

CWG INTERNATIONAL LTD.
(Company Reg. No. 200610437K)

**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE FOURTH QUARTER
AND FINANCIAL YEAR ENDED 31 DECEMBER 2016**

**PART 1 -INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (“1Q”, “2Q”
& “3Q”), HALF-YEAR (“HY”) AND FULL YEAR (“FY”) RESULTS**

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	GROUP			GROUP		
	4Q2016	4Q2015	%	12M2016	12M2015	%
	RMB'000	RMB'000	Change + / (-)	RMB'000	RMB'000	Change + / (-)
Revenue	3,443,806	2,171,842	59%	4,778,878	3,577,293	34%
Cost of sales	(2,675,467)	(1,973,035)	36%	(3,863,012)	(3,279,475)	18%
Gross profit	768,339	198,807	286%	915,866	297,818	208%
Other income	1,979	92,555	(98%)	6,043	94,990	(94%)
Selling and distribution expenses	(57,191)	(21,311)	168%	(141,681)	(76,320)	86%
Administrative expenses	(44,856)	(16,216)	177%	(144,385)	(98,252)	47%
Other operating expenses	(12,206)	(5,851)	109%	(20,581)	(12,299)	67%
Results from operating activities	656,065	247,984	165%	615,262	205,937	199%
Net finance costs	(9,791)	(14,138)	(31%)	(56,126)	(41,387)	36%
Share of results of joint ventures and associate, net of tax	157	777	(80%)	6,339	(1,348)	n.m.
Profit before income tax	646,431	234,623	176%	565,475	163,202	246%
Income tax expense	(263,592)	(127,790)	106%	(296,837)	(91,940)	223%
Profit for the period/year	382,839	106,833	258%	268,638	71,262	277%
Profit attributable to:						
Owners of the Company	222,230	59,017	277%	114,764	37,663	205%
Non-controlling interests	160,609	47,816	236%	153,874	33,599	358%
Profit for the period/year	382,839	106,833	258%	268,638	71,262	277%

Note:

n.m: denotes not meaningful.

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	GROUP			GROUP		
	4Q2016	4Q2015	% Change	12M2016	12M2015	% Change
	RMB'000	RMB'000	+ / (-)	RMB'000	RMB'000	+ / (-)
Profit for the period/year	382,839	106,833	258%	268,638	71,262	277%
Other comprehensive (loss)/income						
<i>Items that are or maybe reclassified subsequently to profit or loss:</i>						
Foreign currency translation						
differences on foreign operations	(4,459)	5,185	n.m.	12,883	(2,998)	n.m.
Total comprehensive profit for the period/year	378,380	112,018	238%	281,521	68,264	312%
Total comprehensive profit attributable to:						
Owners of the Company	217,732	64,202	239%	127,644	34,665	268%
Non-controlling interests	160,648	47,816	236%	153,877	33,599	358%
Total comprehensive profit for the period/year	378,380	112,018	238%	281,521	68,264	312%

Note:

n.m : denotes not meaningful.

1(a)(ii) Notes to the income statement

Profit before income tax is stated after charging/ (crediting):

	Group		Group	
	4Q2016 RMB'000	4Q2015 RMB'000	12M2016 RMB'000	12M2015 RMB'000
Depreciation of property, plant and equipment	259	548	1,801	2,496
Finance income	(21,122)	(8,315)	(39,294)	(17,053)
Finance cost	30,913	22,453	95,420	58,440
Foreign exchange loss (net)	6,937	2	10,505	5,363
Change in fair value of investment properties	3,270	(91,802)	3,270	(91,802)
Allowance for impairment loss on financial assets	-	-	-	2,250
(Reverse)/Write down of development properties	(8,939)	47,459	(8,939)	47,459
Change in fair value of financial assets held for trading	-	-	-	(13)
Gain on disposal of financial assets available for sale	(985)	-	(1,941)	(589)
Gain on disposal of interests in joint ventures	-	-	(943)	-
Gain on disposal of property, plant and equipment (net)	(43)	(505)	(58)	(538)
Under/(Over) provision of tax in respect of prior years	7,109	14,530	5,645	(27,194)

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

	Group		Company	
	31-Dec-2016	31-Dec-2015	31-Dec-2016	31-Dec -2015
	RMB'000	RMB'000	RMB'000	RMB'000
Assets				
Property, plant and equipment	4,822	5,714	-	3
Investment properties	1,190,200	993,200	-	-
Subsidiaries	-	-	1,441,794	1,378,109
Joint ventures	107,226	15,062	-	-
Deferred tax assets	124,133	42,961	-	-
Non-current assets	1,426,381	1,056,937	1,441,794	1,378,112
Development properties	7,791,781	5,597,862	-	-
Contract work-in-progress	397,888	382,998	-	-
Financial assets	55,000	250,000	-	-
Trade receivables, other receivables and advance payments	3,713,157	2,664,697	275,089	195,028
Cash and cash equivalents	2,027,684	1,203,532	4,996	300
Current assets	13,985,510	10,099,089	280,085	195,328
Total assets	15,411,891	11,156,026	1,721,879	1,573,440
Equity				
Share capital	298,577	298,577	1,582,272	1,582,272
Treasury shares	(522)	-	(522)	-
Reserves	331,213	216,630	(5,011)	(153,254)
Equity attributable to owners of the Company	629,268	515,207	1,576,739	1,429,018
Other equity instruments	214,695	214,695	143,781	143,781
	843,963	729,902	1,720,520	1,572,799
Non-controlling interests	642,694	516,317	-	-
Total equity	1,486,657	1,246,219	1,720,520	1,572,799
Liabilities				
Loans and borrowings	5,757,714	3,144,601	-	-
Deferred tax liabilities	116,993	121,440	-	-
Non-current liabilities	5,874,707	3,266,041	-	-
Loans and borrowings	2,447,491	1,075,260	-	-
Trade payables, other payables and advance receipts	4,911,473	5,078,377	1,359	641
Advance receipts from government	439,853	439,853	-	-
Tax payable	251,710	50,276	-	-
Current liabilities	8,050,527	6,643,766	1,359	641
Total liabilities	13,925,234	9,909,807	1,359	641
Total equity and liabilities	15,411,891	11,156,026	1,721,879	1,573,440

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31 December 2016		As at 31 December 2015	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
1,675,383	772,108	958,260	117,000

Amount repayable after one year

As at 31 December 2016		As at 31 December 2015	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
5,476,988	280,726	3,144,601	-

The secured borrowings of the Group are secured by the following:

- (i) the Group's investment properties and development properties with total carrying amounts of RMB5,187,446,967 (as at 31 December 2015: RMB4,877,602,000);
- (ii) the following equity interests in the Group entities are pledged as collaterals to financial institutions:
 - SCLG's 100% equity interest in Xuancheng Chiway;
 - SCLG's 75% equity interest in Suzhou Chiway Jinhui;
 - SCLG's 60% equity interests in Suzhou Chiway Shangcheng;
 - SCLG's 55% equity interests in Suzhou Xingshang;
 - SCLG's 51% equity interests in Xuzhou Chiway;
 - Shanghai Tongrui's 49% equity interests in Xuzhou Chiway;
 - Suzhou Chiway Shangcheng's 100% equity interests in Suzhou Shanghong;
 - Suzhou Chiway Shangcheng's 100% equity interests in Suzhou Hengtang;
 - Suzhou Chiway Shangcheng's 100% equity interests in Wuhan Chiway;
 - Suzhou Chiway Shangcheng's 95% equity interests in Zhangjiagang Wanhong; and
 - Suzhou Chiway Shangcheng's 95% equity interests in Wuxi Taihu.
- (iii) a personal guarantee provided by Mr. Qian Jianrong.

The presentation of the financial statement above is based on the treatment of a transaction with Hangzhou Trust being considered as a debt instrument and not a disposal of equity. This is a matter of judgment made by the Board after considering and balancing different factors, but as it is a complex issue, Appendix I discloses the pro-forma financial statement if, in the alternative, the more proper accounting treatment is that of an equity disposal.

