



SUNSHINE HOLDINGS LIMITED
阳光控股有限公司

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Creating limitless space...for unparalleled living 创造无限空间 带动现代生活

Corporate Presentation

Mar 2007

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Investment Highlights

Investment Highlights

Sunshine is an excellent exposure to consumers in China seeking to own their homes

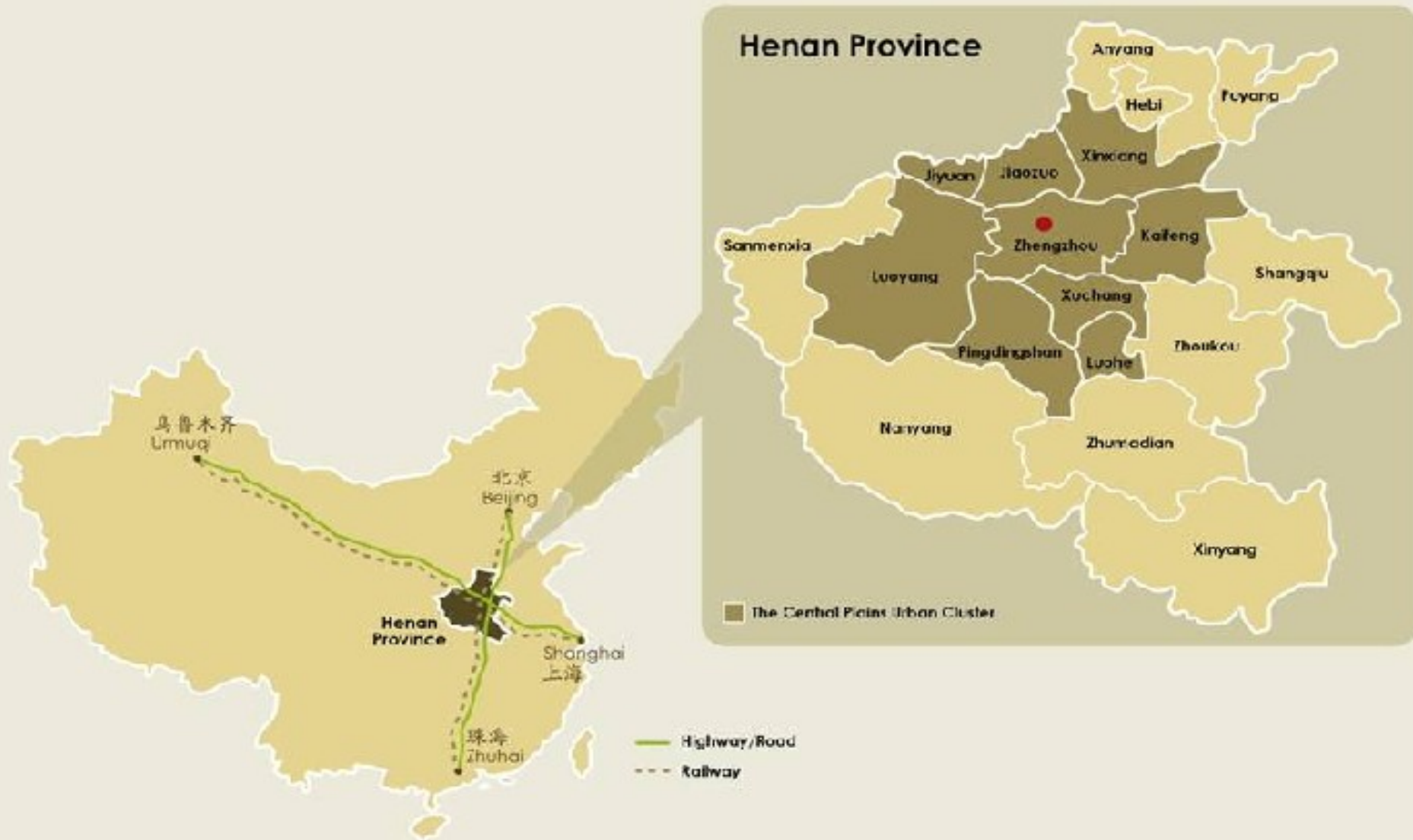
- Rising demand for housing in Henan supported by urbanization, income and economic growth
- Increase in FY2006 net profit underpinned by strong demand for mid-level residential properties in Tier-2 & 3 Cities
- Besides 2 existing projects, marketing of 5 new projects, including commercial project Shining Holiday Shopping Centre II, will be launched in 2007
- As a retail mall, Shining Holiday Shopping Centre II is expected to contribute substantially to group revenue in FY2007
- Continuous land bank expansion to maintain strong project pipeline for future growth



