

Sunshine Holdings Limited

News Release: Results Announcement: Full Year Ended 31 Dec 2006 (the figures have not been audited)



SUNSHINE HOLDINGS LIMITED
阳光置地控股有限公司

Company Registration No. CT-140095

Sunshine's Net Profit For the Year Increased to RMB 176.5 million On the Back of Strong Demand for Mid-Level Residential Properties in Tier- 2 & 3 Cities in China

(RMB m)	FY2006	FY2005	% change
Revenue	592.3	626.6	(5%)
Gross Profit	240.3	228.9	+ 5%
- <i>Gross profit margin (%)</i>	40.6	36.5	-
Profit Before Tax and IPO expense	244.1	218.4	+12%
Net Profit For the Year	176.5	145.7	+ 21%
Net Profit Attributable to Equity Holders of the Parent	150.0	145.5	+3%
- <i>Net profit margin (%)</i>	25.3	23.2	-

- **Gross profit increased to RMB 240.3 million due to higher margin projects: Changzhi Project, Western Modern City and Cuizhu Yuan**
- **Marketing and sales of at least 5 new projects, including Shining Holiday Shopping Center II, to be launched in FY2007**
- **Continuous land acquisition to maintain strong project pipeline to support growth: Target to accumulate land reserves of 3 million sq m over the next 2 to 3 years**

Singapore, 28 February 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 full year results for the 12 months ended 31 December 2006.

In FY2006, the Group completed and sold units from four development projects, namely, Sunlight City – Yi Yuan in Xinxiang, Changzhi Project in Changzhi City, as well as Western Modern City and Cuizhu Yuan in Zhengzhou. Revenue from sales of developed properties was lower due to the deferment of a commercial project, Shining Holiday Shopping Centre II to FY2007, but the decrease was moderated by higher rental income from investment properties and higher property management income.

Despite marginally lower group revenue at RMB 592.3 million, gross profit increased to RMB 240.3 million due to higher profit margins commanded by new projects in Changzhi and Zhengzhou cities. Net profit attributable to equity holders of the parent rose to RMB 150.0 million. To reward shareholders, a final dividend of Singapore dollar 0.6766 cents per share, representing approximately 20% of net distributable earnings for FY2006, was proposed. In addition, a one-time special dividend will be announced at a later date.

For FY2007, besides Sunlight City – Yi Yuan and Western Modern City which were carried over from FY2006, the Group plans to launch the marketing of another 5 new projects, namely, Shining Holiday Shopping Center II, Shangqiu Project, Luoyang Project, Zhengzhou Yuhua and Zhoukou Project. Being a pure commercial project, Shining Holiday Shopping Center II is expected to contribute significantly to group revenue in FY2007. Furthermore, the Western District of Xinxiang project, which is pending finalisation of zoning, as well as other projects that could be acquired in FY2007 could also contribute to group revenue in FY2007.

Details of the Group's development projects for FY2007 are as follows:

Name of project	Total GFA of projects (sqm)	Estimated GFA to be booked in FY2007(sqm)**	Type	Current market selling prices of similar properties in the respective cities	Expected completion dates**
Sunlight City – Yi Yuan*	265,500	65,000-70,000	Res / Com	RMB 1,700-2,000/sqm (Res) RMB 4,000-6,000/sqm (Com)	2007
Western Modern City*	82,000	36,000-40,000	Res / Com	RMB 3,000-3,500/sqm (Res) RMB 5,000-6,000/sqm (Com)	2007
Shining Holiday Shopping Center II	40,400	40,000-40,400	Com	RMB 6,000-10,000/sqm	2007
Shangqiu Project	70,000****	50,000-70,000	Res / Com	RMB 1,700-2,000/sqm (Res) RMB 5,000-6,000/sqm (Com)	2007

Luoyang Project	150,000****	10,000-15,000	Res / Com	RMB 2,800-3,000/sqm (Res) RMB 5,000-6,000/sqm (Com)	2007/2008
Zhengzhou Yuhua Project	240,000****	50,000-80,000	Res / Com	RMB 3,800-4,400/sqm (Res) RMB 5,000-6,000/sqm (Com)	2007/2008/ 2009
Zhoukou Project	360,000****	50,000-70,000	Res / Com	RMB 1,700-2,000/sqm (Res) RMB 4,000-4,500/sqm (Com)	2007/2008/ 2009
Western Dist. of Xinxiang	800,736	-	Comp ***	N/A****	2007/2008/ 2009

* Ongoing projects brought forward from 2006 and before.

** Barring unforeseen circumstances and changes in the regulatory environment.

*** 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

In addition to the above, the Group will continue to expand its land bank through acquisition of companies with good land reserves, joint ventures or business alliances. It targets to accumulate land reserves of about 3 million square metres over the next two to three years.

When asked to comment about the recent government measures to curb property speculation in China, Sunshine's Chairman, Mr. Guo Yinghui, who remains upbeat about the Group's prospects, said "The measures are largely to curb speculation of higher end properties in key tier-1 cities. Sunshine focuses on providing quality mid level housing for end-users in tier-2 and 3 cities in the Henan province. I am optimistic of the potential of the property market in Henan which will benefit from urbanisation. We expect 2007 to be another successful year for Sunshine."

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 cities 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.

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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