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

UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2017

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		
	2Q2017 RMB'000	2Q2016 RMB'000	% Change + / (-)	1H2017 RMB'000	1H2016 RMB'000	% Change + / (-)
Revenue	945,792	398,652	137%	1,262,852	1,217,000	4%
Cost of sales	(814,399)	(358,303)	127%	(1,076,876)	(1,113,310)	(3%)
Gross profit	**131,393**	**40,349**	**226%**	**185,976**	103,690	**79%**
Other income	147	869	(83%)	14,175	3,776	275%
Selling and distribution expenses	(44,389)	(31,235)	42%	(85,814)	(47,497)	81%
Administrative expenses	(38,274)	(30,665)	25%	(83,190)	(73,127)	14%
Other operating expenses	(1,492)	(1,590)	(6%)	(1,572)	(1,892)	(17%)
Results from operating activities	**47,385**	**(22,272)**	**n.m.**	**29,575**	**(15,050)**	**n.m.**
Net finance costs	(31,601)	(17,871)	77%	(48,035)	(26,080)	84%
Share of results of joint ventures, net of tax	(1,207)	1,927	n.m	(2,434)	8,042	n.m
Profit/ (Loss) before income tax	14,577	(38,216)	n.m.	(20,894)	(33,088)	(37%)
Income tax expense	(22,296)	(4,287)	420%	(24,061)	(24,538)	(2%)
Loss for the period	**(7,719)**	**(42,503)**	(82%)	**(44,955)**	**(57,626)**	**(22%)**
Loss attributable to:						
Owners of the Company	(8,165)	(34,955)	(77%)	(38,758)	(54,128)	(28%)
Non-controlling interests	446	(7,548)	(64%)	(6,197)	(3,498)	77%
Loss for the period	**(7,719)**	**(42,503)**	**(82%)**	**(44,954)**	**(57,626)**	**(22%)**

Note:

n.m : denotes not meaningful.

(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		
	2Q2017 RMB'000	**2Q2016** RMB'000	**% Change** + / (-)	**1H2017** RMB'000	**1H2016** RMB'000	**% Change** + / (-)
Loss for the period	**(7,719)**	**(42,503)**	**(82%)**	**(44,955)**	**(57,626)**	**(22%)**
Other comprehensive loss						
Items that are or maybe reclassified subsequently to profit or loss:						
Foreign currency translation differences on foreign operations	(4,295)	5,515	n.m.	4,941	18,013	(73%)
Total comprehensive loss for the period	**(12,014)**	**(36,988)**	**(68%)**	**(40,014)**	**(39,613)**	**1%**
Total comprehensive loss attributable to:						
Owners of the Company	(12,467)	(29,419)	(58%)	(33,873)	(36,098)	(6%)
Non-controlling interests	453	(7,569)	n.m.	(6,141)	(3,515)	75%
Total comprehensive loss or the period	**(12,014)**	**(36,988)**	**(68%)**	**(40,014)**	**(39,613)**	**1%**

Note:

n.m : denotes not meaningful.

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

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

	Group		Group	
	2Q2017 RMB'000	**2Q2016 RMB'000**	**1H2017 RMB'000**	**1H2016 RMB'000**
Depreciation of property, plant and equipment	471	503	910	1,052
Finance income	-	(3,733)	(11,713)	(6,769)
Finance cost	31,601	21,604	59,748	32,849
Foreign exchange loss/(gain)	3,080	18	(9,808)	(1,257)
Reverse of impairment loss on development properties	(388)	-	(3,245)	-
Gain on disposal of financial assets available-for-sale	(69)	-	(198)	(956)
Gain on disposal of property, plant and equipment	(463)	(21)	(838)	(21)