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

	Group		Group	
	4Q 2016	4Q 2015	12M 2016	12M 2015
	RMB'000	RMB'000	RMB'000	RMB'000
Cash flows from operating activities				
Profit for the period/year	382,839	106,833	268,638	71,262
Adjustments for:				
Changes in fair value of investment properties	3,270	(91,802)	3,270	(91,802)
Depreciation of property, plant and equipment	259	548	1,801	2,496
Gain on disposal of financial assets available-for-sale	(985)	-	(1,941)	(589)
Gain on disposal of property, plant and equipment	(43)	(505)	(58)	(538)
Allowance for impairment loss on financial assets	-	-	-	2,250
(Reverse)/Write down on completed properties	(8,939)	47,459	(8,939)	47,459
Net finance costs	9,791	14,138	56,126	41,387
Share of results of joint ventures and associate, net of tax	(157)	(777)	(6,339)	1,348
Gain on disposal of joint venture	-	-	(943)	-
Foreign exchange loss/(gain)	6,937	(5,238)	10,505	123
Income tax expense	263,592	127,790	296,837	91,940
	656,564	198,446	618,957	165,336
Changes in:				
- Development properties	280,131	1,242,945	(1,850,177)	1,434,324
- Trade receivables, other receivables and advance payments	(404,170)	(449,456)	(1,089,966)	(1,668,581)
- Contract work-in-progress	6,197	(1,697)	(14,890)	(1,697)
- Trade payables, other payables and advance receipts	(1,347,344)	(947,227)	(157,311)	919,618
Cash (used in)/generated from operations	(808,622)	43,011	(2,493,387)	849,000
Income tax paid	(50,947)	(15,064)	(132,993)	(100,328)
Net cash (used in)/from operating activities	(859,569)	27,947	(2,626,380)	748,672
Cash flows from investing activities				
Acquisition of financial assets held for trading	(55,000)	(250,000)	(56,500)	(250,000)
Acquisition of property, plant and equipment	(41)	(151)	(1,011)	(448)
Investments in joint ventures and associate	(69,394)	-	(102,675)	-
Proceeds from disposal of joint ventures	-	-	15,733	-
Decrease/(Increase) in amounts due from related corporations, non-trade	516	(8,487)	6,638	(8,265)
Decrease/(Increase) in amounts due from non-controlling interests, non-trade	92,500	(160,000)	126,000	(197,500)
(Increase)/Decrease in amounts due from joint ventures, non-trade	587	7,586	(9,984)	(12,056)
Increase in amounts due from associate	(126,449)	-	(126,449)	-
Development expenditure incurred on investment properties	(28,793)	(85,846)	(200,270)	(93,598)
Dividends from joint ventures	-	8,000	2,059	8,000

	Group		Group	
	4Q 2016	4Q 2015	12M 2016	12M 2015
	RMB'000	RMB'000	RMB'000	RMB'000
Interest received	43,213	7,740	61,385	16,478
Proceeds from redemption of financial assets available-for-sale	985	-	253,441	256,858
Proceeds from disposal of property, plant and equipment	113	518	159	607
Net cash (used in)/from investing activities	(141,763)	(480,640)	(31,474)	(279,924)
Cash flows from financing activities				
Proceeds from disposal of interest in subsidiaries without a change in control	-	-	-	40,000
Capital contribution from non-controlling interests	(34,866)	-	6,000	45,000
Capital reduction in respect of non-controlling shareholders	-	-	(17,500)	-
Dividends paid	-	(27,361)	(16,000)	(27,361)
Interest paid	(140,938)	(111,816)	(469,300)	(425,816)
Decrease/(Increase) in restricted cash	332,231	(28,509)	(17,273)	(20,561)
(Decrease)/Increase in amounts due to related corporations (non-trade)	(3,175)	(3,765)	(5,265)	(60,789)
Decrease in amounts due to director	-	(810)	-	(810)
Increase/(Decrease) in amounts due to non-controlling interests (non-trade)	79,989	572,589	62,400	(262,400)
Decrease in amounts due to joint ventures (non-trade)	-	-	-	(53,803)
Increase/(Decrease) in bills payable	15,500	(74,550)	(67,250)	(42,100)
Proceeds from issuance of perpetual preference shares	55,000	70,914	55,000	70,914
Proceeds of borrowings from financial institutions	1,681,095	313,831	5,486,545	1,093,035
Repayment of borrowings from financial institutions	(388,851)	(1,016,260)	(2,637,853)	(2,317,260)
Proceeds of borrowings from non-controlling shareholders	-	300,000	2,325,236	1,435,000
Repayment of borrowings from non-controlling interests	(181,150)	-	(1,620,000)	-
Proceeds of borrowings from unquoted debt securities	181,643	111,260	464,297	111,260
Repayment of borrowings from unquoted debt securities	(9,100)	-	(87,880)	-
Net cash from/ (used in) financing activities	1,587,378	105,523	3,461,157	(415,691)
Net increase/(decrease) in cash and cash equivalents	586,046	(347,170)	803,303	53,057
Cash and cash equivalents at the beginning of period/year	1,205,674	1,332,765	985,301	933,604
Effect of exchange rate changes on cash held	459	(294)	3,575	(1,360)
Cash and cash equivalents at the end of period	1,792,179	985,301	1,792,179	985,301
Restricted cash at the end of period/year	235,505	218,231	235,505	218,231
Cash and cash equivalents in the statement of financial position	2,027,684	1,203,532	2,027,684	1,203,532

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.

Group											
	Share capital	Treasury shares	Merger reserve	Statutory reserve	Foreign currency	Retained earnings	Total	Other	Non-		Total
					translation reserve		ordinary equity	equity instruments	Total	controlling interests	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2016	298,577	-	(44,710)	113,767	(117,927)	265,500	515,207	214,695	729,902	516,317	1,246,219
Total comprehensive income for the year											
Profit for the year	-	-	-	-	-	114,764	114,764	-	114,764	153,874	268,638
Other comprehensive income											
Foreign currency translation differences on foreign operations	-	-	-	-	12,880	-	12,880	-	12,880	3	12,883
Total other comprehensive income	-	-	-	-	12,880	-	12,880	-	12,880	3	12,883
Total comprehensive income for the year	-	-	-	-	12,880	114,764	127,644	-	127,644	153,877	281,521
Transactions with owners											
Contributions by and distributions to owners of the Company											
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	-	6,000	6,000
Capital reduction in respect of non-controlling shareholders	-	-	-	-	-	-	-	-	-	(17,500)	(17,500)
Transfer to statutory reserves	-	-	-	35,097	-	(35,097)	-	-	-	-	-
Purchase of treasury shares	-	(522)	-	-	-	-	(522)	-	(522)	-	(522)
Dividends paid for perpetual capital securities	-	-	-	-	-	(12,948)	(12,948)	-	(12,948)	-	(12,948)

Group	Share capital	Treasury shares	Merger reserve	Statutory reserve	Foreign currency translation reserve	Retained earnings	Total ordinary equity	Other equity instruments	Total	Non- controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Total contributions by and distributions to owners of the Company	-	(522)	-	35,097	-	(48,045)	(13,470)	-	(13,470)	(11,500)	(24,970)
Changes in ownership interests in subsidiaries											
Acquisition of non-controlling interests without a change in control	-	-	-	-	-	(113)	(113)	-	(113)	-	(113)
Dividends declared to non-controlling shareholders	-	-	-	-	-	-	-	-	-	(16,000)	(16,000)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	(113)	(113)	-	(113)	(16,000)	(16,113)
Total transactions with owners	-	(522)	-	35,097	-	(48,158)	(13,583)	-	(13,583)	(27,500)	(41,083)
At 31 December 2016	298,577	(522)	(44,710)	148,864	(105,047)	332,106	629,268	214,695	843,963	642,694	1,486,657

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.