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Henan Property Market

Map of Henan Province



Henan in General



- Located in central China with a land area of 167,000 km²
- Most populous province in China with population of about 97.2m
- Rich historical past (cradle of Chinese civilization)
- Key transport nodes at the cross roads of China for highways and railways (crisscrossing at Zhengzhou, the provincial capital)
- Key drivers of economic growth (agricultural produce, heavy industries, natural resources, property development)



Renowned Establishments in Henan



• Renowned Domestic Entities

- **First Tractor**
 - - the largest agricultural machinery manufacturer in China
- **China Shenma Group**
 - - the biggest nylon tire cord fabric producer in China
- **China Great Wall Aluminium**
 - - one of the biggest producers of aluminium in China
- **Henan Lotus Gourmet Powder**
 - - 1st in Asia in terms of production of monosodium glutamate
- **Xinfei Electric (co-invested by Hong Leong Group of Singapore)**
 - - second largest producer of refrigerators in China

• Established Foreign Investments

- **35 of the global top 500 MNCs like Hitachi, Toshiba, Philips, SUEZ, MAN etc.**

Strong Economic Growth in Henan



GDP:

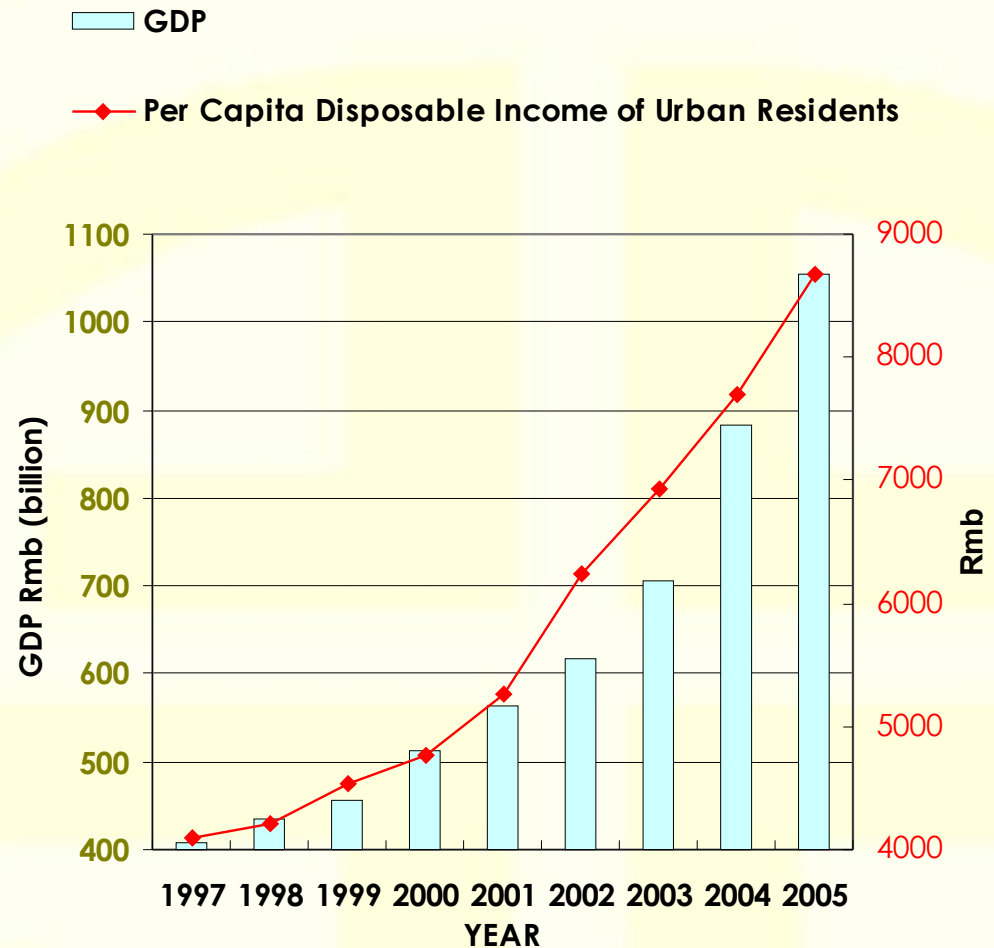
全省生产总值

- Rmb408 billion (1997) to Rmb1,053.5 billion (2005)
- One of top 5 provinces in terms of GDP

Per Capita Disposable Income of Urban Residents:

城市居民人均可支配收入

- Rmb4,094 (1997) to Rmb8,668 (2005)



Key Statistics of Henan Property Market



GFA of Properties Sold

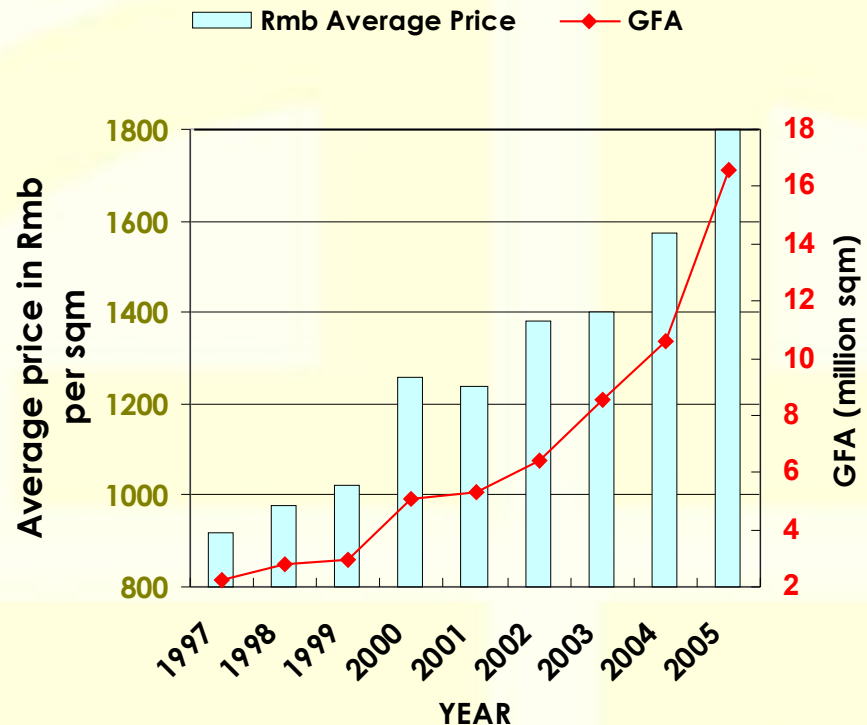
已售房产建筑面积

- 2.2 million sqm (1997) to 16.6 million sqm (2005)

Average Sale Price

平均售价

- Rmb919 psm (1997) to Rmb1,800 psm (2005)

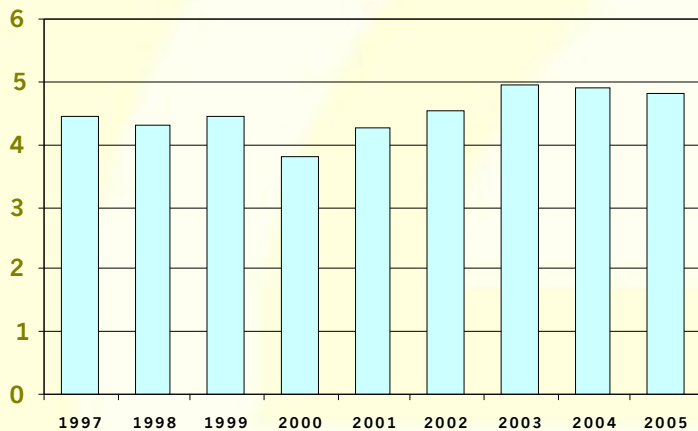


Key Statistics of Henan Property Market



Property Affordability Index
(= Urban Disposable Income/
Ave Cost)

