

## **News Release:**

Results Announcement: Q1 ended 31 Mar 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

## **Q1 FY2007 Revenue Surges to RMB 115 Million With Higher Sales of Developed Properties**

### **Q1 FY2007 Net Profit +404% to RMB 5.3 Million Group Positioned For Growth**

- Revenue rose 1,237% to RMB 115.0 million
- Gross profit margin remained strong at 28.6%
- Net profit attributable to equity holders increased 404% to RMB 5.3 million
- Group is building for business expansion
- Target to accumulate land reserves of not less than 3 million square metres

**Singapore, 15 May 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 its Q1 FY2007 results for the three months ended 31 March 2007.

In Q1 FY2007, the Group recorded a revenue growth of 1,237% to RMB 115.0 million. Sales of developed properties, which comprise residential units in the Group’s current development projects, Western Modern City and Sunlight City – Yi Yuan, were significantly higher at RMB 110.8 million. A total gross floor area (GFA) of approximately 45,000 square metres was completed and sold during the quarter. This compares favourably to 1,000 square metres of

commercial properties in Sunlight City – Yi Yuan sold during the previous corresponding period.

Consistent with the increase in revenue in Q1 FY2007, gross profit rose 356% to RMB 32.9 million, and net profit attributable to equity holders of the company grew 404% to RMB 5.3 million. Gross profit margin remained healthy at 28.6% in Q1 FY2007. This is lower than the gross margin achieved in Q1 FY2006 due to a high proportion of commercial properties sold in Q1 FY2006.

In addition to Western Modern City and Sunlight City – Yi Yuan, the marketing launch of another five projects are expected in FY2007 (four mixed development and one commercial project): Shinning Holiday Shopping Centre Phase II, Shangqiu project, Luoyang project, Zhengzhou Yuhua project and Zhoukou project. Being a pure commercial project, the sale and completion of Shinning Holiday Shopping Centre Phase II is expected to contribute substantially to group revenue in FY2007.

Development projects with contributions expected in FY2007 are listed in the table below.

Name of project	Total GFA of entire projects (sqm)	Type	Current market selling prices of similar properties in the respective cities	Expected completion dates**
Sunlight City – Yi Yuan*	265,500*	Res / Com	RMB 1,700-2,200/sqm (Res) RMB 5,000-6,000/sqm (Com)	2007
Western Modern City*	82,000*	Res / Com	RMB 3,000-3,500/sqm (Res) RMB 5,000-6,000/sqm (Com)	2007
Shining Holiday Shopping Centre II	40,400	Com	RMB 6,000-10,000/sqm	2007
Shangqiu Project	70,000****	Res / Com	RMB 1,700-2,200/sqm (Res) RMB 5,000-6,000/sqm (Com)	2007
Luoyang Project	150,000****	Res / Com	RMB 2,800-3,200/sqm (Res) RMB 5,000-7,000/sqm (Com)	2007/2008/ 2009
Zhengzhou Yuhua Project	240,000****	Res / Com	RMB 3,800-4,500/sqm (Res) RMB 5,000-6,000/sqm (Com)	2007/2008/ 2009
Zhoukou Project	360,000****	Res / Com	RMB 1,700-2,200/sqm (Res) RMB 4,000-6,000/sqm (Com)	2007/2008/ 2009/2010
Western Dist. of Xinxiang	800,736	Comp***	N/A***	2007/2008/ 2009

\* Ongoing projects brought forward from FY2006. Total GFA in the above table includes approximately 195,500 square metres of Sunlight City – Yi Yuan and 41,000 square metres of Western Modern City, completed and sold as of 31 December 2006 respectively.

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

\*\*\* Conversion of zoning for land usage from industrial to composite pending.

\*\*\*\* Subject to detailed project planning at a later date, approximately 90% of the project will be allocated for residential and 10% for commercial use

Going forward, the Group will adopt a 2-prong approach to become a leading property developer with a nationally acclaimed brand in China:

**(1) Further entrenching the Group's strong position in Henan and springboarding therefrom to other provinces**

"We have been and will continue to capitalise on our home-ground advantage as well as excellent relations with the provincial and local governments, and continue our focus on selected Henan cities in the development stage over the next two to three years, and subsequently expand our business strategy to other high-growth provinces," explained Sunshine's Chairman, Mr. Guo Yinghui.

**(2) Accumulation of land reserves**

"Since last year, we have been actively expanding our land bank and have placed a big thrust in this respect in the recent months. We target by end 2007 to accumulate land reserves of approximately 3 million square metres, comprising planned GFA of not less than 5.5 million square metres, through acquisitions, joint ventures or business alliances to maintain a sufficient pipeline of property projects lasting for at least 5 years. We aim to be a leading property developer in the central region of the PRC with the largest accumulation of land bank." Mr. Guo added.

With market conditions remaining buoyant and together with a healthy pipeline of new projects for sale, the Group continues to be optimistic of prospects for FY2007.

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

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**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.

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

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