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Results Announcement: Q2 ended 30 Jun 2007 (the figures have not been audited)

Sunshine Holdings Limited



SUNSHINE HOLDINGS LIMITED
阳光控股有限公司

Company Registration No. CT-140095

Encouraging Initial Sales of Shining Holiday Shopping Centre Phase II

Q2 FY2007 Revenue + 179 % to RMB 86 Million
Gross Profit + 275% to RMB 34.5 Million

(RMB m)	Q2 FY2007	Q2 FY2006	Change
Revenue	85.9	30.8	+ 179 %
Gross Profit	34.5	9.2	+ 275 %
- Gross profit margin	40.1 %	29.8 %	-
Profit Before Tax and IPO expense	36.2	26.5	+ 37%
Net Profit Attributable to Equity Holders of the Company	19.6	15.6	+ 25 %

- **Revenue + 179% to RMB 85.9 million**
Sold approximately 16,000 sqm of retail space in Shining Holiday Shopping Centre Phase II
- **Gross profit + 275% to RMB 34.5 million**
Retail space in Shining Holiday Shopping Centre Phase II netted higher margin
- **Expected H2 2007 revenue contributions from:**
 - ☛ Further sales in Shining Holiday Shopping Centre Phase II
 - ☛ Sales of remaining residential units in 2 existing projects
 - ☛ Launch of 4 new projects
- **Construction for Western District of Xinxiang Project - Phase I and Phase II to commence in H2 2007**
- **Barring unforeseen circumstances, the Group expects better performance in seasonally stronger second half of 2007**

Singapore, 14 August 2007 – Singapore Exchange mainboard-listed Sunshine Holdings Limited (“Sunshine” or the “Group”), an award-winning Henan-based developer of residential and commercial properties today announced a set of sterling Q2 2007 results for the three months ended 30 June 2007.

Group revenue rose significantly by 179% to RMB 85.9 million in Q2 2007. This is attributed to the sales of retail units in Shining Holiday Shopping Centre Phase II, located in Xinxiang City, Henan Province. As a pure commercial project, the retail units in Shining Holiday Shopping Centre Phase II commands a higher selling price than the residential units sold in Q2 2006. Consequently, gross profit surged 275% to RMB 34.5 million and gross margin improved from 29.8% to 40.1%

During the quarter, the Group continued its expansion efforts to fulfill its long-term vision of becoming one of the leading property developers in the PRC. The land bank was boosted by active acquisition of strategically located lands and new subsidiaries were established to support new projects. As a result, higher finance costs attributed to additional loans to support these efforts and increase in income tax expense due to initial losses of new subsidiaries were incurred. In spite of this, net profit attributable to equity holders of the Company climbed 25% to RMB 19.6 million on the back of the strong revenue growth.

Commenting on the results, Mr. Guo Yinghui, Chairman of the Group said, “The success of our Shining Holiday Shopping Centre Phase I has generated strong buying interest for the Phase II. Within a short period from the launch, we have sold over 30% of the total GFA of Phase II. Given the good prospects of Henan’s property market, underpinned by healthy economic growth, rising affluence as well as rapid urbanization, we are confident of selling the remaining retail space in Phase II at higher prices and better gross margins, as these units are sited in better locations.”

Besides Shining Holiday Shopping Centre Phase II, the sales of the remaining residential units in the Group’s other two existing projects, Sunlight City – Yi Yuan and Western Modern City, will also contribute to group revenue in H2 2007. In addition, the Group has commenced construction for four mixed development projects in the various cities of Shangqiu, Luoyang, Zhengzhou and Zhoukou. Of these, the Shangqiu Project is scheduled for full completion in end-2007 whereas for the other three projects, their phase 1 of these projects will be

completed by end 2007. The sale of these four new projects is expected to begin in H2 2007 and some revenue contributions can be expected in FY2007.

A summary of projects under development is as follow:

Name of Projects	Zoning for Land Usage	Est. GFA Sold in H1 FY2007 (sqm)	Est. Remaining GFA (sqm)	Current market selling prices of similar properties in the respective cities (RMB/sqm)	Expected Completion [#]
Sunlight City – Yi Yuan	Res/Com	20,000	50,000	(Res) 1,700 – 2,200 (Com) 5,000 – 6,000	Q3 FY2007
Western Modern City	Res/Com	17,000	23,000	(Res) 3,000 – 3,500 (Com) 5,000 – 6,000	Q3 FY2007
Shining Holiday Shopping Centre II	Com	16,000	24,400	6,000 – 10,000	Q4 FY2007
Shangqiu Project	Res/Com	-	70,000	(Res) 1,700 – 2,200 (Com) 5,000 – 6,000	Q4 FY2007
Luoyang Project	Res/Com	-	150,000	(Res) 2,800 – 3,200 (Com) 5,000 – 7,000	FY2007/ 2008/2009
Zhengzhou Yuhua Project	Res/Com	-	240,000	(Res) 4,000 – 4,500 (Com) 5,000 – 7,000	FY2007/ 2008/2009
Zhoukou Project	Res/Com	-	360,000	(Res) 1,700 – 2,200 (Com) 4,000 – 6,000	FY2007/2008/ 2009/2010
Western District of Xinxiang	Res/Com	-	800,736*	(Res) 1,300 – 1,500 (Com) 3,000 – 3,300	After FY2007

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

* We have successfully obtained conversion of approximately 300,000 sqm of land in planned GFA to residential/commercial usage. The remaining portion of the land will, subject to the prevailing market conditions, be developed according to the strategic requirements of our Group.

Next in the pipeline, Western District of Xinxiang Project - Phase I and Phase II, with planned GFA of approximately 100,000 sqm and 200,000 sqm respectively will add to the growth drivers for the Group. Pre-developmental works for both phases had been fully completed and constructions are scheduled to commence in H2 2007.

To support further growth, the Group will continue to actively expand its land bank to at least 5.5 million sqm in GFA through acquisitions, joint ventures or business alliances. This will ensure a strong pipeline of property projects for at least the next three to five years. Currently, the Group is also carrying out in-depth property market research in various parts of central provinces. The Group aims to be a leading property developer with a nationally acclaimed brand in the PRC.

Barring unforeseen circumstances, the Group expects better performance in the seasonally stronger second half of 2007.

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

About Sunshine Holdings Limited

Listed on the SGX Mainboard in March 2006, Sunshine Holdings Limited is an award winning Henan-based developer of residential and commercial properties.

The Group strategically focuses on selected tier-two and tier-three cities in the People's Republic of China ("PRC") with strong urbanization of population and a property market at the budding stage of development. This focused approach since its establishment in 1999 has enabled the Group to build a strong and reputable property development brand name "Huilong". Over a span of 7 years, the Group developed an impressive aggregate GFA of more than 700,000 square metres of properties in the PRC.

Various awards and accolades attest to the Group's performance. In 2004, the Group clinched the coveted "PRC Leading Property Developer" award by the Construction Cultural Centre of the PRC Building Department. It has also been awarded Certificate of Credit Rating Grade AAA by the Xinxiang City Capital Credit Rating Committee for five consecutive years since 2001. In 2003, the Group was awarded the Certificate of Honour for the top 50 developers in Henan for 2002 by the Henan Building Authority and Henan Statistical Bureau.

For more information, please visit our website: <http://www.sunshine-holdings.com> or contact:

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