Group	Foreign currency				Total			Non-		Total equity
	Share capital	Merger reserve	Statutory reserve	translation reserve	Retained earnings	ordinary equity	Other equity instruments	Total	controlling interests	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2015	298,577	(44,710)	102,663	(114,929)	244,872	486,473	143,781	630,254	404,148	1,034,402
Total comprehensive income for the year										
Profit for the period	-	-	-	-	37,663	37,663	-	37,663	33,599	71,262
Other comprehensive loss										
Foreign currency translation differences on foreign operations	-	-	-	(2,998)	-	(2,998)	-	(2,998)	-	(2,998)
Total other comprehensive loss	-	-	-	(2,998)	-	(2,998)	-	(2,998)	-	(2,998)
Total comprehensive income/(loss) for the year	-	-	-	(2,998)	37,663	34,665	-	34,665	33,599	68,264
Transactions with owners										
Changes in ownership interests in subsidiaries										
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	45,000	45,000
Issuance of redeemable preference shares by a subsidiary	-	-	-	-	-	-	70,914	70,914	-	70,914
Transfer to statutory reserves	-	-	11,104	-	(11,104)	-	-	-	-	-
Dividends paid to holders of perpetual capital securities	-	-	-	-	(12,361)	(12,361)	-	(12,361)	-	(12,361)
Disposal of interest in subsidiaries to non-controlling interests without a change in control	-	-	-	-	6,430	6,430	-	6,430	33,570	40,000
Total changes in ownership interests in subsidiaries	-	-	11,104	-	(17,035)	(5,931)	70,914	64,983	78,570	143,553
Total transactions with owners	-	-	11,104	-	(17,035)	(5,931)	70,914	64,983	78,570	143,553
At 31 December 2015	298,577	(44,710)	113,767	(117,927)	265,500	515,207	214,695	729,902	516,317	1,246,219

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.

Company	Foreign currency				Retained earnings	Total ordinary equity	Other equity instruments	Total equity
	Share capital	Treasury shares	Warrants reserve	translation reserve				
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2016	1,582,272	-	6,094	(120,949)	(38,399)	1,429,018	143,781	1,572,799
Total comprehensive income for the year								
Profit and total comprehensive income for the year	-	-	-	-	88,548	88,548	-	88,548
Other comprehensive income								
Foreign currency translation differences	-	-	-	72,643	-	72,643	-	72,643
Purchase of treasury shares	-	(522)	-	-	-	(522)	-	(522)
Total other comprehensive income	-	(522)	-	72,643	-	72,121	-	72,121
Total comprehensive income/(loss) for the year	-	(522)	-	72,643	88,548	160,669	-	160,669
Transactions with owners								
Changes in ownership interests in subsidiaries								
Dividends declared/paid to holders of perpetual capital securities	-	-	-	-	(12,948)	(12,948)	-	(12,948)
Total contributions by and distributions to owners	-	-	-	-	(12,948)	(12,948)	-	(12,948)
At 31 December 2016	1,582,272	(522)	6,094	(48,306)	37,201	1,576,739	143,781	1,720,520

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.

Company	Share capital RMB'000	Warrants Reserve RMB'000	Foreign currency translation reserve RMB'000	Retained earnings RMB'000	Total ordinary equity RMB'000	Other equity instruments RMB'000	Total equity RMB'000
At 1 January 2015	1,582,272	6,094	(102,867)	(22,216)	1,463,283	143,781	1,607,064
Total comprehensive loss for the year							
Loss and comprehensive loss for the year	-	-	-	(3,822)	(3,822)	-	(3,822)
Other comprehensive loss							
Foreign currency translation differences	-	-	(18,082)	-	(18,082)	-	(18,082)
Total other comprehensive loss	-	-	(18,082)	-	(18,082)	-	(18,082)
Total comprehensive loss for the year	-	-	(18,082)	(3,822)	(21,904)	-	(21,904)
Transactions with owners							
Changes in ownership interests in subsidiaries							
Dividends declared/paid to holders of perpetual capital securities	-	-	-	(12,361)	(12,361)	-	(12,361)
Total contributions by and distributions to owners	-	-	-	(12,361)	(12,361)	-	(12,361)
At 31 December 2015	1,582,272	6,094	(120,949)	(38,399)	1,429,018	143,781	1,572,799

1(d)(ii) Details of any changes in the 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 the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, 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 was no change in the Company's share capital in 4Q2016. The share capital of the Company as at 31 December 2016 was RMB1,582,272,000 comprising 666,851,006 shares.

The Company has treasury shares of RMB521,514 comprising 665,000 shares as at 31 December 2016 and no treasury shares at 31 December 2015.

The Company has 47,488,212 warrants as at 31 December 2016 and 31 December 2015.

Perpetual capital securities of S\$30 million (RMB143.78 million) was issued to a non-controlling shareholder on 17 October 2014. There were no new perpetual capital securities issued by the Company as at 31 December 2016.

1(d)(iii) To show 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.

	31 December 2016	31 December 2015
Total number of issued ordinary shares	666,186,006	666,851,006

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 has treasury shares of RMB521,514 comprising 665,000 shares as at 31 December 2016. There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the current financial period reported on.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

These figures have not been audited or reviewed by the Company's auditors.

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

Not applicable.

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

Except as disclosed in note 5, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statement for the financial period ended 31 December 2016 as those used in the

audited consolidated financial statements of Chiwayland International Limited and its subsidiaries for the financial year ended 31 December 2015.

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

The Group has adopted all new and revised Financial Reporting Standards (“FRS”) and interpretation to FRS (“INT FRS”) that are relevant to its operations and effective for the financial year beginning on 1 January 2016. The adoption of these new and revised FRS, and INT FRS did not result in substantial changes in the Group’s accounting policies, and there is no material impact on the consolidated financial statements of the Group and the financial statements of the Company.

6. Earning per ordinary share 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 basic earnings per share of the Group for the 4Q2016 and 12M2016 are computed based on weighted average number of ordinary shares outstanding in the period. The diluted earnings per share are the same as the basic earnings per share as the outstanding warrants are anti-dilutive.

	Group 4Q 2016	Group 4Q 2015	Group 12M2016	Group 12M2015
Profit for the period/year attributable to owners of the Company (RMB ‘000)	216,776 ⁽¹⁾	54,157 ⁽¹⁾	91,941 ⁽¹⁾	23,532 ⁽¹⁾
Weighted average number of ordinary shares in issue	571,875,362	571,875,362	571,875,362	571,875,362
Earnings per ordinary share of the Group				
(i) Basic (RMB cents)	37.91	9.47	16.08	4.11
(ii) Diluted (RMB cents)	37.91	9.47	16.08	4.11

Note:

- (1) Net profit for the period attributable to owners of the Company for the purpose of computing EPS is net of 1) the dividends payable on the perpetual capital securities amounting RMB3.24 million, and RMB12.95 million for 4Q2016 and 12M2016, respectively; and RMB3.09 million, and RMB12.36 million for 4Q2015 and 12M2015, respectively; 2) the dividends payable on redeemable preference shares by a subsidiary to non-controlling interests amounting to RMB2.22 million, and RMB8.87 million for 4Q2016 and 12M2016, respectively; and RMB1.77 million, and RMB1.77 million for 4Q2015 and 12M2015; 3) the dividends payable on redeemable preference shares by a subsidiary to non-controlling interests amounting to RMB1.01 million, and RMB1.01 million for 4Q2016 and 12M2016, respectively; and nil for 4Q2015 and 12M2015.

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

	Group 31 Dec 2016	Group 31 Dec 2015
Net asset value per ordinary share of the Group⁽¹⁾		
(RMB cents)	190.9	154.7
Number of ordinary shares based on issued share capital at the end of the period reported on ('000)	666,186	666,851

	Company 31 Dec 2016	Company 31 Dec 2015
Net asset value per ordinary share of the Company⁽¹⁾		
(RMB cents)	236.7	214.3
Number of ordinary shares based on issued share capital at the end of the period reported on ('000)	666,186	666,851

Note:

(1) Based on total equity less other equity instruments.

