



GREEN BUILD TECHNOLOGY

GREEN BUILD TECHNOLOGY LIMITED (FORMERLY KNOWN AS YOUYUE INTERNATIONAL LIMITED)

(Incorporated in the Republic of Singapore)
(Company Registration No.: 200401338W)

CLARIFICATION ANNOUNCEMENT IN RELATION TO THE RESULTS ANNOUNCEMENT FOR THE HALF YEAR ENDED 30 JUNE 2015 (“HY2015”) OF GREEN BUILD TECHNOLOGY LIMITED

The Board of Directors (“**Board**”) of Green Build Technology Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to its HY2015 results announcement made on 12 August 2015 (Announcement Reference SG150812OTHRJQ3A) (the “**Announcement**”) and would like to clarify as follows:

- (i) the short term investment of RMB 12.3 million (the “**Investment**”) mentioned in paragraph 8(E) (page 8) of the Announcement relates to short term wealth management products with reputable banks in China that mature daily and have an annual interest rates of approximately three to four percent (3% - 4%). The Investment was also disclosed at note 18 (*Trade and other receivables*) on page 127 of the annual report of the Company for the financial year ended 31 December 2014. The classification of such investments as “other receivables” was advised by Ernst & Young, the auditors of the Company, as such investments meet the definition of ‘loans and receivables’ in accordance with FRS 39, i.e. a non-derivative financial asset with determinable payments that are not quoted in an active market;
- (ii) the aforementioned Investment has been converted into cash, and is accordingly reflected as an increase in cashflow in the Company’s half year financial results announcement, while balances from “other receivables and prepayments” had been reduced;
- (iii) whilst the shares in relation to the proposed placement of shares by the Company to its employees (the “**Proposed Placement**”) (also mentioned in paragraph 8(E) on page 8 of the Announcement) have yet to be issued, the advances from the employees in relation to the Proposed Placement had been classified as “other payables” as the Company was of the view that the Proposed Placement would be carried out. The Management therefore took the decision that they would utilise such advances as working capital. In this regard, a portion of the advances have since been utilised for the payment of trade payables and administrative expenses, which is in accordance with the stated use of proceeds as announced by the Company on SGXNet on 13 May 2015. The Management

emphasises that in taking this decision, it has as a matter of prudence first procured a letter of undertaking from Mr Zhao Lizhi, the single largest shareholder of the Company, wherein Mr Zhao undertakes to repay such advances or payables in the event that the Proposed Placement does not take place.

By Order of the Board

Wu Xueying

Chief Executive Officer and Executive Director

16 September 2015