary, Elegant Jade Enterprises (美基企业有限公司), has incorporated the following two wholly-owned subsidiaries:

	Name of subsidiaries	Country of Incorporation / Place of Business	Registered Capital	Equity Interest	Principal Activities
1	Henan Elegant Jade Commercial Real Estate Co.,Ltd (河南美基商业房地产有限公司)	People’s Republic of China	US\$13 million	100%	Property development
2	Zhengzhou Elegant Jade Real Estate Co.,Ltd (郑州美基置业有限公司)	People’s Republic of China	US\$13 million	100%	Property development

- II. The Company, through another two wholly-owned subsidiaries, Xinxiang Huilong Real Estate Co., Ltd (“Xinxiang Huilong”) (新乡辉龙置业有限公司) and Henan Huilong Property Management Co., Ltd (“Henan Huilong”) (河南辉龙物业有限公司), has incorporated the following wholly-owned subsidiary:

	Name of subsidiaries	Country of Incorporation / Place of Business	Registered Capital	Equity Interest	Principal Activities
1	Xinxiang Huiyang Commerce & Trade Co., Ltd (新乡市汇洋商贸有限公司)	People’s Republic of China	RMB 10 million	100%	Trade, hotel management, storage, logistics.

Xinxiang Huilong and Henan Huilong hold 80% and 20% equity interest respectively in the new subsidiary Xinxiang Huiyang Commerce & Trade Co., Ltd.

- III. In addition, the Company has also, through Xinxiang Huilong, incorporated the following subsidiary:

	Name of subsidiaries	Country of Incorporation / Place of Business	Registered Capital	Equity Interest	Principal Activities
1	Luoyang Meiji YuBo Real Estate Co., Ltd (洛阳美基豫博置业有限公司)	People's Republic of China	RMB 10 million	75%	Property development

The balance of the 25% equity interest in Luoyang Meiji YuBo Real Estate Co., Ltd is held by a third-party company, Henan Luoyang YuBo Real Estate Co., Ltd.

Disposal of Subsidiaries

- I. The Board of Directors of Sunshine Holdings Limited (the "Company") wishes to announce that the Company has, through its wholly-owned subsidiary, Xinxiang Huilong Zhongxing Xinqu Real Estate Developmt Co., Ltd ("Zhongxing") (新乡辉龙中兴新区房地产开发有限公司), entered into an agreement to dispose its 90% equity interest in the capital of Changzhi Jindeli Real Estate Developmt Co., Ltd ("Jindeli") (长治市金德利房地产开发有限公司), for a total consideration of RMB 34.2 million. This disposal will enhance the Company's overall asset allocation so that more resources can be deployed for larger and more profitable projects.

Jindeli currently owns a piece of land of 12,000 square metres in Shangxi Province (the "Property"). The sale price, which took into consideration the valuation of the Property as determined by Henan Jiuding Assets Evaluation Co. Ltd., an independent valuer appointed by the Company (the "Independent Valuer"), is arrived at on a willing-buyer willing-seller basis and will be paid for in cash.

Upon completion of the disposal, Zhongxing will cease to have any interest in Jindeli.

- II. In addition, the Company has, through two of its wholly-owned subsidiaries, Xinxiang Huilong Real Estate Developmt Co., Ltd ("Xinxiang Huilong") (新乡辉龙置业有限公司) and Henan Huilong Property Management Co., Ltd ("Henan Huilong") (河南辉龙物业有限公司), entered into an agreement to dispose its 100% equity interest in the capital of Zhongxing, for a total consideration of RMB 66.0 million. Xinxiang Huilong and Henan Huilong held an equity interest of 80% and 20% in Zhongxing respectively before the disposal.

Zhongxin presently does not have any project under development or for future development. The sale price of Zhongxing, as determined by the Independent Valuer, is arrived at on a willing-buyer willing-seller basis and will be paid for in cash.

Upon completion of the disposal, Xinxiang Huilong and Henan Huilong will cease to have any interest in Zhongxing.

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