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	
	30-Jun-2017 RMB'000	31-Dec-2016 RMB'000	30-Jun -2017 RMB'000	31-Dec -2016 RMB'000
Assets				
Property, plant and equipment	5,635	4,822	-	-
Investment properties	1,237,509	1,190,200	-	-
Subsidiaries	-	-	1,476,040	1,441,794
Joint ventures	293,147	98,813	-	-
Associate	3,247	4,438	-	-
Deferred tax assets	119,360	121,358	-	-
Other receivables	171,460	176,928	-	-
Non-current assets	1,830,358	1,596,559	1,476,040	1,441,794
Development properties	12,085,398	7,698,063	-	-
Contract work-in-progress	399,093	397,888	-	-
Financial assets	-	55,000	-	-
Trade receivables, other receivables and advance payments	1,671,603	3,542,347	245,620	275,089
Cash and cash equivalents	1,670,340	2,027,412	1,164	4,996
Current assets	15,826,434	13,720,710	246,784	280,085
Total assets	**17,656,792**	**15,317,269**	**1,722,824**	**1,721,879**
Equity				
Share capital	298,577	298,577	1,582,272	1,582,272
Reserves	261,745	331,511	(4,027)	(5,533)
Equity attributable to owners of the Company	560,322	630,088	1,578,245	1,576,739
Other equity instruments	214,695	214,695	143,781	143,781
	775,017	844,783	1,722,026	1,720,520
Non-controlling interests	504,802	642,623	-	-
Total equity	**1,279,819**	**1,487,406**	**1,722,026**	1,720,520
Liabilities				
Loans and borrowings	2,991,210	5,622,556	-	-
Deferred tax liabilities	117,205	115,873	-	-
Non-current liabilities	3,108,415	5,738,429		-
Loans and borrowings	5,335,027	2,501,394	-	-
Trade payables and other payables and	1,866,960	1,813,945	798	1,359
Advance receipts from sales	5,488,575	3,088,110		
Advance receipts from government	442,499	439,853	-	-
Tax payable	135,497	248,132	-	-
Current liabilities	13,268,558	8,091,434	798	1,359
Total liabilities	**16,376,973**	**13,829,863**	**798**	**1,359**
Total equity and liabilities	**17,656,792**	**15,317,269**	**1,722,824**	**1,721,879**

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

Amount repayable in one year or less, or on demand

As at 30 June 2017		As at 31 December 2016	
Secured	**Unsecured**	**Secured**	**Unsecured**
RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
4,614,262	720,765	2,391,394	110,000

Amount repayable after one year

As at 30 June 2017		As at 31 December 2016	
Secured	**Unsecured**	**Secured**	**Unsecured**
RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
2,719,028	272,182	5,622,556	-

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 RMB 8,000,884,000(as at 31 December 2016: RMB5,658,393,000);

(ii) net assets of Suzhou Jiarun and SCLG of the Group;

(iii) 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 60% equity interests in Suzhou Chiway Shangcheng;
- SCLG's 31% equity interests in Xuzhou Chiway;
- SCLG's 100% equity interests in Shanghai Fuyuan;
- 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 Wuhan Chiway;
- Suzhou Chiway Shangcheng's 95% equity interests in Suzhou Hengtang;
- Suzhou Chiway Shangcheng's 95% equity interests in Zhangjiagang Wanhong; and
- Suzhou Chiway Shangcheng's 95% equity interests in Wuxi Taihu.

(iv) a personal guarantee provided by Mr. Qian Jianrong;

(v) a corporate guarantee provided by SCLG; and

(vi) a corporate guarantee provided by the Company.

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	
	2Q 2017	2Q 2016	1H 2017	1H 2016
	RMB'000	RMB'000	RMB'000	RMB'000
Cash flows from operating activities				
Loss for the period	(7,719)	(42,503)	(44,955)	(57,626)
Adjustments for:				
Depreciation of property, plant and equipment	471	503	910	1,052
Gain on disposal of financial assets available-for-sale	(69)	-	(198)	(956)
Gain on disposal of property, plant and equipment	(463)	(21)	(838)	(21)
Reversal of impairment loss on development properties	(388)	-	(3,245)	-
Net finance costs	31,601	17,871	48,035	26,080
Share of results of joint ventures, net of tax	1,207	(1,927)	2,434	(8,042)
Foreign exchange loss/(gain)	3,080	18	(9,808)	(1,257)
Income tax expense	22,296	4,287	24,061	24,538
	50,016	(21,772)	16,396	(16,232)
Changes in:				
- Development properties	(3,122,337)	(603,009)	(3,983,181)	(1,999,005)
- Trade receivables, other receivables and advance payments	1,638,038	432,890	1,945,824	1,431,232
- Trade payables, other payables and advance receipts	1,069,922	849,665	2,464,794	584,322
- Construction costs incurred on contract work-in-progress	(422)	(5,449)	(1,204)	(6,508)
Cash (used in) / generated from operations	(364,783)	652,325	442,629	(6,191)
Income tax paid	(165,839)	(40,982)	(248,241)	(61,677)
Net cash (used in)/ from operating activities	**(530,622)**	**611,343**	**194,388**	**(67,868)**