8. A review of 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 reported on:

Review of Performance

4Q2016 vs 4Q2015

Revenue

The Group achieved revenue of RMB3,443.8 million for the quarter ended 31 December 2016 ("4Q2016"), an increase of 59% or RMB1,272.0 million from RMB2,171.8 million in the corresponding period in 2015. This is primarily due to the increase in the selling price of property units handed over to customers, of approximately RMB 9,786 per sqm, from RMB 8,732 per sqm in 4Q2015 to RMB 18,518 per sqm in 4Q2016. This is despite the aggregate Gross Floor Area ("GFA") sold and recognised decreasing by approximately 25% or 62,298 square metres ("sqm"), from 248,014 sqm for the quarter ended 31 December 2015 ("4Q2015") to 185,716 sqm for 4Q2016. Revenue for the projects sold and recognised was mainly attributable to Suzhou Industrial Park Royal Mansion and Suzhou Royal Palace, which contributed RMB2,352.1 million and RMB968.5 million, respectively, or approximately 68% and 28% of the total revenue generated for 4Q2016.

Besides higher revenue, the Group experienced an increase in its pre-sales activities for 4Q2016. The Group recorded pre-sales GFA of approximately 141,706 sqm with an aggregate consideration of approximately RMB1,469.9 million for its development properties projects in the People's Republic of China ("PRC") during 4Q2016. This represents an increase of GFA by 24%, or 27,366 sqm from 114,340 sqm, and an increase in

aggregate consideration by 10%, or RMB133.9 million from RMB1,336.0 million, as compared to 4Q2015. In this period, Suzhou Chiway Prime Palace and Suzhou Industrial Park Royal Mansion which are located in a first tier city, achieved good pre-sales results, representing approximately 28% and 15% of the total consideration. Xuancheng Chiwayland and Xuzhou Royal Palace which are located in second tier cities, also achieved approximately 21% and 18% of the total consideration. Overall, the average selling price (“ASP”) of pre-sales decreased from RMB 11,684 per sqm in 4Q2015 to RMB10,373 per sqm in 4Q2016 as a result of the higher mix of projects from second tier cities.

The Group also continued with its pre-sales activities for four of its property development projects in Australia. During 4Q2016, a total of ten units from these property development projects – Illumina, Uptown, Marine's Hill and Stellar - were pre-sold with a total aggregate consideration of AUD14.2 million.

Note:

Revenue from property sales is recognised when the control and risk and rewards of the properties have been transferred to the buyer, i.e. when the legal title passes to the buyer or when the equitable interest in the property vests in the buyer upon signing of the property handover notice by the buyer, whichever is the earlier. Payments received from buyers prior to this stage (i.e. at pre-sales) are recorded as advances from customers for sale of properties and is classified as current liabilities. Please refer to the circular dated 10 June 2014 for more details on, amongst others, the policies and risks on the Company's pre-sales activities, as well as significant factors affecting the Company's results of operations.

Cost of sales and gross profit margin

With the increase in revenue, the Group's cost of sales, comprising land acquisition costs, construction costs, capitalised borrowing costs and indirect costs incurred on the development properties sold, increased by 36% or RMB702.5 million from RMB1,973.0 million in 4Q2015 to RMB2,675.5 million in 4Q2016.

Gross profit increased by 286% or RMB569.5 million, from RMB198.8 million in 4Q2015 to RMB768.3 million in 4Q2016. Overall gross profit margin increased from 9.2% in 4Q2015 to 22.3% in 4Q2016. This was due to higher profit margin contribution from revenue recognition of Suzhou Industrial Park Royal Mansion and Suzhou Royal Palace which both recorded higher gross profit compared to last year's projects.

Other income

Other income, comprising gain on disposal of financial assets available-for-sale, and gain on disposal of property, plant and equipment, decreased by 98% or RMB90.6 million from RMB92.6 million in 4Q2015 to RMB2.0 million in 4Q2016.

Selling and distribution expenses

Selling and distribution expenses comprising advertising and promotion expenses, sales commissions, sales offices rental expenses and maintenance costs, increased by 168% or RMB35.9 million from RMB21.3 million in 4Q2015 to RMB57.2 million in 4Q2016. This was due mainly to the increase in expenditure on sales and marketing activities for new projects.

Administrative expenses

Administrative expenses comprising salaries and staff related expenses for general administrative staff, utilities expenses, telecommunication expenses, entertainment expenses, professional fees, travelling expenses and other general overheads expenses, increased by 177% or RMB28.6 million from RMB16.2 million in 4Q2015 to RMB44.9 million in 4Q2016. This was attributable to higher staff costs and other related staff expenses from higher headcount, as a result of business expansion in Australia, USA and the new Richmond Capital private equity unit.

Other operating expenses

Other operating expenses, comprising net foreign exchange loss, and loss on disposal of property, plant and equipment, and fair value loss arising from investment properties, increased by 109% or RMB6.4 million from RMB5.9 million in 4Q2015 to RMB12.2 million in 4Q2016. The increase was due to net foreign exchange loss of RMB8.7 million, and fair value loss arising from investment properties of RMB3.3 million.

Net finance costs

Net finance costs were RMB9.8 million in 4Q2016, compared to RMB14.1 million in 4Q2015. This was due to finance costs that could not be capitalized in development projects during the current quarter, which include the interests of loans and unquoted debt securities to the companies that have no projects under construction.

Share of results of joint ventures, net of tax

Share of results of joint ventures, net of tax was a profit of RMB0.2 million in 4Q2016, as compared to profit of RMB0.8 million in 4Q2015. This was attributed to the profits of Suzhou Ruixin in China and UCCH in the USA, and the losses of Brisbane in Australia and Shengeng Hongye in China.

Income tax expense

Income tax expense include enterprise income tax and land appreciation tax (“LAT”). The Group incurred a tax expense of RMB263.6 million in 4Q2016, as compared to an income tax expense of RMB127.8 million in 4Q2015. The Group’s income tax expense increased due to higher profit margin ratio in the current quarter.

Profit for the period

As a result of the foregoing, the Group reported a profit after tax of RMB382.8 million in 4Q2016, while the profit for the period in 4Q2015 was RMB106.8 million.

12M2016 vs 12M2015

Revenue

The Group achieved revenue of RMB4,778.9 million for the period ended 31 December 2016 (“12M2016”), an increase of 34% or RMB1,201.6 million from RMB3,577.3 million in the corresponding period in 2015. This was primarily due to the increase in the selling price of property units handed over. The aggregate Gross Floor Area (“GFA”) sold and recognised decreased by approximately 26% or 114,007 square metres (“sqm”) from 446,106 sqm for the period ended 31 December 2015 (“12M2015”) to 332,099 sqm for 12M2016, while the average selling price (“ASP”) increased by 79% from RMB 7,962 per sqm in 12M2015 to RMB 14,290 per sqm 12M2016. The

revenue recognised was attributed to the Suzhou Industrial Park Royal Mansion and Suzhou Royal Palace, which contributed RMB2,352.1 million and RMB1,775.9 million, or approximately 49% and 37% of the total revenue generated for 12M2016, respectively. In addition, Xuancheng Chiway Top Town and Suzhou Hetai Garden contributed RMB283.5 million and RMB177.4 million, or 6% and 4% of the total revenue respectively. The increase in ASP was due to the sales of Suzhou Industrial Park Royal Mansion and Suzhou Royal Palace in 12M2016, which are situated in good locations and therefore, were able to command higher ASP.

The Group also achieved strong pre-sales for 12M2016, with GFA of approximately 435,119 sqm and an aggregate consideration of approximately RMB4,322.6 million for the development properties projects in the People's Republic of China ("PRC"). This represents an increase of 15% in GFA, or 57,425 sqm from 377,694 sqm, and an increase of 2.6% in aggregate consideration, or RMB110.8 million from RMB4,211.8 million, from 12M2015. In this period, Suzhou Industrial Park Royal Mansion and Suzhou Royal Palace which are located in a first tier city, achieved good pre-sales results, attributing approximately 23% and 16% of the total consideration, and Xuzhou Chiway and Xuancheng Chiwayland which are located in second tier cities, achieved approximately 19% and 16% of the total consideration. Overall, the ASP of pre-sales decreased from RMB 11,151 per sqm in 12M2015 to RMB 9,934 per sqm in 12M2016 as a result of the higher mix of projects in second tier cities.

