



(Incorporated in the Cayman Islands)
Company Registration No. CT-140095

DISPOSAL OF TWO SUBSIDIARIES FOR CASH TOTALLING RMB53.36 MILLION

The Board of Directors of Sunshine Holdings Limited (the “Company”) wishes to announce that the Company has, through its wholly-owned subsidiary, Anyang Huilong Real Estate Co., Ltd (“Anyang Huilong”) (安阳辉龙房地产有限公司), entered into an agreement to dispose its 80% equity interest in Henan Xin Shi Jia Real Estate Co., Ltd (Henan Xin Shi Jia) (河南省新世家置地有限公司) (“XSJ”), which has a 80% interest in Zhengzhou Xin Shi Jia Property Management Co., Ltd (“XSJ Property Management”) (郑州市新世家物业管理有限公司) and interests in various commercial and residential property units, including garages, of International Commercial City Retail Mall, Western Modern City and Jinshejiayuan, to a third party for a total cash consideration of RMB53.36 million (the “Sale Consideration”) (the “Disposal”). The Disposal is conducted as part of the ordinary business of the Company and its subsidiaries (the “Group”).

After netting off the investment cost, the Disposal is expected to result in a post-tax disposal gain of about RMB26.54 million. This gain is however subject to any adjustments which the Company’s auditors may make in compliance with the accounting standards.

This Sale Consideration for the Disposal was arrived at on a willing-buyer, willing-seller basis, after taking into account valuation carried out by Henan Jiuding Assets Evaluation Co. Ltd, an independent valuer. The net proceeds from the Disposal are expected to be utilized by the Group to accelerate the development of its projects under construction.

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

By Order of the Board

Zhao Zhanmei
Deputy Chairman

9 July 2008