

SUNSHINE HOLDINGS LIMITED

Company Registration No. CT-140095

INCREASE IN INVESTMENT IN SUBSIDIARY AND CHANGE OF SUBSIDIARY'S COMPANY NAME

The Board of Directors of Sunshine Holdings Limited (the "Company") wishes to announce that its wholly-owned subsidiary, Henan Huilong Property Management Co., Ltd ("Henan Huilong") has entered into a Share Transfer Agreement to acquire the remaining 20% equity interest of Zhoukou Xin Shi Jia Real Estate Co., Ltd. (Zhoukou") for a consideration of RMB 6.0 million ("Acquisition").

The Acquisition is in the ordinary course of business of the Group. The purchase consideration, to be satisfied by cash and financed through internal resources of the Group, is arrived at on a willing-buyer and willing-seller basis after taking into consideration, the net tangible asset value of Zhoukou. It is not expected to have any material impact on the consolidated net tangible assets and earnings per shares of the Group for the current financial year.

Upon completion of the Acquisition, Zhoukou would be 20% owned by Henan Huilong and the remaining 80% owned by another wholly-owned subsidiary of the Company, Anyang Huilong Real Estate Co., Ltd.

Zhoukou is currently developing 3 pieces of contiguous land ("Zhoukou Project") near the city centre in Zhou Kou City, Henan Province, PRC. The Zhoukou Project is a mixed development with planned total gross floor area of approximately 360,000 square metres of which about 90% will be allocated for residential development and the rest for commercial purpose. Based on current available information, the estimated selling price is between RMB1,700 and 2,200 per square metre for residential space and RMB 4,000 and 6,000 per square metre for commercial space.

None of the directors and substantial shareholders of the Company have any interest, direct or indirect in the transaction, other than their shareholdings in the Company.

The Board of Directors of the Company is also pleased to announce that its subsidiary, Changzhi Hetian Jiayuan Real Estate Development Co., Ltd., has changed its name to Changzhi Jin De Li Real Estate Development Co., Ltd. with immediate effect.

By order of the Board

Mrs Tan Soon Soo
Company Secretary