

UNAUDITED FIRST QUARTER (“Q1 2009”) FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT OF THE FINANCIAL YEAR ENDING 31 DECEMBER 2009 (“FY2009”)

PART1 INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (Q1, Q2 & Q3), FULL YEAR RESULTS

1.(a)(i) A profit and loss statement for the group for the period ended 31 March 2009 together with a comparative statement for the corresponding period of the immediate preceding financial year

	The Group		
	Q1 2009 RMB'000	Q1 2008 RMB'000	% Change
Revenue	11,105	94,120	(88)
Cost of sales	(10,753)	(70,533)	(85)
Gross profit	352	23,587	(99)
Other operating income	4,908	83,495	(94)
Changes in fair value of investment property	(1,816)	-	N/M
General and administrative expenses	(12,254)	(9,668)	27
Selling and distribution expenses	(2,219)	(3,378)	(34)
Finance costs	(42,036)	(19,753)	113
(Loss)/Profit before tax	(53,065)	74,283	N/M
Income tax expense	(179)	(5,041)	(96)
Net (loss)/profit for the period	(53,244)	69,242	N/M
Attributable to:			
Equity holders of the company	(51,184)	69,549	N/M
Minority interests	(2,060)	(307)	571
	(53,244)	69,242	N/M

“Q1 2008” denotes the first financial quarter of the financial year ended 31 December 2008 (“FY2008”)

“% Change” denotes increase/(decrease) in the relevant profit or loss item as compared with the comparative figure

“N/M” denotes “Not meaningful”

1.(a)(ii) The accompanying notes to the financial statements form an integral part of the financial statements

	The Group		
	Q1	Q1	
	2009	2008	%
	RMB'000	RMB'000	Change
(Loss)/Profit before tax has been arrived at after charging/(crediting):			
Amortization of land use rights	910	4	N/M
Depreciation of property, plant and equipment	2,600	480	442
Foreign currency exchange loss/(gain)	1,453	(32,163)	N/M
Interest income	(101)	(2,012)	(95)
Interest expenses	42,036	19,753	113
Share-based payment	884	1,386	(36)
Loss on disposal of property, plant and equipment	145	-	N/M
Investment income from available-for-sale investment	-	(49,600)	N/M
Gain from disposal of subsidiaries	(5,249)	-	N/M

"Q1 2008" denotes the first financial quarter of the financial year ended 31 December 2008 ("FY2008")

"% Change" denotes increase/(decrease) in the relevant profit or loss item as compared with the comparative figure

"N/M" denotes "Not meaningful".

1.(b)(i) A balance sheet (for the issuer and group) together with a comparative statement as at the end of the immediately preceding financial year

	The Group		The Company	
	31 March 2009 RMB'000	31 December 2008 RMB'000	31 March 2009 RMB'000	31 December 2008 RMB'000
Non-current assets				
Property, plant and equipment	94,904	98,753	10	11
Land use rights	526	530	-	-
Investment properties	216,324	301,517	-	-
Prepayments and other receivables	8,443	7,840	-	-
Investments in subsidiaries	-	-	210,330	210,330
Available-for-sale investments	32,775	32,775	-	-
	352,972	441,415	210,340	210,341
Current assets				
Land use rights	170,178	170,905	-	-
Completed properties for sale	82,171	85,250	-	-
Properties under development for sale	1,156,355	1,102,253	-	-
Inventories	115	118	-	-
Trade receivables	9,039	9,127	-	-
Prepayments and other receivables	354,798	315,561	622	630
Amounts due from subsidiaries	-	-	573,322	574,627
Amounts due from related parties [^]	99,036	99,036	-	-
Pledged bank deposits	44,404	43,909	-	-
Bank balances and cash	63,656	106,867	213	624
	1,979,752	1,933,026	574,157	575,881
Current liabilities				
Trade payables	108,687	114,869	-	-
Sales deposits	250,324	231,729	-	-
Accruals and other payables	140,442	124,953	672	1,346
Amount due to subsidiaries	-	-	6,263	6,152
Amounts due to related party [^]	25,437	29,158	10,888	10,888
Income tax payable	35,971	36,787	-	-
Convertible bond	224,897	218,938	224,897	218,938
Bank and other borrowings	808,211	824,040	-	-
	1,593,969	1,580,474	242,720	237,324
Net current assets	385,783	352,552	331,437	338,557
	738,755	793,967	541,777	548,898
Capital and reserves				
Issued capital	305,888	305,888	305,888	305,888
Share premium	224,094	224,094	224,094	224,094
Capital reserve	49,031	49,031	-	-
Revaluation reserve	884	884	-	-
Bond reserve	39,485	39,485	39,485	39,485
Share option reserve	15,167	14,283	15,167	14,283
Accumulated losses	(65,019)	(13,835)	(42,857)	(34,852)
Equity attributable to equity holders of the Company	569,530	619,830	541,777	548,898
Minority interests	81,875	83,935	-	-
Total equity	651,405	703,765	541,777	548,898
Non-current liabilities				
Bank and other borrowings	39,500	42,500	-	-
Deferred tax liabilities	47,850	47,702	-	-
	87,350	90,202	-	-
	738,755	793,967	541,777	548,898

[^] Amounts due from/to related parties are unsecured, interest-free and repayable on demand.