房产消费指数 (= 城市居民人均可支配收入 / 平均价格)

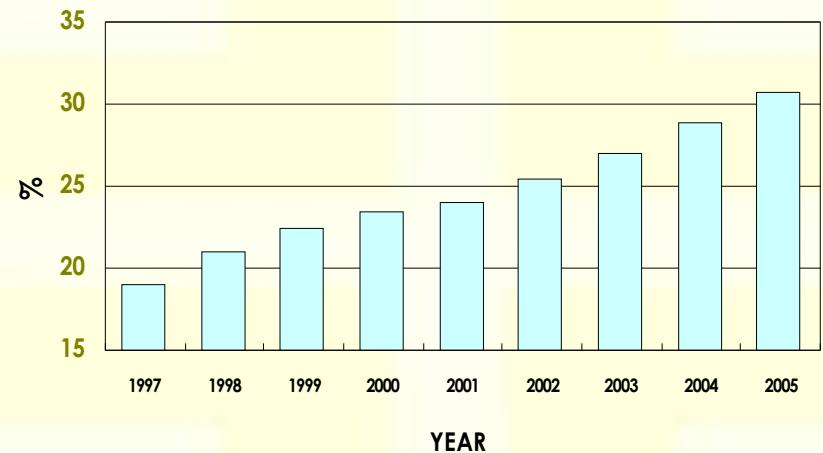


**Growth in per capita disposable income
has kept pace with property prices**

Urbanization Rate:

城市化比率

- 19.6% (1997) to 30.7% (2005)



Sunshine in Henan

Building Affordable Quality Homes for End-Users

- A Henan-based property developer founded in 1999 by Chairman, Guo Yinghui
- Over a span of 7 years to 2006, developed an impressive track record of over 700,000 sqm in GFA of residential, commercial and cluster estate properties in selected Henan cities
- Sells affordable quality homes to mid-level end consumers
- Residents enjoy property management services to preserve the value of quality property developments
- Awarded the coveted “PRC Leading Property Developer” in 2004 by the Construction Cultural Centre of the PRC Building Department



Growth Drivers for Sunshine



- **Rapid urbanization of population**
(HDB took 30 years to house 3 million in Singapore)
- **Rising income from sustained economic growth**
- **Phasing out of government housing allocation**
- **Ample supply of state-owned land for residential development**
- **Availability of affordable private housing**
- **Little evidence of property speculation in tier-2/3 cities**