	Group 2Q 2017 RMB'000	Group 2Q 2016 RMB'000	Group 1H 2017 RMB'000	Group 1H 2016 RMB'000
Cash flows from investing activities				
Acquisition of financial assets held for trading	-	-	-	(1,500)
Acquisition of property, plant and equipment	(1,587)	(68)	(2,690)	(123)
Acquisition of subsidiary, net of cash acquired	(84,275)		(84,275)	
Investments in a joint venture	-	-	(197,335)	-
Proceeds from disposal of joint venture	-	15,733	-	15,733
Dividends from joint ventures	-	2,059	-	2,059
(Increase)/Decrease in amounts due from related corporations, non-trade	(42,501)	(1,852)	(50,063)	4,762
Decrease in amounts due from non-controlling interests, non-trade	210,755	33,500	210,652	33,500
Decrease/(Increase) in amounts due from joint ventures, non-trade	33,164	(30,768)	(222,506)	(30,537)
Decrease in amounts due from associate	-	,-	27,930	-
Development expenditure incurred on investment properties	(24,123)	(8,111)	(47,309)	(17,109)
Interest received	-	3,733	11,713	6,769
Proceeds from disposal of property, plant and equipment	951	46	1,829	46
Proceeds from redemption of financial assets available-for-sale	17,069	1,500	55,198	252,456
Net cash from/(used in) investing activities	**109,453**	**15,772**	**(296,856)**	**266,056**

	Group	Group	Group	Group
	2Q 2017	2Q 2016	1H 2017	1H 2016
	RMB'000	RMB'000	RMB'000	RMB'000
Cash flows from financing activities				
Capital contribution from non-controlling interests	-	2,500	-	2,500
Capital reduction in respect of non-controlling shareholders	(101,650)	-	(101,650)	-
Dividends paid	(106,186)	(16,000)	(106,186)	(16,000)
Interest paid	(189,434)	(110,819)	(336,768)	(218,772)
Increase in restricted cash	(412,177)	(491,931)	(420,048)	(698,943)
Increase/(Decrease) in amounts due to related corporations (non-trade)	70	(1,170)	14	(4,812)
Decrease in amounts due to non-controlling interests (non-trade)	-	(53,993)	-	(17,593)
(Decrease)/Increase in amounts due to joint ventures (non-trade)	(225)	-	16,985	-
Increase in bills payable	9,380	5,200	68,285	45,800
Proceeds of borrowings from financial institutions	1,453,849	1,290,790	1,755,017	2,696,753
Repayment of borrowings from financial institutions	(979,299)	(1,121,600)	(1,727,089)	(1,509,100)
Proceeds of borrowings from non-controlling shareholders	744,377	74,178	748,451	624,178
Repayment of borrowings from non-controlling interests	(196,150)	(250,000)	(565,000)	(1,000,000)
Proceeds of borrowings from unquoted debt securities	11,398	132,389	32,015	244,581
Repayment of borrowings from unquoted debt securities	(36,855)	(8,500)	(41,105)	(8,500)
Net cash from/ (used in) financing activities	**197,098**	**(548,956)**	**(677,079)**	**140,092**
Net (decrease)/increase in cash and cash equivalents	(224,071)	78,159	(779,547)	338,280
Cash and cash equivalents at the beginning of period	1,068,630	1,247,577	1,622,371	985,301
Effect of exchange rate changes on cash held	692	1,698	2,427	3,853
Cash and cash equivalents at the end of period	845,251	1,327,434	845,251	1,327,434
Restricted cash at the end of period	825,089	917,174	825,089	917,174
Cash and cash equivalents in the statement of financial position	**1,670,340**	**2,244,608**	**1,670,340**	**2,244,608**

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.

	Share capital RMB'000	Reserve for own shares RMB'000	Merger reserve RMB'000	Statutory reserve RMB'000	Foreign currency translation reserve RMB'000	Retained earnings RMB'000	Total ordinary equity RMB'000	Other equity instruments RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At 1 January 2017	298,577	(522)	(44,710)	152,867	(106,203)	330,079	630,088	214,695	844,783	642,623	1,487,406
Total comprehensive loss for the period											
Loss for the period	-	-	-	-	-	(38,758)	(38,758)	-	(38,758)	(6,197)	(44,955)
Other comprehensive income											
Foreign currency translation differences on foreign operations	-	-	-	-	4,885	-	4,885	-	4,885	56	4,941
Total other comprehensive income	-	-	-	-	4,885	-	4,885	-	4,885	56	4,941
Total comprehensive income/(loss) for the period	-	-	-	-	4,885	(38,758)	(33,873)	-	(33,873)	(6,141)	(40,014)
Transaction with owners, recognised directly in equity											
Contributions by and distributions to owners											
Dividends paid	-	-	-	-	-	(32,436)	(32,436)	-	(32,436)	(73,750)	(106,186)
Purchase of treasury shares	-	(3,457)	-	-	-	-	(3,457)	-	(3,457)	-	(3,457)
Capital reduction in respect of non-controlling interests	-	-	-	-	-	-	-	-	-	(101,650)	(101,650)
Total contributions by and distributions to owners	-	(3,457)	-	-	-	(32,436)	(35,893)	-	(35,893)	(175,400)	(211,293)

