(Company Registration No.: 200610437K)

CWG reports RMB6.25 billion pre-sales receipts by 3Q2017, surpassing total achieved for entire FY2016

- **Pre-sales reached RMB6.25 billion year-to-date CY2017, tracking below the RMB10.0 billion target with three more project launches planned in 4Q2017**
- **Early delivery of *Uptown@Roseville* this quarter, the second project in Australia to be delivered, and the first to be managed by the Group as the development manager.**
- **Change of financial year year-end to June 2018 will improve estimates of tax expenses and save costs**

SINGAPORE, 13 November 2017 – SGX Mainboard-listed CWG International Ltd, together with its subsidiaries ("CWG" or the "Group"), announced today its financial results for the three months period ended 30 September 2017, and updated on the changes to its financial year end in 30 June 2018 with a total of six quarters in FY2017/18.

The international property developer reported a 63.0% year-on-year ("yoy") increase in revenue to RMB193.0 million in 3Q2017, with the handover of *Uptown@Roseville*, its second completed project in Australia. This is despite a 50.4% decrease in Gross Floor Area ("GFA") sold of 5,819 square metres ("sqm") in 3Q2017, from 11,738 sqm in 3Q2016. Average Selling Price ("ASP") increased markedly by RMB21,888/sqm, from RMB8,760/sqm in 3Q2016 to RMB30,648/sqm in 3Q2017, because of the high ASP of *Uptown@Roseville.* Overall, the Group recorded an improvement in its gross profit margin to 37.7% for 3Q2017 (3Q2016: 37.1%).

Selling and distribution expenses decreased 14% yoy to RMB31.8 million, while administrative expenses increased 92.0% yoy to RMB50.7 million for 3Q2017. The higher headcount with our expansion in business activities, and mid-year bonuses which was paid for the first time this year, led to the higher administrative expenses. Overall, the Group

reported a loss of RMB25.0 million at the PATMI level for 3Q2017, a 53% improvement from a loss of RMB53.3 million in 3Q2016.

The Group continued to maintain a stable debt profile although its scale of operations has grown larger. While total debt increased by RMB1.1 billion to RMB9.2 billion as at 30 September 2017 (31 December 2016: RMB8.1 billion), cash and cash equivalents provided a balance by improving RMB0.9 billion to RMB2.9 billion (31 December 2016: RMB2.0 billion). The increase in debt is mainly attributed to the Group's development debts for *Wuxi Industrial Park Royal Mansion* and *Elan@Epping,* and the acquisition of four new land parcels in Zhangjiagang and Changshu, Jiangsu province, adding to its land bank and positioning the Group for continued growth. Corporate level debt remained flat.

The Group recorded good pre-sales for 3Q2017, despite the challenging environment with increasing cooling measures in the PRC. Pre-sales for its China projects, which were mainly from *Zhangjiagang Chiway Royal Paradise Bay* and *Suzhou Chiway Star Hub*, contributed approximately 33% and 24% of the Group's 3Q2017 pre-sales. In addition, 20 units from its four property development projects in Australia – *Uptown@Roseville, Illumina, Elan@Epping, Stellar@Ryde*, were pre-sold. Overall, pre-sales for the Group reached RMB6.25 billion year-to-date. With another three projects scheduled to be launched for the rest of the year, the Group is tracking behind its RMB10.0 billion target for CY2017.

The Group highlighted the successful delivery of *Uptown@Roseville* this quarter, which was delivered early by a quarter with more than 95% sold, as testimonial to the strong capabilities that the Group have developed in Australia, a key component of its internationalisation strategy. The development of *Uptown@Roseville* project was managed entirely by the 17-strong team led by Dr Rao Ying, the CEO of the Group's Australia subsidiary.

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Commenting on the results, **Mr Chua Hwee Song, the Group's Chief Financial Officer and Executive Director**:

"*As we continue to grow in scale, as can be seen in the RMB5.2 billion increase in projects that we have under development, the demand on our balance sheet becomes ever more challenging. At the same time, the funding environment has become more difficult with various cooling measures imposed on the real estate sector in the PRC. Set against this background, we have kept a tight control on our gearing while continuing to diversify our sources of funds, in particular to support our overseas operations. Of note, this quarter, we have kept our gearing ratio stable while continuing to chart a growth path within safe limits.*

We have decided to change our financial year end to 30 June next year, with a total of six quarters in FY2017/18 from 1 January 2017 to 30 June 2018. The change will enable us to improve the accuracy of our reported taxes and better plan our audit schedule with our auditors, enabling greater administrative efficiency and cost savings."

On the Group's outlook, **Mr. Qian Jianrong, Executive Chairman and CEO of CWG International Limited**, remarked:

"The cooling measures introduced last year, has caused structural changes in the real estate market in the PRC, with numerous price and funding control measures put in place, and a perceptible shift in market demand to the lower-tier towns and cities.

Despite these difficult challenges, I am proud that the Group has continued to adapt well with much adjustments made by our dedicated operating teams on the ground, and continued to work towards delivering on the targets that the Group has set at the beginning of the year for CY2017. We will continue to make the necessary adjustments as the market evolves, and adopt the best options available to us, always with the best interests of our

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shareholders in mind. We hope shareholders will continue to give us their utmost support as we forge ahead."

– End –

ABOUT CWG INTERNATIONAL LIMITED

LIMITED STOCK CODES – SGX: ACW | BLOOMBERG: CHW SP | REUTERS: CHIW.SI

CWG International Ltd. ("CWG" or "the Group") is an international real estate group with businesses that include real estate investment and development, fund and asset management, spanning across Singapore, Australia, the United States ("U.S.") and China. The Group was established in 2002 and grew rapidly to be listed on the Mainboard of the Singapore Exchange in 2014 (SGX: ACW).

The Group has an established track record in developing quality residential and commercial properties and to date, has successfully delivered a total saleable gross floor area ("GFA") exceeding 2.87 million square metres ("sqm") over 31 projects in China and one project in Australia. The Group's portfolio also includes education facilities such as campuses and international schools.

Since 2014, the Group has embarked on an internationalisation strategy to diversify its property development business across different markets, and has since expanded to Australia with the successful handover of its first overseas project, Vivir in Brisbane, in 2016. In the U.S., CWG marked its maiden foray in 2016 with a mixed development project in Los Angeles ("L.A."), California, comprising retail, hotel and residential units. Within China, CWG is ranked as one of the Top 100 Real Estate Development Enterprises, with property projects spanning across the heart of the Yangtze River Delta Region, including Shanghai, Suzhou, Nanjing and Wuhan.

In the fund and asset management business, CWG seeks to generate recurring income streams from both management fees and property rental, with a key focus on educational assets. This will provide earnings stability to the Group, and more importantly, accelerate its growth using capital from its fund management business. To date, its subsidiary Richmont Capital has successfully raised eight funds with total assets under management in excess of USD100 million, that have been applied to the Group's projects.

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For more information, please visit the company website at www.cwginternational.com.

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