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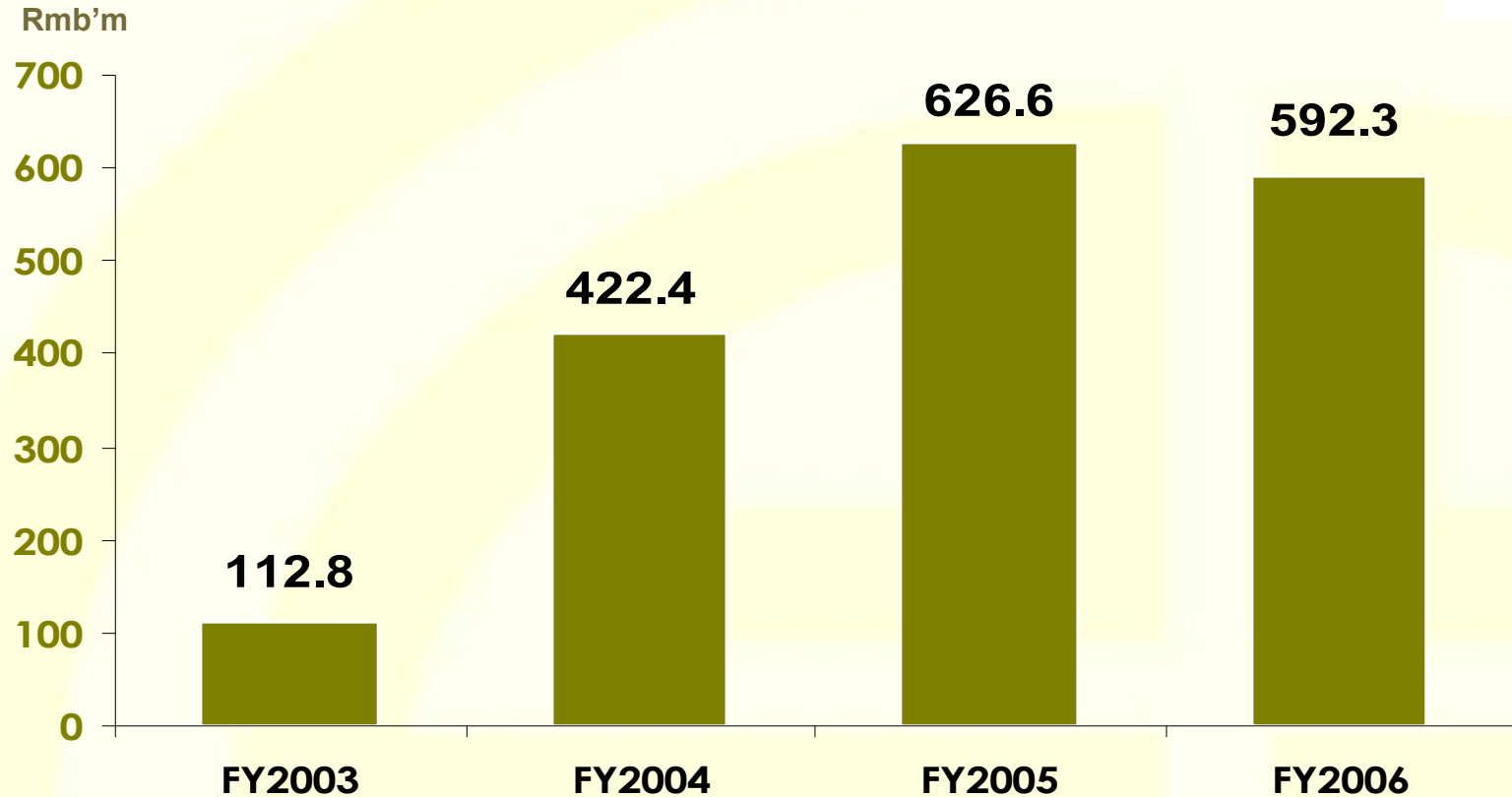
Financial Highlights

FY2006 Results Summary

(RMB '000)	FY2006	FY2005	% Chg
Revenue	592,316	626,625	(5%)
Gross Profit	240,312	228,865	+ 5%
- <i>Gross Margin (%)</i>	41%	37%	
Profit Before Tax and IPO Expense	244,085	218,416	+ 12%
Net Profit	176,524	145,713	+21%
Net Profit Attributable to Equity Holders of the Parents	149,990	145,483	+ 3%
- <i>Net Margin (%)</i>	25%	23%	

- FY2006 revenue consisted of sales of units in Sunlight City – Yi Yuan, Changzhi Project, Western Modern City and Cuizhu Yuan. Revenue from sales of developed properties amounted to RMB 578.7m.
- Margin growth driven by sales of more higher margin development projects in Zhengzhou and Changzhi cities.