	Share capital RMB'000	Reserve for own shares RMB'000	Merger reserve RMB'000	Statutory reserve RMB'000	Foreign currency translation reserve RMB'000	Retained earnings RMB'000	Total ordinary equity RMB'000	Other equity instruments RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Changes in ownership interests in subsidiary											
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	-	43,720	43,720
Total changes in ownership interests in subsidiary	**-**	**-**	-	-	-	-	-	-	-	43,720	43,720
Total transactions with owners	**-**	(3,457)	-	-	-	(32,436)	(35,893)	-	(35,893)	(131,680)	(167,573)
At 30 June 2017	**298,577**	**(3,979)**	**(44,710)**	**152,867**	**(101,318)**	**258,885**	**560,322**	**214,695**	**775,017**	**504,802**	**1,279,819**

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.

	Share capital RMB'000	Merger reserve RMB'000	Statutory reserve RMB'000	Foreign currency translation reserve RMB'000	Retained earnings RMB'000	Total ordinary equity RMB'000	Other equity instruments RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity 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 loss for the period										
Loss for the period	-	-	-	-	(54,128)	(54,128)	-	(54,128)	(3,498)	(57,626)
Other comprehensive loss										
Foreign currency translation differences on foreign operations	-	-	-	18,030	-	18,030	-	18,030	(17)	18,013
Total other comprehensive loss	-	-	-	18,030	-	18,030	-	18,030	(17)	18,013
Total comprehensive loss for the period	-	-	-	18,030	(54,128)	(36,098)	-	(36,098)	(3,515)	(39,613)
Transaction with owners, recognized directly in equity										
Contributions by and distributions to owners										
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	2,500	2,500
Dividends declared to non-controlling shareholders	-	-	-	-	-	-	-	-	(16,000)	(16,000)
Total contributions by and distributions to owners	**-**	-	-	-	-	-	-	-	(13,500)	(13,500)
At 30 June 2016	**298,577**	**(44,710)**	**113,767**	**(99,897)**	**211,372**	**479,109**	**214,695**	**693,804**	**499,302**	**1,193,106**

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	Reserve for own shares	Warrants reserve	Foreign currency translation reserve	Accumulated profits	Total ordinary equity	Other equity instruments	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2017	1,582,272	(522)	6,094	(48,306)	37,201	1,576,739	143,781	1,720,520
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	(3,381)	(3,381)		(3,381)
Foreign currency translation differences	-	-	-	40,780	-	40,780	-	40,780
Total other comprehensive income	-	-	-	40,780	-	40,780	-	40,780
Total comprehensive income for the period	-	-	-	40,780	(3,381)	37,399	-	37,399
Transaction with owners, recognised directly in equity								
Contributions by and distributions to owners								
Dividends paid	-	-	-	-	(32,436)	(32,436)	-	(32,436)
Purchase of treasury shares	-	(3,457)	-	-	-	(3,457)	-	(3,457)
Total transaction with owners	-	(3,457)	-	-	(32,436)	(35,893)	-	(35,893)
At 30 June 2017	1,582,272	(3,979)	6,094	(7,526)	1,384	1,578,245	143,781	1,722,026

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	Warrants Reserve	Foreign currency translation reserve	Accumulated losses	Total ordinary equity	Other equity instruments	Total equity
	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 loss for the period							
Loss for the period	-	-	-	(974)	(974)	-	(974)
Other comprehensive loss							
Foreign currency translation differences	-	-	115,339	-	115,339	-	115,339
Total other comprehensive loss	-	-	115,339	-	115,339	-	115,339
Total comprehensive loss for the period	-	-	115,339	(974)	114,365	-	114,365
At 30 June 2016	1,582,272	6,094	(5,610)	(39,373)	1,543,383	143,781	1,687,164

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 were no changes in the Company's share capital in 2Q2017. The share capital of the Company as at 30 June 2017 was RMB1,582,272,000 comprising 666,851,006 shares.

The Company has treasury shares of RMB3,978,945 comprising 4,812,400 shares as at 30 June 2017.