The Group also presold four of its property development projects in Australia. During 12M2016, total of 78 units from these property development projects – Illumina, Marine's Hill, Uptown and Stellar - were pre-sold and 6 units from Vivir, a completed project in Brisbane, were sold with a total aggregate consideration of AUD60.0 million.

Cost of sales and gross profit margin

In tandem with the increase in revenue, the Group's cost of sales, comprising land acquisition costs, construction costs, capitalized borrowing costs and indirect costs, increased by 18% or RMB583.5 million from RMB3,279.5 million in 12M2015 to RMB3,863.0 million in 12M2016.

Gross profit increased by 208% or RMB618.0 million, from RMB297.8 million in 12M2015 to RMB915.9 million in 12M2016, due to the increase in gross profit margin. Overall gross profit margin increased from 8.3% in 12M2015 to 19.2% in 12M2016. This was due to higher revenue contribution from the Suzhou Industrial Park Royal Mansion and Suzhou Royal Palace project, which has a higher gross profit compared to the projects of last year.

Other income

Other income, comprising gain on disposal of financial assets available-for-sale, and gain on disposal of property, plant and equipment, decreased by 94% or RMB89.0 million from RMB95.0 million in 12M2015 to RMB6.0 million in 12M2016.

Selling and distribution expenses

Selling and distribution expenses comprising advertising and promotion expenses, sales commissions, sales offices rental expenses and maintenance costs, increased by 86% or RMB65.4 million from RMB76.3 million in 12M2015 to RMB141.7 million in 12M2016. This was due to an increase in expenditure on sales and marketing activities for more new projects, as the company seeks to scale up in the PRC with more projects.

Administrative expenses

Administrative expenses comprising salaries and staff related expenses for general administrative staff, utilities expenses, telecommunication expenses, entertainment expenses, professional fees, travelling expenses and other general overheads expenses increased by 47% or RMB46.1 million from RMB98.3 million in 12M2015 to RMB144.4 million in 12M2016. This was attributable mainly to staff costs and other related expenses from higher headcount, as a result of business expansion in Australia, USA and the new Richmond Capital private equity unit.

Other operating expenses

Other operating expenses comprising net foreign exchange loss, loss on disposal of property, plant and equipment, fair value loss arising from investment properties, and donations, increased by 67% or RMB8.3 million from RMB12.3 million in 12M2015 to RMB20.6 million in 12M2016. The increase was due to net foreign exchange loss of RMB14.9 million, and fair value loss arising from investment properties of RMB3.3 million.

Net finance costs

Net finance costs were RMB56.1 million in 12M2016, compared to of RMB41.4 million in 12M2015. This was due to finance costs that could not be capitalised in development projects during the current period, which include the interests of loans and unquoted debt securities to the companies that have no projects under construction.

Share of results of joint ventures, net of tax

Share of results of joint ventures, net of tax was a profit of RMB6.3 million in 12M2016, as compared to loss of RMB1.3 million in 12M2015. This was due to the handover of the Group's Vivir project in Australia, the profits of Suzhou Ruixin in China and UCCH in the USA, and the losses of Shengeng Hongye in China, as compared to the operating loss incurred by Suzhou Gaoxin in 12M2015.

Income tax expense

Income tax expense include enterprise income tax and land appreciation tax ("LAT"). The Group incurred a tax expense of RMB296.8 million in 12M2016 as compared to the income tax expense of RMB91.9 million in 12M2015. The Group's income tax expense increased due to higher profit margin ratio in the current period, and in 12M2015 there were reversal of overprovisions of income tax expense of RMB27.2 million previously recognised on certain development projects in the PRC.

Profit for the period

As a result of the foregoing, the Group reported a profit after tax of RMB268.6 million in 12M2016, while the profit for the period in 12M2015 was RMB71.3 million.

Statement of Financial Position

Non-current Assets

Non-current assets comprised property, plant and equipment, investment properties, interest in joint ventures and

deferred tax assets. As at 31 December 2016, non-current assets amounted to RMB1,426.4 million as compared to RMB1,056.9 million as at 31 December 2015.

The increase in non-current assets of RMB369.5 million was due mainly to:

- (i) increase in investment properties of RMB197.0 million due to the costs incurred for investment properties under development and gain from change in fair value of investment properties;
- (ii) increase in joint ventures of RMB92.1 million from RMB15.1 million as at 31 December 2015 to RMB107.2 million as at 31 December 2016 mainly due to the new investment of Shengeng Hongye and Suzhou Ruixin in China and UCCH in the USA. The increase is partially offset by the liquidation of Suzhou Gaoxin;
- (iii) increase in deferred tax assets of RMB81.1 million from RMB43.0 million as at 31 December 2015 to RMB124.1 million as at 31 December 2016; and
- (iv) partially offset by the decrease in property, plant and equipment of RMB0.9 million.

Current Assets

Current assets increased by RMB3,886.4 million from RMB10,099.1 million as at 31 December 2015 to RMB13,985.5 million as at 31 December 2016 due mainly to:

- (i) increase in development properties of RMB2,193.9 million as the amount of costs incurred for the Group's development properties is larger than the costs recognised in the previous year;
- (ii) increase in trade receivables, other receivables and advance payments of RMB1,048.5 million mainly due to the increase in advance payments made to land suppliers amounting to RMB1,939.8 million;
- (iii) increase in cash and cash equivalents of RMB824.2 million; and
- (iv) partially offset by the decrease in financial assets of RMB195 million.

Contract work-in-progress refers to a contract that the Group has entered into with the Suzhou Municipal Government to develop an education park, with an approximate land area of 3,500,000 sqm, on behalf of the local government. The construction costs incurred were funded by advances from the Suzhou Municipal Government.

Contract work-in-progress is stated as construction costs incurred on behalf of the Suzhou Municipal Government. It is not intended for the Group to derive a profit from the development of the education park.

Non-current liabilities

As at 31 December 2016, non-current liabilities were RMB5,874.7 million as compared to RMB3,266.0 million as at 31 December 2015. The increase in non-current liabilities of RMB2,608.7 million was due mainly to an increase of RMB2,613.1 million in loans and borrowings to meet the financing demand of new projects.

Current liabilities

Current liabilities as at 31 December 2016 amounted to RMB8,050.5 million as compared to RMB6,643.8 million as at 31 December 2015. The increase in current liabilities of RMB1,406.7 million was mainly due to the increase in loans and borrowings of RMB1,372.2 million to meet the financing demand of new projects.

Advance receipts from the government amounted to RMB439.9 million as at 31 December 2016 and 31 December 2015. The amount was provided by the government to fund the contract work-in-progress as aforementioned in the paragraph above entitled “Current assets”.

Total equity

As at 31 December 2016, total equity was RMB1.49 billion as compared to RMB1.25 billion as at 31 December 2015. Please refer to the section 1(d)(i) for the movement of total equity as presented in the statement of changes in equity.

Cash flow statement

4Q2016 vs 4Q2015

During 4Q2016, the Group had a net cash outflow from operating activities of RMB859.6 million comprising operating cash inflows before movements in working capital of RMB656.6 million, net working capital outflows of RMB1,465.2 million and income tax payment of RMB50.9 million. The net working capital outflows were mainly due to the increase in trade receivables, receivables and advance payments of RMB404.2 million, the decrease in trade payables, other payables and advance receipts of RMB1,347.3 million, partially offset by decrease in development properties of RMB280.1 million.

The Group recorded a net cash outflow from investing activities of RMB141.8 million due mainly to the increase in amounts due from associates of RMB126.4 million, acquisition of financial assets held for trading of RMB55 million, investments in joint ventures of RMB69.4 million, and development expenditure on investment properties of 28.8 million, partially offset by the decrease in amounts due from non-controlling interests, non-trade of RMB92.5 million and interest received of RMB43.2 million.