Revenue Trend

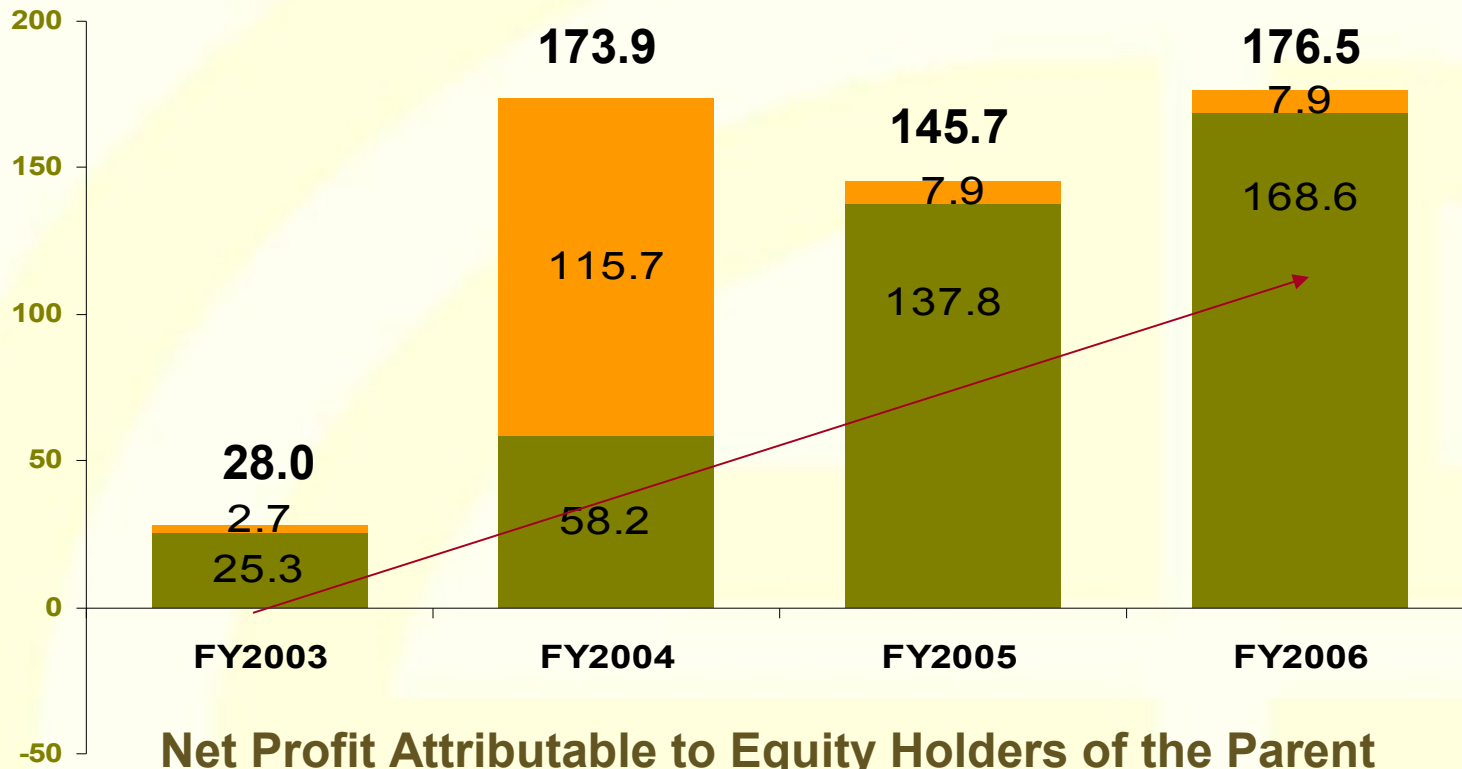


Marginally lower revenue in FY2006 due to deferment of sales of Shining Holiday Shopping Centre II to FY2007

Profit Trend



Rmb'm



Net Profit Attributable to Equity Holders of the Parent			
28.0	173.2	145.5	150.0

■ Adjusted Net Surplus on Revaluation

FY2006 Quarterly Results Summary

(RMB 'm)	Total Revenue	Net Profit Attributable to Equity Holders of the Parent	Revenue from Property Development
1Q	8.6	1.1	6.5
2Q	30.8	15.6	28.7
3Q	142.6	46.7	141.5
4Q	410.3	86.6	402.0
Total	592.3	150.0	578.7

Revenue recognition based on completion method.

Construction relatively slower in 1Q due to winter and accelerated towards 4Q.

