

PROPOSED JOINT VENTURE IN AUSTRALIA

Further to the announcement made on 4 December 2014, the Board of Directors of Chiwayland International Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that its wholly-owned subsidiaries, Chiwayland Australia Pty Limited (“**CWLA**”), and Hillwood Pty Limited (“**Hillwood**”) (held through CWLA) have on 14 January 2015 entered into a joint venture agreement (“**JVA**”) with Roseville Uptown Pty Limited (“**Roseville**”) for the purpose of carrying out the residential apartment development located at 1-31 Victoria Street, Roseville, New South Wales, Australia (the “**Land**”).

Roseville is a company incorporated in Australia and is principally engaged in property development. It is an unrelated third party and is a wholly owned subsidiary of Longton Capital Pty Limited. For more information on Longton Capital Pty Limited and Roseville, please refer to their website at <http://longton.com.au/about-us.php>.

Key terms of the Joint Venture Agreement

The JVA sets out the respective rights and obligations of Hillwood and Roseville and the process for the future operation, funding and management of the joint venture, *inter alia*, as follows:

1. Hillwood and Roseville shall form an unincorporated joint venture known as the “Uptown Joint Venture” based on the contractual terms provided in the JVA;
2. The initial undivided interest of Hillwood and Roseville in the joint venture shall be 60% and 40% respectively (“**Participating Interest**”) subject to adjustment in the manner provided in the JVA;
3. Hillwood shall provide an initial equity funding to the joint venture of A\$20,798,400 (equivalent to S\$22,649,458) (“**Initial Equity Contribution**”), in consideration for its 60% Participating Interest in the joint venture;
4. Roseville shall contribute the remaining 40% of the Initial Equity Contribution by way of making available the Land in accordance with the JVA, in consideration for its 40% Participating Interest in the joint venture;
5. In addition to the Initial Equity Contribution, Hillwood and Roseville shall provide further contribution to the joint venture according to their respective proportions in accordance with the budget for the joint venture to be agreed by both the parties;
6. CWLA shall provide a guarantee for the performance of Hillwood’s obligations under the JVA; and
7. The joint venture will be managed by a management committee where two members shall be appointed by Hillwood and Roseville respectively. The first chairperson of the management committee shall be a nominee of Hillwood. The management committee shall be responsible for making all major strategic decisions in respect of the joint venture.

The obligations of Hillwood and Roseville in respect of the JVA are conditional and subject to, *inter alia*, the fulfilment of various conditions precedent, including obtaining the necessary bank financier(s) and governmental approvals. The continuation of the JVA will be subject to the fulfilment of her conditions subsequent provided in the JVA.

The Initial Equity Contribution will be funded through internal sources, mezzanine capital and/or bank financing; and is not expected to have any material impact on the consolidated net tangible assets per share and earnings per share of the Group for the current financial year ending 31 December 2015.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the above transaction, other than through their shareholdings in the Company.

By Orders of the Board of
CHIWAYLAND INTERNATIONAL LIMITED

QIAN JIANRONG
Executive Chairman and Chief Executive Officer
15 January 2015

*UOB Kay Hian Private Limited was the financial adviser to the Company for the acquisition of the entire issued and paid up share capital of Chiwayland Group (Singapore) Pte Ltd. (the "**Financial Adviser**"). The Financial Adviser assumes no responsibility for the contents of this announcement.*