The Group recorded a net cash inflow from financing activities of RMB1,587.4 million during 4Q2016. This was due mainly to the net proceeds of borrowings of RMB1,283.6 million, and the decrease in restricted cash of RMB332.2 million, partially offset by the interest paid of RMB140.9 million.

Overall, the Group's cash and cash equivalents increased by RMB254.3 million from RMB1,773.4 in 3Q2016 to RMB2,027.7 million in 4Q2016.

12M2016 vs 12M2015

During 12M2016, the Group had a net cash outflow from operating activities of RMB2,626.4 million comprising operating cash inflows before movements in working capital of RMB619.0 million, net working capital outflows of RMB3,112.3 million and income tax payment of RMB133.0 million. The net working capital inflows were due to an increase in trade receivables, other receivables and advance payments of RMB1,090.0 million, and an increase in development properties of RMB1,850.2 million.

The Group recorded a net cash outflow from investing activities of RMB31.5 million due to development expenditure on investment properties of RMB200.3 million, the increase in amounts due from associates of RMB126.4 million, investments in joint ventures of RMB102.7 million, and acquisition of financial assets held

for trading of RMB56.5 million, partially offset by proceeds from the disposal of financial assets available-for-sale of RMB253.4 million, decrease in amounts due from non-controlling interests, non-trade of RMB126.0 million and interest received of RMB61.4 million during 12M2016.

The Group recorded a net cash inflow from financing activities of RMB3,461.2 million during 12M2016. This was due mainly to the net proceeds of borrowings of RMB3,930.3 million, offset by interest paid of RMB469.3 million.

Overall, the Group's cash and cash equivalents increased by RMB824.2 million from RMB1,203.5 million in 31 Dec 2015 to RMB2,027.7 million in 31 Dec 2016.

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

No forecast or prospect statement was previously disclosed to shareholders.

10. A commentary at the date of this 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

Despite economic uncertainties in global markets, the Group remains cautiously optimistic of its operating environment.

As the U.S. economy continues to see sustained growth, demands for real estate in cities that are attracting strong investments with competitive tax regimes have been buoyant. This uptrend is expected to hold steady despite potential policy uncertainties from the Trump Administration, due to high consumer confidence and low unemployment rate. The Group currently has a pipeline of projects in Dallas and intends to develop them with external funds raised through its fund management subsidiary, Richmond Capital.

In Australia, the real estate market in Sydney is expected to remain positive¹. Despite concerns of oversupply in the market, housing prices in Sydney remain stable, inclined towards the upside². This can be attributed to the population growth in Sydney because of supportive immigration policies. In fact, some property analysis firms, SQM Research, remains bullish and expects home prices to keep rising in Sydney with a forecasted price growth of between 11.0-16.0%³. The Group's property projects in Sydney are on track with the Group set to deliver its Uptown project by end of 2017, and the planned launch of two of its projects - Lapointe and The Peak - in the second quarter of 2017. Projects in Brisbane are mostly sold, with no planned new projects currently as the real estate market in Brisbane is fairly soft.

In China, despite the implementation of the property cooling measures in Q4 2016, average home prices are forecasted to rise 4.1% in 2017 from the previous year, and growth in property investment to rise 5.4% due to expectations of further depreciation of the yuan and more US rate hikes⁴. While price increases in first and second-tiered cities may overall slow down from the peak in 2016, these are unlikely to stop as demand continues to be

¹ "Australia property price surge set to take a breather in 2017", Daily Telegraph, 31 December 2016

² "House prices rising again: sellers in Sydney, Melbourne, Brisbane ask for more", Domain, 4 October 2016

³ "Home prices to keep surging in Sydney, Melbourne over 2017, risk of 2018 bust: SQM Research", ABC, 3 November 2016

⁴ "China home prices, property investment likely to rise in 2017", Financial Review, 8 January 2017

supported by higher net urbanization, supported by a dynamic economy⁵. The Group remains focused to scale up and tap growth in cities that are still growing. Overall, the Group is positive about its prospects in these growth cities and is targeting RMB10.0 billion in advanced receipts in 2017 inclusive of JV projects, to reach RMB40.0 billion by 2021.

For 2017, the Group expects to deliver six projects comprising one project in Sydney, two projects in our core market of Suzhou, and the remainder in the Rest of China market - one project in Shanghai, one project in Xuzhou and one project in Xuancheng - with a total gross development value of RMB5.5 billion.

In addition, the Group will continue to expand and scale its fund management business so as to capitalise on external funds for its property development projects, particularly in the international markets. Richmond Capital has launched a total of seven funds, with a total fund size in excess of RMB700.0 million, with the proceeds of four of these funds utilised for the Group's international expansion plans.

Beyond property development, the Group seeks to generate higher recurrent income to provide earnings stability. The Group announced on 2 November 2016 its intention to expand its fund management activities beyond China. This will allow the Group to more effectively expand its property development business beyond the residential segment and to undertake projects in other segments. The Group has a track record of building education campuses and international schools in the PRC. Within the larger group, our sister company has experience in running business internationally, which includes a US aviation school that was acquired recently. The Group has submitted its circular to obtain shareholders' mandate to expand its fund management unit to SGX for approval, and will hold an EGM for this purpose thereafter.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes.

The Directors are pleased to recommend a final dividend of 1 cent per ordinary share tax exempt one tier (2015: nil) in respect of the financial year ended 31 December 2016 for approval by shareholders at the next Annual General Meeting ("AGM") to be convened.

Name of Dividend	Proposed Final
Dividend Type	Cash (Ordinary)
Dividend Rate	1 Singapore cent per ordinary share
Tax Rate	Tax exempt (one-tier tax)

(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

Subject to shareholders' approval at the AGM to be held on 24 April 2017, the proposed final dividend will be paid on 19 May 2017.

(d) Books closure date

Subject to shareholders' approval at the AGM to be held on 24 April 2017, the books closure date for the

⁵ "China's second cities post big property price gains as two-speed market develops", CNBC. 19 June 2016

proposed final dividend will be 9 May 2017.

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

Not applicable.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have any existing general mandate from shareholders for IPTs pursuant to Rule 920(1)(a)(ii) of the Listing Manual.

14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Information regarding the results of each respectable segment is included below. Performance is measured based on segment profit or loss, as included in the internal management reports that are reviewed by the Group's Chief Executive Officer ("CEO"). Segment profit or loss is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Information about reportable segment

	Property development RMB'000	Others RMB'000	Total RMB'000
31 December 2016			
Revenue from external customers	4,735,107	43,771	4,778,878
Inter-segment revenue	-	28,000	28,000
Reportable segment revenue	4,735,107	71,771	4,806,878
Net finance costs	(11,723)	(44,403)	(56,126)
Reportable segment profit/(loss) for the year	614,569	(347,872)	266,697
Share of results of joint ventures, net of tax	6,339	-	6,339
Other material items:			
Change in fair value of investment properties	(3,270)	-	(3,270)
Depreciation of property, plant and equipment	(1,462)	(339)	(1,801)
Reverse of development properties provision	(8,939)	-	(8,939)
Reportable segment assets	18,370,205	6,418,806	24,789,011
Reportable segment liabilities	15,548,744	4,213,517	19,762,261
Other segment information:			
Additions to non-current segment assets during the year	272,258	97,186	369,444

	Property development RMB'000	Others RMB'000	Total RMB'000
31 December 2015			
Revenue from external customers	3,565,248	12,045	3,577,293
Inter-segment revenue	-	27,033	27,033
Reportable segment revenue	3,565,248	39,078	3,604,326
Finance income	16,057	996	17,053
Finance expense	(54,822)	(3,618)	(58,440)
Reportable segment profit/(loss) for the year	128,964	(58,304)	70,660
Share of results of joint ventures, net of tax	(1,348)	-	(1,348)
Other material items:			
Change in fair value of investment properties	91,802	-	91,802
Depreciation of property, plant and equipment	(2,010)	(486)	(2,496)
Write down of development properties	(47,459)	-	(47,459)
Reportable segment assets	12,667,785	3,184,388	15,852,173
Investment in joint ventures	15,062	-	15,062
Reportable segment liabilities	10,165,259	2,679,153	12,844,412
Other segment information:			
Additions to non-current segment assets during the year	94,046	-	94,046