Balance Sheet



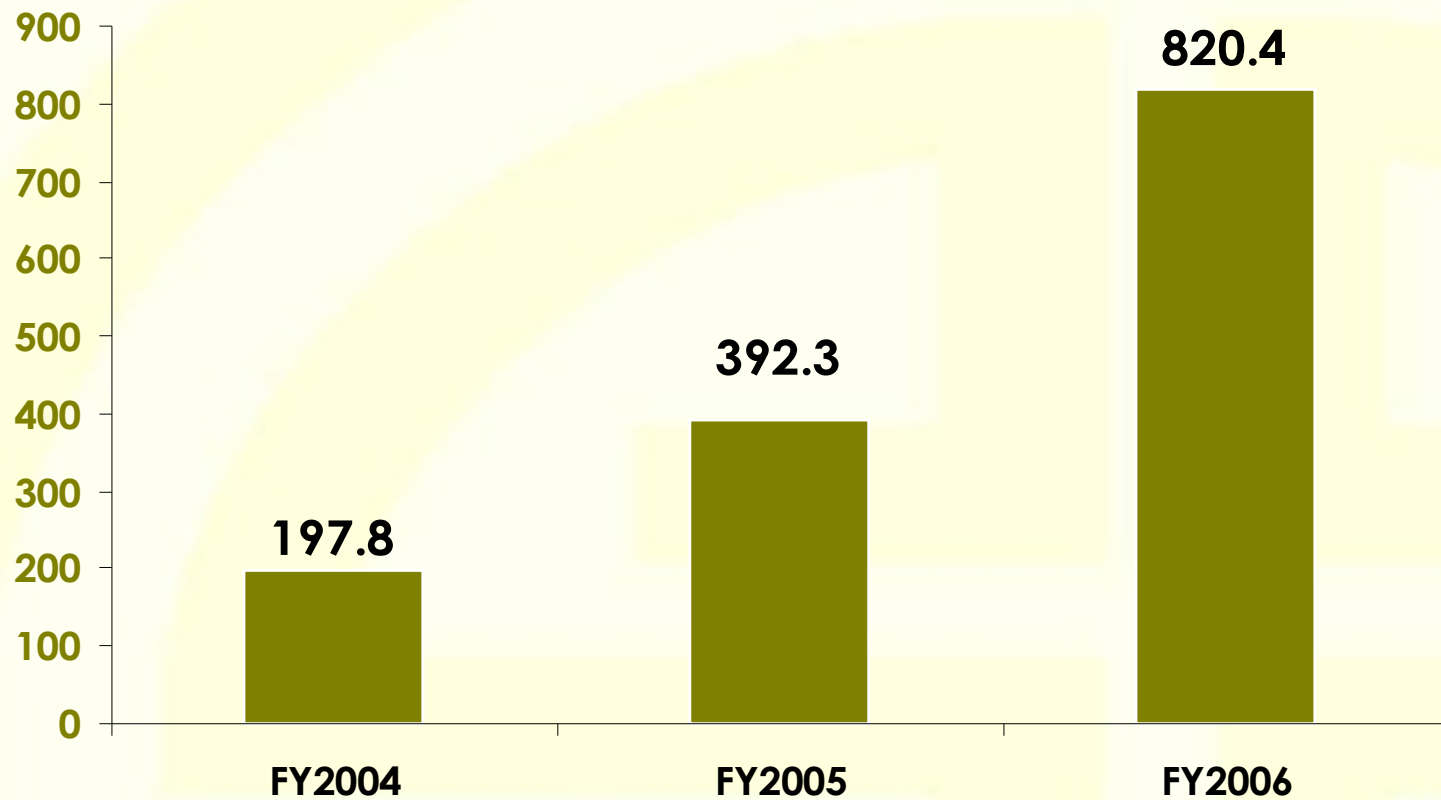
(RMB '000)	31 Dec 06	31 Dec 05
Shareholders' equity	820,378	392,348
Completed properties for sale	39,594	5,305
Properties under development for sale	442,335	333,348
Trade receivables	211,492	204,423
Prepayments and other receivables [^]	450,461	19,311
Bank balances, cash & deposits	290,203	26,490
Trade Payables	149,944	198,499
Bank and other borrowings	371,543	68,200

[^] **50 - 60% of “Prepayments and other receivables” are deposit payments for new lands** (refer to slide on “*Projects with Contributions Beyond FY2007*” for details on new land acquired).