The Company had no outstanding warrants as at 30 June 2017, and 47,488,212 warrants as at 30 June 2016 expired on 6 January 2017.

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 30 June 2017.

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.

	30 June 2017	31 December 2016
Total number of issued ordinary shares	662,038,606	666,186,006

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 4,812,400 treasury shares at costs of RMB3,978,945 as at 30 June 2017. 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 30 June 2017 reported on as those used in the audited consolidated financial statements of CWG International Ltd. and its subsidiaries for the financial year ended 31 December 2016.

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 2017. 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. Earnings 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 2Q2017 and 1H2017 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 2Q 2017	Group 2Q 2016	Group 1H2017	Group 1H2016
Loss for the period attributable to owners of the Company (RMB '000)	(13,832) (1)	(40,309) (1)	(50,034) (1)	(64,836)(1)
Weighted average number of ordinary shares in issue	662,038,606	666,186,006	662,188,059	666,186,006
Earnings per ordinary share of the Group				
(i) Basic (RMB cents)	(2.09)	(6.05)	(7.56)	(9.73)
(ii) Diluted (RMB cents)	(2.09)	(6.05)	(7.56)	(9.73)

Note:

(1) Net loss 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 RMB3.33 million, and RMB6.61 million for 2Q2017 and 1H2017, respectively; and RMB3.19 million, and RMB6.39 million for 2Q2016 and 1H2016, respectively; 2) the dividends payable on redeemable preference shares by a subsidiary to non-controlling interests amounting to RMB2.34 million, and RMB 4.66 million for 2Q2017 and 1H2017, respectively, and RMB2.16 million, and RMB 4.32 million for 2Q2016 and 1H2016.

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 30 June 2017	Group 31 Dec 2016
Net asset value per ordinary share of the Group(1)		
(RMB cents)	160.9	191.0
Number of ordinary shares based on issued share capital at the end of the period reported on ('000)	662,039	666,186

	Company 30 June 2017	Company 31 Dec 2016
Net asset value per ordinary share of the Company(1)		
(RMB cents)	238.4	236.7
Number of ordinary shares based on issued share capital at the end of the period reported on ('000)	662,039	666,186

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

2Q2017 vs 2Q2016

Revenue

The Group achieved revenue of RMB945.8 million for the quarter ended 30 June 2017 ("**2Q2017**"), a increase of 137% or RMB547.2 million from RMB398.6 million in the same period in 2016. This is primarily due to an increase in the number of property units handed over. The aggregate Gross Floor Area ("**GFA**") sold and recognized increased by approximately 114% or 74,604 square metres ("**sqm**"), from 65,520 sqm for the quarter ended 30 June 2016 ("**2Q2016**") to 140,124 sqm for 2Q2017. Revenue for the projects sold and recognized was mainly attributable to Xuzhou Royal Palace and Shanghai Royal Palace, which contributed RMB647.3 million and RMB186.1 million respectively, or approximately 68% and 20% of the total revenue generated for 2Q2017. The average selling price ("**ASP**") increased by 11% from RMB5,971 per sqm in 2Q2016 to RMB 6,650 per sqm 2Q2017, as projects sold and recognized in this quarter are from higher price projects like Suzhou Industrial Park Royal Mansion and Shanghai Royal Palace.

Pre-Sales

The Group experienced sharp increase in its pre-sales activities for 2Q2017. The Group recorded pre-sales GFA of approximately 170,163 sqm with an aggregate consideration of approximately RMB2,555.9 million for the development properties projects in the People's Republic of China ("PRC") during 2Q2017. This represents an increase of GFA by 37%, or 46,267 sqm from 123,896 sqm, and an increase in aggregate consideration by 128%, or RMB1,437.0 million from RMB1,118.9 million, as compared to 2Q2016. Overall, the average selling price ("ASP") of pre-sales increased from RMB 9,031 per sqm in 2Q2017 to RMB15,020 per sqm in 2Q2017, as the higher mix of projects from second tier cities.

In Australia, the Group also experienced improvements with its pre-sales activities for four of its property development projects. During 2Q2017, 92 units from these property development projects – Illumina, Marine's Hill, Uptown and Steller, were pre-sold, and 2 units from Vivir were sold with an aggregate consideration of AUD79.0 million (or RMB 409.1 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

In tandem with the increase in revenue, the Group's cost of sales, which comprises mainly of land acquisition costs, construction costs, capitalized borrowing costs and indirect costs incurred on those development properties sold, increased by 127% or RMB456.1 million from RMB358.3 million in 2Q2016 to RMB814.4 million in 2Q2017.