1.(b)(ii) Aggregate amount of borrowings and debt securities for the Group.

	As at 31 March 2009 RMB '000	As at 31 December 2008 RMB '000
Borrowings, secured	<u>1,072,608</u>	<u>1,085,478</u>
The borrowings are repayable:		
On demand or within one year	1,033,108	1,042,978
More than one year	<u>39,500</u>	<u>42,500</u>
	<u>1,072,608</u>	<u>1,085,478</u>

Details of any collateral

The above borrowings are secured against:

- (a) a first fixed charge in respect of the Company's investment in its wholly-owned subsidiary; Elegant Jade Enterprises Limited (Elegant Jade) and a corporate guarantee by Elegant Jade;
- (b) certain investment properties and certain properties under development for sales of the Group;
- (c) a pledge over Elegant Jade's equity interest in certain subsidiaries;
- (d) a charge over the assets of Elegant Jade; an assignment over certain shareholders loans from Elegant Jade to its subsidiaries; and
- (e) certain pledged bank deposits.

1.(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	The Group	
	Q1	Q1
	2009	2008
	RMB'000	RMB'000
OPERATING ACTIVITIES		
(Loss)/Profit before tax	(53,065)	74,283
Adjustments for:		
Depreciation of property, plant and equipment	2,600	480
Investment income from available-for-sale investment	-	(49,600)
Foreign currency exchange loss/(gain)	1,453	(32,111)
Share-based payment	884	1,386
Amortization of land use rights	910	4
Loss on disposal of property, plant and equipment	145	-
Changes in fair value of investment properties	1,816	-
Gain on disposal of subsidiaries	(5,249)	-
Interest income	(100)	(2,012)
Interest expenses	42,036	19,753
Operating cash flows before movements in working capital	(8,570)	12,183
Completed properties for sale	2,511	(23,056)
Properties under development for sale	(53,401)	9,517
Inventories	3	-
Trade receivables	(477)	(509)
Prepayments and other receivables	(50,796)	(273,315)
Trade payables	11,275	2,016
Sales deposits	27,318	4,684
Accruals and other payables	57,501	21,399
Cash used in operations	(14,636)	(247,081)
Income tax paid	(931)	(10,265)
NET CASH USED IN OPERATING ACTIVITIES	(15,567)	(257,346)
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(599)	(1,433)
Sales proceed from disposal of property, plant and equipment	289	-
Disposal of subsidiary (Note 1)	(457)	-
(Increase)/Decrease in amounts due from related parties	(22,652)	769
Receipt of investment income from available-for-sale investment	-	48,600
Interest received	100	2,012
NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES	(23,319)	49,948
FINANCING ACTIVITIES		
Increase in bank and other borrowings	-	24,000
Repayment of bank borrowings	(4,850)	(12,000)
Increase in pledged bank deposits	(893)	(279)
Interest paid	(1,196)	(33,638)
Increase in amounts due to related parties	2,614	3,067
NET CASH USED IN FINANCING ACTIVITIES	(4,325)	(18,850)
DECREASE IN CASH AND CASH EQUIVALENTS	(43,211)	(226,248)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	106,867	509,559
CASH AND CASH EQUIVALENTS AT END OF PERIOD	63,656	283,311

Note 1:

Summary of cash flows arising from disposal of subsidiaries:

	The Group	
	Q1 2009	Q1 2008
	RMB'000	RMB'000
Book value of net liabilities disposed		
Cash and bank balances	544	-
Other current assets	35,270	-
Non-current assets	85,119	-
Current liabilities	(126,095)	-
Net identifiable liabilities disposed	(5,162)	-
Gain on disposal	5,249	-
Proceeds from disposal	87	-
Less: cash and bank balances of subsidiaries disposed	(544)	-
Net cash outflow from disposal of subsidiaries	(457)	-