Reconciliation of reportable segment revenue, profits, assets and liabilities

	2016	2015
	RMB'000	RMB'000
<i>Revenue</i>		
Reportable segment revenue	4,806,878	3,604,326
Elimination of inter-segment revenue	(28,000)	(27,033)
Revenue	<u>4,778,878</u>	<u>3,577,293</u>
<i>Profit for the year</i>		
Reportable segment profit for the year	266,697	70,660
Change in fair value of financial assets	-	13
Gain on disposal of AFS	1,941	589
Profit for the year	<u>268,638</u>	<u>71,262</u>
<i>Total assets</i>		
Reportable segment assets	24,789,011	15,852,173
Elimination of inter-segment receivables	(5,837,027)	(3,084,796)
Elimination of inter-segment investments	(3,595,093)	(1,861,351)
Other unallocated amounts	55,000	250,000
Consolidated total assets	<u>15,411,891</u>	<u>11,156,026</u>
<i>Total liabilities</i>		
Reportable segment liabilities	19,762,261	12,844,412
Elimination of inter-segment payables	(5,837,027)	(2,934,605)
Consolidated total liabilities	<u>13,925,234</u>	<u>9,909,807</u>

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to paragraph 8.

16. A breakdown of sales as follows: —

	31-Dec-16 RMB'000	31-Dec-15 RMB'000	% Increase/ (decrease)
(a) Sales reported for first half year	1,217,000	832,204	46%
(b) Operating (loss)/profit after tax before deducting minority interests reported for first half year	(57,626)	(29,186)	97%
(c) Sales reported for second half year	3,561,878	2,745,089	30%
(d) Operating profit after tax before deducting minority interests reported for second half year	326,265	100,448	225%

17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

	FY2016	FY2015
Distribution to Shagang South-Asia (Hong Kong) Trading Co., Limited	S\$2.7 million	S\$2.7 million

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement

Name	Age	Family relationship with any director/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Qian Bo (钱波)	46	Mr Qian Jianrong's sister	An accountant with Suzhou Jiaruihang, 7 years	Nil
Huang Yi (黄毅)	46	Huang Yi is the husband of Ms Qian Bo and the brother-in-law of Mr Qian Jianrong	A human resource manager for the Chiwayland Group's Suzhou operations, 6 years.	Nil

19. Additional disclosure

As stated in the Circular dated 10 June 2014, additional disclosure in relation to the trust financing arrangements of the Group are as follows:

- (a) the aggregate trust financing obligations in the same format as presented in Section 2.9.8 entitled “Capitalisation and Indebtedness” of the Circular;

RMB'000	As at 31 Dec 2016	Adjusted as at 31 Dec 2016	Adjusted as at 31 Jan 2017
Cash and cash equivalents	2,027,684	2,027,684	
Current Indebtedness			
<u>Secured</u>			
Borrowings (guaranteed)	1,575,659	1,575,659	1,239,953 ⁽¹⁾⁽²⁾⁽³⁾
Borrowings (non-guaranteed)	99,724	99,724	99,724
<u>Unsecured</u>			
Borrowings(guaranteed)	662,108	662,108	502,858 ⁽⁴⁾⁽⁵⁾⁽⁶⁾
Borrowings (non-guaranteed)	110,000	110,000	110,000
Non-current Indebtedness			
<u>Secured</u>			
Borrowings (guaranteed)	5,400,988	5,400,988	5,398,488 ⁽⁷⁾⁽⁸⁾
Borrowings(non-guaranteed)	76,000	76,000	76,000
<u>Unsecured</u>			
Borrowings (guaranteed)	230,569	230,569	230,569
Borrowings (non-guaranteed)	50,157	50,157	50,157
Total Indebtedness	8,205,205	8,205,205	7,707,749
Total Shareholders' equity	843,963	843,963	*
Total Capitalisation and Indebtedness	9,049,168	9,049,168	*

* Not applicable for disclosure for the period reported on.

Notes:

- (1) On 22 January 2017, Suzhou Jinhui repaid RMB50 million to Industrial & Commercial Bank of China.
- (2) On 12 January 2017, one of the Company's subsidiaries, Suzhou Shangcheng repaid RMB220.7 million to China Construction Bank and Bank of China syndication.
- (3) On 23 January 2017, Suzhou Huayuan repaid RMB65 million to Jiangsu Shagang Group.

- (4) On 23 January 2017, Suzhou Shanghong repaid RMB55 million to Jiangsu Shagang Group.
- (5) On 20 January 2017, SCLG repaid RMB100 million to Agricultural Bank of China (Suzhou) Cci Capital Ltd.
- (6) On 17 January 2017 and 20 January 2017, SCLG repaid RMB4.25 million to the investors of unquoted debt securities.
- (7) On 20 January 2017, Xuzhou Chiway repaid RMB1.5 million to China Huarong Asset Management Co., Ltd.
- (8) On 23 January 2017, Suzhou Shanghong repaid RMB1 million to Ping An Bank.

RMB'000	Adjusted as at 31 Dec 2016	Adjusted as at 31 Jan 2017
Total trust financing indebtedness	650,000	650,000
Total Indebtedness	8,205,205	8,205,205
Trust financing as a percentage of total Indebtedness	7.9%	7.9%

- (b) the progress of the Enlarged Group in reducing the amount of its trust financing as a percentage of its total indebtedness to less than 20.0% within 12 months from the Completion Date;

Not applicable. The trust financing as a percentage of its total indebtedness is less than 20% as at 31 December 2016 and 31 January 2017.

- (c) diagrammatic illustrations of the structure of the Enlarged Group's trust financing arrangements;

There is no outstanding Type 2 trust financing arrangement as at the date of this announcement. Please refer to the Company's circular dated 10 June 2014 for details of the two (2) Type 2 trust financing arrangements which were fully repaid as at the date of this announcement.

- (d) the relevant exit mechanisms for the Enlarged Group's trust financing arrangements;

There is no outstanding Type 2 trust financing arrangement as at the date of this announcement. The details of the exit mechanism for the two (2) Type 2 trust financing agreements entered into by the Group (which were fully repaid as at the date of this announcement) are set out on Page A-213, A-214 and A- 220 of the Company's circular dated 10 June 2014.

20. Confirmation of undertakings from directors and executive officers pursuant to Rule 720(1) of the listing manual of SGX-ST (the "Listing Manual")

The Company has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

Appendix I Pro-forma Financial Statement on the basis that Wuxi Taihu and Zhangjiagang Wanhong are not consolidated in the Group's account, in the case that Wuxi Taihu and Zhangjiagang Wanhong are treated as effective disposal by the Group

In December 2016, one of the Group's subsidiary Suzhou Shangcheng transferred 100% of the equity shares in Suzhou Shangrong and Suzhou Wanrong to Hangzhou Industrial & Commercial Trust Co., Ltd ("Hangzhou Trust"), respectively. As Suzhou Shangrong holds 51% of equity shares in Wuxi Taihu and Suzhou Wanrong holds 51% of equity shares in Zhangjiagang Wanhong, Suzhou Shangcheng remained 44% equity interests of Wuxi Taihu and Zhangjiagang Wanhong, respectively, after the transfer.