Gross profit increased by 226% or RMB91.1 million, from RMB40.3 million in 2Q2016 to RM131.4 million in 2Q2017. Overall gross profit margin increased from 10.1% in 2Q2016 to 13.9% in 2Q2017. This was due mainly to higher profit margin contribution from revenue recognition of Xuzhou Royal Palace and Shanghai Royal Palace, which recorded a higher gross profit compared to the projects of last year.

Other income

Other income, which mainly comprised of gain on disposal of financial assets available-for-sale, foreign exchange gain, and gain on disposal of property, plant and equipment, decreased by 83% or RMB0.8 million from RMB0.9 million in 2Q2016 to RMB0.1 million in 2Q2017.

Selling and distribution expenses

Selling and distribution expenses comprised primarily of advertising and promotion expenses, sales commissions, sales offices rental expenses and maintenance costs. Selling and distribution expenses increased by 42% or RMB13.2 million from RMB31.2 million in 2Q2016 to RMB44.4 million in 2Q2017. This was due mainly to the increase in expenditure on new projects' sales and marketing activities.

Administrative expenses

Administrative expenses comprised of salaries and staff related expenses for general administrative staff, utilities expenses, telecommunication expenses, entertainment expenses, professional fees, travelling expenses and other general overheads expenses. The increase in administrative expenses by 25% or RMB7.6 million from RMB30.7 million in 2Q2016 to RMB38.3 million in 2Q2017, was attributable mainly to higher staff costs and other related expenses as a result of higher headcount, which was in line with the increase in business activities for new projects.

Net finance costs

Net finance costs were RMB31.6 million in 2Q2017, compared to RMB17.9 million in 2Q2016, an increase of 77% or RMB13.7 million. This was mainly due to an increase in finance costs that could not be capitalized in development projects during the current quarter.

Share of results of joint ventures, net of tax

Share of results of joint ventures, net of tax was a loss of RMB1.2 million in 2Q2017, as compared to profit of RMB1.9 million in 2Q2016. The share of results of joint ventures and associate in 2Q2016 was attributed to the handover of the Group's Vivir project in Australia, while the figure in 2Q2017 was mainly from UCCH, Suzhou Ruixin, Suzhou Xinglun and Shengeng Hongye which were at the beginning of construction.

Income tax expense

Income tax expenses comprises of enterprise income tax and land appreciation tax ("LAT"). The Group incurred a tax expense of RMB22.3 million in 2Q2017 and a significant increase of RMB 18.0 million or 420%, as compared to an income tax expense of RMB4.3 million in 2Q2016. The increase was in line with the increase in revenue for our projects.

Profit/Loss for the period

As a result of the foregoing, the Group reported a profit before tax of RMB14.6 million, compared to the loss of RMB38.2 million in 2Q2016. On an after-tax basis, the Group incurred a loss after tax of RMB7.7 million in 2Q2017, compared with the loss for the period in 2Q2016 was RMB42.5 million.

1H2017 vs 1H2016

Revenue

The Group achieved revenue of RMB1,262.9 million for the period ended 30 June 2017 ("**1H2017**"), an increase of 4% or RMB45.9 million from RMB1,217.0 million in the same period in 2016, primarily due to the increase in the number of property units handed over. As a result, the aggregate Gross Floor Area ("**GFA**") sold and recognized increased by approximately 16% or 22,129 square metres ("**sqm**"), from 134,645 sqm for the period ended 30 June 2016 ("**1H2016**") to 156,774 sqm for 1H2017. The increase in GFA sold and recognized was mainly attributable to the Xuzhou Royal Palace, which contributed RMB650.0 million, or approximately 51% of the total revenue generated for 1H2017. The increase was also attributable to Shanghai Royal Palace and Suzhou Industrial Park Royal Mansion, which contributed RMB236.8 million and RMB214.9 million, or 19% and 17% of the total revenue, respectively. Average selling price ("**ASP**") decreased by 11% from RMB 8,941 per sqm in 1H2016 to RMB 7,913 per sqm 1H2017, as projects sold and recognized in this half year are mainly from lower price project like Xuzhou Royal Palace.

Pre-Sales

The Group also achieved sharp increase in pre-sales for 1H2017 with a total pre-sales GFA of approximately 278,329 sqm and aggregate consideration of approximately RMB4,170.6 million for the development properties projects in the People's Republic of China ("PRC"). This represents an increase of 48% in GFA, or 90,196 sqm from 188,133 sqm, and an increase of 128% in aggregate consideration, or RMB2,344.3 million from RMB1,826.3 million in 1H2016.