1.(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	The Group									
	Share capital RMB'000	Share premium RMB'000	Capital reserve RMB'000	Share option reserve RMB'000	Revaluation reserve RMB'000	Bond reserve RMB'000	Accumul. losses RMB'000	Attributable to equity holders of the Company RMB'000	Minority interests RMB'000	Total RMB'000
Bal at 1 January 2009	305,888	224,094	49,031	14,283	884	39,485	(13,835)	619,830	83,935	703,765
Recognition of share-based payment	-	-	-	884	-	-	-	884	-	884
Net loss for the period	-	-	-	-	-	-	(51,184)	(51,184)	(2,060)	(53,244)
Bal at 31 March 2009	305,888	224,094	49,031	15,167	884	39,485	(65,019)	569,530	81,875	651,405

	The Group									
	Share capital RMB'000	Share premium RMB'000	Capital reserve RMB'000	Share option reserve RMB'000	Bond reserve RMB'000	Retained earnings RMB'000	Attributable to equity holders of the Company RMB'000	Minority interests RMB'000	Total RMB'000	
Bal at 1 January 2008	261,404	204,521	49,031	462	39,485	279,309	834,212	47,453	881,665	
Dividend paid	-	-	-	-	-	-	-	(25,479)	(25,479)	
Incorporation of a subsidiary	-	-	-	-	-	-	-	3,000	3,000	
Recognition of share-based payment	-	-	-	1,387	-	-	1,387	-	1,387	
Net profit for the period	-	-	-	-	-	69,549	69,549	(307)	69,242	
Bal at 31 March 2008	261,404	204,521	49,031	1,849	39,485	348,858	905,148	24,667	929,815	

	The Company						
	Share capital RMB'000	Share premium RMB'000	Share option reserve RMB'000	Bond Reserve RMB'000	Accumulated losses RMB'000	Total RMB'000	
Bal at 1 January 2009	305,888	224,094	14,283	39,485	(34,852)	548,898	
Recognition of share-based Payment	-	-	884	-	-	884	
Net loss for the period	-	-	-	-	(8,005)	(8,005)	
Bal at 31 March 2009	305,888	224,094	15,167	39,485	(42,857)	541,777	

	The Company						
	Share capital RMB'000	Share premium RMB'000	Share option reserve RMB'000	Bond reserve RMB'000	Accumulated losses RMB'000	Total RMB'000	
Bal at 1 January 2008	261,404	204,521	462	39,485	(12,770)	493,102	
Recognition of share-based payment	-	-	1,387	-	-	1,387	
Net loss for the period	-	-	-	-	(3,375)	(3,375)	
Bal at 31 March 2008	261,404	204,521	1,849	39,485	(16,145)	491,114	

1.(d)(ii) Details of any changes in company's share capital arising from rights issue, bonus issue, share buy backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There were no movements in the Company's share capital during the three months ended 31 March 2009.

Convertible Bond

On 6 December 2006, the Company issued a 7% secured subordinated US\$32 million convertible bond due 2011 ("Convertible Bond"). The Convertible Bond may be convertible into fully paid-up ordinary shares in the capital of the Company at the option of the holder, at any time on or after 6 December 2007 up to the close of business on 6 December 2011.

Due to an issuance of new ordinary shares during the year ended 31 December 2008, the conversion price for the Convertible Bonds was adjusted from S\$0.30 per share to S\$0.27226 per share pursuant to the terms of the Convertible Bond. Based on the adjusted conversion price of S\$0.27226 per ordinary share, the Convertible Bond may be converted into 183,354,146 ordinary shares in the capital of the Company.

Unless previously converted, purchased or cancelled, the Convertible Bond shall be redeemed by the Company at 100% of their principal amount on 6 December 2011.

Sunshine Employee Share Option Scheme

Pursuant to the Sunshine Employee Share Option Scheme ("SESOS"), which was approved by the Company's shareholders at the Extraordinary General Meeting held on 30 April 2007, a total of 60,000,000 share options were granted to the eligible employees on 29 November 2007.

8,850,000 share options under the SESOS were cancelled due to staff resignation during the year ended 31 December 2008, and the number of ordinary shares that may be issued upon exercise of all share options outstanding as at 31 March 2009 was 51,150,000 (31 March 2008: 60,000,000).

1.(d)(iii) The total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	<u>As at 31 March 2009</u>	<u>As at 31 Dec 2008</u>
Total number of issued ordinary shares (excluding treasury shares)	978,000,000	978,000,000

1.(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

The Company had no treasury shares as at 31 March 2009.

2. Whether the figures have been audited, or reviewed in accordance with which standard (eg. The Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard.

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

The figures have not been audited or reviewed by the auditors.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The same accounting policies and methods of computation adopted by the Group in the audited financial statements for the financial year ended 31 December 2008 have been consistently applied by the Group for the periods presented.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

There are no changes in the accounting policies and methods of computation, including any required by an accounting standard.