Suzhou Shangcheng has entered into a cooperative agreement with Hangzhou Trust which is effective in December 2016. The management of the Group has considered whether the sales of 100% equity shares in Suzhou Shangrong and Suzhou Wanrong to Hangzhou Trust constituted an effective disposal of Wuxi Taihu and Zhangjiagang Wanhong. After careful deliberation with input from auditors on the factors to take into account, the management concluded that the Group retained its controls over Wuxi Taihu and Zhangjiagang Wanhong. Also, the financial return to the Hangzhou Trust is relatively fixed and ascertainable, and independent of the performance of Wuxi Taihu and Zhangjiagang Wanhong. Suzhou Shangcheng is obliged to buy back the shares after 24 months, and Hangzhou Trust is obliged to return the shares upon the agreed payment. It was considered by the Board that the arrangement was in substance, in the nature of a debt instrument, and the shares transferred may be construed as a debt at the inception of the cooperative agreement. Accordingly, Wuxi Taihu and Zhangjiagang Wanhong should continue to be consolidated in the consolidated financial statement of the Group for the year ended 31 December 2016.

However, the transaction does on its face contain elements characteristic of an equity disposal. While it is a common financing arrangement in China, it is a complex hybrid and technically challenging from an accounting standards point of view and is subject to a final review by the company's auditor, which is still in progress. While the directors have made a qualitative judgement on the nature of the transaction, the directors would like to as a matter of completeness, and out of an abundance of caution, disclose the following pro-forma financial statement on the basis Wuxi Taihu and Zhangjiagang Wanhong are not consolidated in the consolidated financial statement, and treated as an effective disposal by the Group.

(a) Pro-forma income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	GROUP			GROUP		
	4Q2016 RMB'000	4Q2015 RMB'000	% Change + / (-)	12M2016 RMB'000	12M2015 RMB'000	% Change + / (-)
Revenue	3,443,806	2,171,842	59%	4,778,878	3,577,293	34%
Cost of sales	(2,675,467)	(1,973,035)	36%	(3,863,012)	(3,279,475)	18%
Gross profit	768,339	198,807	286%	915,866	297,818	208%
Other income	2,212	92,555	(98%)	6,276	94,990	(93%)
Selling and distribution expenses	(57,191)	(21,311)	168%	(141,681)	(76,320)	86%
Administrative expenses	(44,856)	(16,216)	177%	(144,385)	(98,252)	47%
Other operating expenses	(12,205)	(5,851)	109%	(20,580)	(12,299)	67%
Results from operating activities	656,299	247,984	165%	615,496	205,937	199%
Net finance costs	(9,791)	(14,138)	(31%)	(56,126)	(41,387)	36%
Share of results of joint ventures and associate, net of tax	157	777	(80%)	6,339	(1,348)	n.m.
Profit before income tax	646,665	234,623	176%	565,709	163,202	247%
Income tax expense	(263,592)	(127,790)	106%	(296,837)	(91,940)	223%
Profit for the period/year	383,073	106,833	259%	268,872	71,262	277%
Profit attributable to:						
Owners of the Company	222,371	59,017	277%	114,905	37,663	205%
Non-controlling interests	160,703	47,816	236%	153,968	33,599	358%
Profit for the period/year	383,074	106,833	259%	268,873	71,262	277%

Note:

n.m : denotes not meaningful.

(a) Pro-forma income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	GROUP			GROUP		
	4Q2016	4Q2015	%	12M2016	12M2015	%
	RMB'000	RMB'000	Change + / (-)	RMB'000	RMB'000	Change + / (-)
Profit for the period/year	383,074	106,833	259%	268,873	71,262	277%
Other comprehensive (loss)/income						
<i>Items that are or maybe reclassified subsequently to profit or loss:</i>						
Foreign currency translation differences on foreign operations	(4,459)	5,185	n.m.	12,883	(2,998)	n.m.
Total comprehensive profit for the period/year	378,615	112,018	238%	281,756	68,264	313%
Total comprehensive profit attributable to:						
Owners of the Company	217,873	64,202	239%	127,785	34,665	269%
Non-controlling interests	160,742	47,816	236%	153,971	33,599	358%
Total comprehensive profit for the period/year	378,615	112,018	238%	281,756	68,264	313%

Note:

n.m : denotes not meaningful.

(b)(i) Pro-forma statement of financial position (for the issuer and group) together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31-Dec-2016	31-Dec-2015	31-Dec-2016	31-Dec -2015
	RMB'000	RMB'000	RMB'000	RMB'000
Assets				
Property, plant and equipment	4,816	5,714	-	3
Investment properties	1,190,200	993,200	-	-
Subsidiaries	-	-	1,441,794	1,378,109
Joint ventures	137,825	15,062	-	-
Deferred tax assets	124,133	42,961	-	-
Non-current assets	1,456,974	1,056,937	1,441,794	1,378,112
Development properties	7,640,520	5,597,862	-	-
Contract work-in-progress	397,888	382,998	-	-
Financial assets	55,000	250,000	-	-
Trade receivables, other receivables and advance payments	3,520,215	2,664,697	275,089	195,028
Cash and cash equivalents	1,635,648	1,203,532	4,996	300
Current assets	13,249,271	10,099,089	280,085	195,328
Total assets	14,706,245	11,156,026	1,721,879	1,573,440
Equity				
Share capital	298,577	298,577	1,582,272	1,582,272
Treasury shares	(522)	-	(522)	-
Reserves	331,353	216,630	(5,011)	(153,254)
Equity attributable to owners of the Company	629,408	515,207	1,576,739	1,429,018
Other equity instruments	214,695	214,695	143,781	143,781
	844,103	729,902	1,720,520	1,572,799
Non-controlling interests	639,310	516,317	-	-
Total equity	1,483,413	1,246,219	1,720,520	1,572,799
Liabilities				
Loans and borrowings	5,157,514	3,144,601	-	-
Deferred tax liabilities	116,993	121,440	-	-
Non-current liabilities	5,274,507	3,266,041	-	-
Loans and borrowings	2,347,691	1,075,260	-	-
Trade payables, other payables and advance receipts	4,909,071	5,078,377	1,359	641
Advance receipts from government	439,853	439,853	-	-
Tax payable	251,710	50,276	-	-
Current liabilities	7,948,325	6,643,766	1,359	641
Total liabilities	13,222,832	9,909,807	1,359	641
Total equity and liabilities	14,706,245	11,156,026	1,721,879	1,573,440

(b)(ii) Pro-forma aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31 December 2016		As at 31 December 2015	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
1,575,583	772,108	958,260	117,000

Amount repayable after one year

As at 31 December 2016		As at 31 December 2015	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
4,876,788	280,726	3,144,601	-

The secured borrowings of the Group are secured by the following:

- (iv) the Group's investment properties and development properties with total carrying amounts of RMB5,187,446,967 (as at 31 December 2015: RMB4,877,602,000);
- (v) the following equity interests in the Group entities are pledged as collaterals to financial institutions:
 - SCLG's 100% equity interest in Xuancheng Chiway;
 - SCLG's 75% equity interest in Suzhou Chiway Jinhui;
 - SCLG's 60% equity interests in Suzhou Chiway Shangcheng;
 - SCLG's 55% equity interests in Suzhou Xingshang;
 - SCLG's 51% equity interests in Xuzhou Chiway;
 - Shanghai Tongrui's 49% equity interests in Xuzhou Chiway;
 - Suzhou Chiway Shangcheng's 100% equity interests in Suzhou Shanghong;
 - Suzhou Chiway Shangcheng's 100% equity interests in Suzhou Hengtang;
 - Suzhou Chiway Shangcheng's 100% equity interests in Wuhan Chiway;
 - Suzhou Chiway Shangcheng's 44% equity interests in Zhangjiagang Wanhong; and
 - Suzhou Chiway Shangcheng's 44% equity interests in Wuxi Taihu.
- (vi) a personal guarantee provided by Mr. Qian Jianrong.

BY ORDER OF THE BOARD

Confirmation by the Board

We, the undersigned, being Director of CWG International Ltd, do hereby confirm, on behalf of the Board of Directors of CWG International Ltd that, to the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the results for the fourth quarter and twelve months ended 31 December 2016 of CWG International Ltd and its subsidiaries, to be false or misleading in any material respect.

On behalf of the Board of Directors

Qian Jianrong
Executive Chairman

Chua Hwee Song
Executive Director

15 February 2017