The Group also presold four of its property development projects in Australia. During 1H2017, 128 units from these property development projects – Illumina, Marine's Hill, Uptown and Steller were pre-sold and 3 units from Vivir were sold with an aggregate consideration of AUD104.8 million (or RMB 542.9million).

Total pre-sales from both China and Australia reached RMB4,713.5 million, as at end of 1H17.

Cost of sales and gross profit margin

Despite the increase in revenue, the Group's cost of sales, which comprises mainly of land acquisition costs, construction costs, capitalized borrowing costs and indirect costs, decreased by 3% or RMB36.4 million from RMB1,113.3 million in 1H2016 to RMB1,076.9 million in 1H2017.

Gross profit increased by 79% or RMB82.3 million, from RMB103.7 million in 1H2016 to RMB186.0 million in 1H2017, due to the increase in revenue. Overall gross profit margin increased from 8.5% in 1H2016 to 14.7% in 1H2017. This was due mainly to higher revenue contribution from the Suzhou Industrial Park Royal Mansion, which has a higher gross profit compared to the projects of last year.

Other income

Other income, which mainly comprise of gain on disposal of financial assets available-for-sale, foreign exchange gain, and gain on disposal of property, plant and equipment, increased by 275% or RMB10.4 million from RMB3.8 million in 1H2016 to RMB14.2 million in 1H2017. The increase was mainly due to foreign exchange gain of RMB9.8 million.

Selling and distribution expenses

Selling and distribution expenses comprised of primarily advertising and promotion expenses, sales commissions, sales offices rental expenses and maintenance costs. Selling and distribution expenses increased by 81% or RMB38.3 million from RMB47.5 million in 1H2016 to RMB85.8 million in 1H2017. This was due mainly to the increase in expenditure on sales and marketing activities for new projects.

Administrative expenses

Administrative expenses comprised of salaries and staff related expenses for general administrative staff, utilities expenses, telecommunication expenses, entertainment expenses, professional fees, travelling expenses and other general overheads expenses. The increase in administrative expenses by 14% or RMB10.1 million from RMB73.1 million in 1H2016 to RMB83.2 million in 1H2017, was attributable mainly to higher staff costs and bonus and other related expenses due to higher headcount, which was in line with the increase in business activities for new projects.

Net finance costs

Net finance costs were RMB48.0 million in 1H2017, compared to of RMB26.1 million in 1H2016. This was mainly due to an increase in finance costs that could not be capitalized in development projects during the current period.

Share of results of joint ventures, net of tax

Share of results of joint ventures, net of tax was a loss of RMB2.4 million in 1H2017, as compared to profit of RMB8.0 in 1H2016. The share of results of joint ventures and associate in 1H2016 was attributed to the handover of the Group's Vivir project in Australia, while the figure in 1H2017 was mainly from UCCH, Suzhou Ruixin, Suzhou Xinglun and Shengeng Hongye which were at the beginning of construction.

Income tax expense

Income tax expenses comprises of enterprise income tax and land appreciation tax ("LAT"). The Group incurred a tax expense of RMB24.1 million in 1H2017 as compared to an income tax expense of RMB24.5 million in 1H2016. This was mainly due to tax expensed charged with profit recognized .

Loss for the period

As a result of the foregoing, the Group reported a loss after tax of RMB45.0 million in 1H2017, while the loss for the period in 1H2016 was RMB57.6 million.

Statement of Financial Position

Non-current Assets

Non-current assets comprised property, plant and equipment, investment properties, interest in joint ventures, interest in associate and deferred tax assets. As at 30 June 2017, non-current assets amounted to RMB1,830.4 million as compared to RMB1,596.6 million as at 31 December 2016.

The increase in non-current assets of RMB233.8 million was due mainly to:

(i) increase in joint ventures from RMB98.8 million as at 31 December 2016 to RMB293.1 million as at 30 June 2017 due to the purchase of Suzhou Xinglun;

(ii) increase in investment properties of RMB47.3 million due to the costs incurred for investment properties under development; and

(iii) offset by a decrease in other receivables of RMB5.4 million from RMB176.9 million as at 31 December 2016 to RMB171.5 million.