6. Earnings per ordinary shares of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	The Group	
	Q1 2009	Q1 2008
	RMB'000	RMB'000
Net (loss)/profit attributable to shareholders	(51,184)	69,549
(Loss)/Earnings per share		
Basic (Singapore cents)	(1.15) cents***	1.65 cents*
Diluted (Singapore cents)	(1.15) cents****	1.41 cents**

* Based on the issued share capital of 832,000,000 ordinary shares (the "Issued Shares")

** Based on 1,058,399,999 ordinary shares, being the number of the Issued Shares adjusted for the assumed conversion of the Convertible Bond at the original conversion price of S\$0.30 per share and the exercise of all the share options pursuant to the SESOS

*** Based on the issue share capital of 978,000,000 ordinary shares

**** As the conversion of the Convertible Bond and exercise of all outstanding options pursuant to the SESOS will have an anti-dilutive effect on the loss per share, they are not taking into account in calculating the diluted loss per share

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year

	The Group		The Company	
	31 March	31 December	31 March	31 December
	2009	2008	2009	2008
	RMB'000	RMB'000	RMB'000	RMB'000
Net asset value (net of minority interests) as at end of financial period/ year	569,530	619,830	541,777	548,898
Net asset value per ordinary share as at the end of financial period/ year (Singapore cents)	12.8 cents	12.9 cents	12.2 cents	11.4 cents

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period report on.

(a) Review of profit and loss statement of the Group for Q1 2009 (relative to that for Q1 2008)

Overview

Sunshine Holdings Limited is an award-winning Henan-based developer of residential and commercial properties. We strategically focus on building affordable medium end quality housing in tier-2 cities mainly located in Henan Province, PRC.

Revenue

The Group's revenues (net of sales tax) generated in Q1 2009 and Q1 2008 were as follow:

	<u>Q1 2009</u> <u>RMB million</u>	<u>Q1 2008</u> <u>RMB million</u>
(1) Sales of developed properties	2.6	88.9
(2) Rental income	7.0	3.2
(3) Property management income	1.5	2.0
	<u>11.1</u>	<u>94.1</u>

Our overall revenue decreased by 88% from RMB 94.1 million in Q1 2008 to RMB 11.1 million in Q1 2009.

Notwithstanding the sales deposits aggregating RMB 248.6 million collected as at 31 March 2009, our sales of developed properties in Q1 2009 were 97% lower than Q1 2008 as many of the development projects concerned have yet been due for completion as at 31 March 2009.

Our rental income increased by 119% from RMB 3.2 million in Q1 2008 to RMB 7.0 million in Q1 2009. The improved performance was mainly contributed by our subsidiary, Feng Bao Heng Investments Co. Ltd ("FBH"), which we acquired in Q4 2008.

Our property management income decreased by 25% from RMB 2 million in Q1 2008 to RMB 1.5 million in Q1 2009 following the disposal of two property management subsidiaries in Q2 2008 and Q1 2009.

Gross profit

In line with the lower revenue registered, our gross profit declined from RMB 23.6 million in Q1 2008 to RMB 0.4 million in Q1 2009. With rental income constituting a greater proportion to the total revenue in Q1 2009 (as contrast against that in Q1 2008 with the sales of developed properties constituting a greater proportion to the total revenue), the Group's gross profit margin reduced from 25% in Q1 2008 to 3% in Q1 2009 (as rental income commands a comparatively much lower gross profit margin relative to that from the sales of developed properties).

Other operating income

Our other operating income decreased by 94% from RMB 83.5 million in Q1 2008 to RMB 4.9 million in Q1 2009. The decrease was mainly attributed to the fact that no investment income from available-for-sale investments was recognized in Q1 2009 (as compared to that of RMB 49.6 million recognized in Q1 2008) coupled with the unfavorable exchange rate movements between RMB and US dollars which resulted in an exchange loss of RMB 1.5 million in Q1 2009 against an exchange gain of RMB 32.1 million recognized in Q1 2008.

Changes in fair value of investment property

An investment property held by one of our subsidiaries, which was disposed in Q1 2009, suffered a reduction in value of RMB 1.8 million under the current weak property market conditions in China when it was re-valued prior to the disposal.

General and administrative expenses

Our general and administrative expenses increased by 27% from RMB 9.7 million in Q1 2008 to RMB 12.3 million in Q1 2009. The increase was attributed mainly to higher amortization of land use right with more land parcels being acquired; expense off projects' land-use taxes (capitalised as part of the project development costs previously) following the suspension/halt of some of the projects of the Group and higher depreciation charges due to additional property, plant and equipment acquired in Q4 2008.