Shareholders' Equity



Rmb'm



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Our Properties

Completed Properties



Xinxiang Huilong Building
in Xinxiang City

Xinxiang Huilong Garden
in Xinxiang City



Completed Properties

Shining Holiday Shopping Centre
in Xinxiang City



Ming Pin Cheng
in Jiaozuo City

Completed Properties



Anyang Huilong City Garden
in Anyang City



Sunlight City – Jing Yuan
in Xinxiang City

Summary of Completed Properties

Name of Projects	Type of Development	GFA (sq. m)	Commence -ment	Completion
Xinxiang Huilong Building	Office	7,359	Jan 1999	Nov 1999
Xinxiang Huilong Garden	Res / Com	57,898	Jun 2001	Jul 2003
Shining Holiday Shopping Centre	Com	44,996	Oct 2003	Sep 2004
Ming Pin Cheng	Com	10,295	Jan 2004	Oct 2004
Sunlight City – Jing Yuan	Res / Com	171,632	Dec 2002	Oct 2004
Anyang Huilong City Garden	Res / Com	90,930	Apr 2003	Dec 2004
Hanyu New City	Res / Com	21,874	Oct 2004	Jun 2005
International Commercial City	Com	6,700	Acquired in Sep 2006	
Sunlight City – Ming Yuan	Res / Com	202,192	Apr 2005	May 2006
Changzhi Jindeli Building	Res / Com	63,177	Acquired in Jun 2006	Dec 2006
Cuizhu Yuan	Res / Com	64,000	Acquired in Sep 2006	Dec 2006
TOTAL		741,053		

Projects Under Development



Sunlight City – Yi Yuan
in Xinxiang City



Western Modern City
in Zhengzhou City



Projects with FY2007 Contribution

Name of Projects	Est. GFA to be booked in FY2007 (sqm)	Type	Current mkt selling prices of similar properties in respective cities (RMB/sqm)	Est. Completion
Sunlight City – Yi Yuan	65,000 - 70,000	Res / Com	(Res) 1,700 – 2,000 (Com) 4,000 – 6,000	2007
Western Modern City	36,000 – 40,000	Res / Com	(Res) 3,000 – 3,500 (Com) 5,000 – 6,000	2007
Shining Holiday Shopping Centre II	40,000 – 40,400	Com	6,000 – 10,000	2007
Shangqiu Project	50,000 – 70,000	Res / Com	(Res) 1,700 – 2,000 (Com) 5,000 – 6,000	2007
Luoyang Project	10,000 – 15,000	Res / Com	(Res) 2,800 – 3,000 (Com) 5,000 – 6,000	2007/08
Zhengzhou Yuhua	50,000 – 80,000	Res / Com	(Res) 3,800 – 4,400 (Com) 5,000 – 6,000	2007/08/09
Zhoukou Project	50,000 – 70,000	Res / Com	(Res) 1,700 – 2,000 (Com) 4,000 – 4,500	2007/08/09
Western District Of Xinixiang	-	Comp	N.A.	2007/08/09
Total	301,000 – 385,400			

Projects to be Completed After FY2007



Cities	Name of Project	Est. Total GFA (sqm)	Est. Remaining GFA after FY2007 (sqm)	Zoning
Luoyang, Henan	Luoyang Project	150,000	135,000 - 140,000	Res/Com
Zhengzhou, Henan (<i>new</i>)	Zhengzhou Yuhua Project	240,000	160,000 – 190,000	Res/Com
Zhoukou, Henan (<i>new</i>)	Zhoukou Project	360,000	290,000 – 310,000	Res/Com
Xinxiang, Henan	Western Dist. Of Xinxiang	800,000	800,000	Comp
Jiaozuo, Henan (<i>new</i>)	-	200,000	200,000	Res/Com
Changzhi, Shanxi (<i>new</i>)	-	50,000	50,000	Com
TOTAL (million sqm)		1.80	1.64 – 1.70	

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Prospects

Prospects



- **Driving factors behind property demand :**
 - **High urbanization rate**
 - The Central Plains Urban Cluster Initiative
 - **Strong demand for home upgrades**
 - Migrant factors
 - Improving living standards
 - Growing income levels
 - **Increasing availability of affordable housing**
 - Pillar sector emphasized by the Henan Government
- **Non-speculative genuine buyers**





Q & A

Thank You