Selling and distribution expenses

With some of our projects being suspended/halted, our selling and distribution expenses declined by 34% from RMB 3.4 million in Q1 2008 to RMB 2.2 million in Q1 2009.

Finance costs

Our finance costs increased significantly from RMB 19.8 million in Q1 2008 to RMB 42.0 million in Q1 2009 as a substantial amount of the interest incurred could no longer be capitalized following the suspension/halt of some of the projects of the Group.

Loss before tax

In line with the low gross profit and higher operating expenses, we incurred a net loss before tax of RMB 53.1 million in Q1 2009 as compared to a net profit before tax of RMB 74.3 million in Q1 2008.

Income tax (credit)/expense

Our income tax expenses decreased by 96% from RMB 5.0 million in Q1 2008 to RMB 0.2 million in Q1 2009 due mainly to lower taxable profit in Q1 2009 as compared to Q1 2008.

Net loss attributable to equity holders of the company

In line with the operating loss incurred, the amount attributable to equity holders of the Company was a loss of RMB 51.2 million in Q1 2009 as compared to a profit of RMB 69.5 million in Q1 2008.

Minority interests

With a net loss attributed to the equity holders of the Company, the minority interests of the Group similarly bore a higher loss of RMB 2.1 million in Q1 2009 compared to a loss of RMB 0.31 million in Q1 2008.

(b) Review of balance sheet of the Group as at 31 March 2009 (relative to that as at 31 December 2008)

Non-current assets

Non-current assets decreased by RMB 88.4 million or 20% from RMB 441.4 million as at 31 December 2008 to RMB 353.0 million as at 31 March 2009. This was attributed mainly to a reduction in investment properties following the disposal of a subsidiary which held an investment property.

Current assets

Current assets increased by RMB 46.7 million or 2% from RMB 1,933.0 million as at 31 December 2008 to RMB 1,979.8 million as at 31 March 2009. This was mainly due to an increase in other receivables brought about by the reclassification of an outstanding balance due to the Group by a subsidiary which was disposed in Q1 2009.

The decrease in bank balances and cash was mainly due to the payment of construction costs.

Current liabilities

Current liabilities increased by RMB 13.5 million or 1% from RMB 1,580.5 million as at 31 December 2008 to RMB 1,594.0 million as at 31 March 2009. The increase was attributed mainly to the accrual of interest for Q1 2009, in respect of the US\$120 million term loan (the "Term Loan") procured with the syndicate lenders, (the "Lenders"); the settlement of amounts due to a related party; and the increase in sales deposit from the pre-sales of properties in Q1 2009. The Term Loan's interest for Q1 2009 was subsequently paid in early April 2009.

Accordingly, the working capital of the Group increased by RMB 33.2 million or 9% from RMB 352.6 million as at 31 December 2008 to RMB 385.8 million as at 31 March 2009.

Non-current liabilities

Non-current liabilities decreased by RMB 2.9 million or 3% from RMB 90.2 million as at 31 December 2008 to RMB 87.4 million as at 31 March 2009. The decrease was attributed mainly to the repayment of bank borrowings.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Nil

10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

During Q1 2009, like the many other provinces in China, there had been a moderate improvement in the general property market conditions in the Henan Province in comparison to the rapidly deteriorated conditions in 2008. However, such an improvement should be interpreted with caution and not be construed as that the property market in the Henan Province is bottoming up, given that the domestic and global economic factors affecting property market still remain uncertain and there is still a high level of undepleted units available in the market.

The sales of our Yangguang Xincheng Project (Xinxiang City) and Yangguang Shuangxi Buluo Project (Luoyang City) had shown improvement in Q1 2009, due mainly to the market improvement as mentioned above and increased marketing efforts put in by the Group.

For the remaining period of FY 2009, the Group remains cautious in its business strategies in improving its cash flow position and profitability via the increase in sales and marketing efforts and a as quick as possible resolution in restructuring

the Term Loan.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No

(c) Date payable

Not applicable.

(d) Books closure date

No applicable.

12. If no dividend has been declared / recommended, a statement to that effect.

No dividend has been declared or recommended for the three months ended 31 March 2009.

BY ORDER OF THE BOARD

**Guo Yinghui
Chairman**

15 May 2009



Company Registration No. CT-140095

CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(4) OF THE LISTING MANUAL

To the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial statements of the Group and the Company for the three months ended 31 March 2009 to be false or misleading in any material aspect.

Signed for and on behalf of the Board of Directors

Zhao Zhanmei
Deputy Chairman

Li Bin
Director

15 May 2009