Current Assets

Current assets increased by RMB2,106.3 million from RMB13.72 billion as at 31 December 2016 to RMB15.83 billion as at 30 June 2017 due mainly to:

(i) increase in development properties of RMB4,387.3 million due largely to the costs incurred for the Group's development properties;

(ii) offset by a decrease in trade receivables, other receivables and advance payments of RMB1,870.1 million mainly due to advance payments made to suppliers realized as development properties;

(iii) offset by redemption of financial assets by RMB55.0 million; and

(iv) offset by a decrease in cash and cash equivalents of RMB357.1 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 at 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 30 June 2017 non-current liabilities were RMB3,108.4 million as compared to RMB5,738.4 million as at 31 December 2016. The decrease in non-current liabilities of RMB2,630.0 million was due mainly to the decrease of RMB2,631.4 million in loans and borrowings, most of which were reclassified into current liabilities as their repayment due date is less than a year.

Current liabilities

Current liabilities as at 30 June 2017 amounted to RMB13.27 billion as compared to RMB8.09 billion as at 31 December 2016. The increase in current liabilities of RMB5,177.2 million was due mainly to the increase in loans and borrowings of RMB2,833.6 million reclassified from current liabilities as their repayment due date is less than a year, and the increase in advance receipts of RMB2,400.5 million due to the increase of proceeds from on-going projects.

Advance receipts from government amounted to RMB442.5 million as at 31 March 2017 and RMB439.9 million as at 31 December 2016. 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 30 June 2017, total equity was RMB1,279.8 million as compared to RMB1,487.4 million as at 31 December 2016. 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

2Q2017 vs 2Q2016

During 2Q2017, the Group had a net cash outflow from operating activities of RMB530.6 million comprising operating cash inflows before movements in working capital of RMB43.4 million, net working capital outflows of RMB408.1 million and income tax payment of RMB165.8 million. The net working capital outflows were mainly due to the increase in development properties of RMB3122.3 million, partially offset by a decrease in trade receivables, receivables and advance payments of RMB1,644.7 million, and an increase in trade payables, other payables and advance receipts of RMB1070.0 million.

The Group recorded a net cash inflow from investing activities of RMB107.2 million due mainly to decrease of RMB210.8 million due from non-controlling interests, non-trade, partially offset by net of cash acquired from acquisition of a subsidiary of RMB84.3 million.

The Group recorded a net cash inflow from financing activities of RMB199.4 million during 2Q2017. This was due mainly to net proceeds of borrowings from financial institution of RMB 474.6 million, partially offset by interest paid of RMB 187.2 million and capital reduction in respect of non-controlling shareholders of RMB101.7 million.

Overall, the Group's cash and cash equivalents has decreased RMB 224.1million during 2Q2017.

1H2017 vs 1H2016

During 1H2017, the Group had a net cash inflow from operating activities of RMB194.4 million comprising operating cash outflows before movements in working capital of RMB9.7 million, net working capital inflows of RMB432.9 million and income tax payment of RMB248.2 million. The net working capital inflows were mainly due to the decrease in trade receivables, other receivables

and advance payments of RMB1,952.5 million, and increase in trade payables, other payables and advance receipt of RMB2,465.8 million, partially offset by an increase in development properties of RMB3,983.2 million.

The Group recorded a net cash outflow from investing activities of RMB299.1 million due mainly to the an increase of RMB197.3 million in investment in joint venture and an acquisition of a subsidiary of RMB84.3 million during 1H2017.

The Group recorded a net cash outflow from financing activities of RMB674.8 million during 1H2017. This was due mainly to increase in restricted cash of RMB420.0 million, and interest paid of RMB334.5 million.

Overall, the Group's cash and cash equivalents has decreased RMB 779.5million during 2Q2017.

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

The Group is currently at the peak of its project development activities, with another six projects slated for launch in the second half of 2017, comprising four projects in Suzhou and two projects in the Rest of China market – one project in Xuancheng and one project in Wuhan.

In addition, the Group is advancing the delivery of its Uptown@Roseville to 3QFY2017 and is expected to deliver three other projects by end of 2017. This comprises two projects in Suzhou and one in the Rest of China market, Xuancheng.

Overall, the Group remains cautiously optimistic of its performance in its key markets, China and Australia.

The Group continues to scale in China, supported by strong underlying demand for housing driven by higher net urbanisation and a dynamic economy. This is evident in the Group’s strong pre-sales of RMB4.2 billion for 1HFY2017, despite the cooling measures. Against this backdrop, the Group is confident and on track to achieving its RMB10.0 billion pre-sales receipts target for FY2017.

The Group will also continue to exercise prudence when participating in land bids, amid the strong competition for land. In Tier-3 and 4 cities where price growth is outpacing those in Tier-1 and 2 cities, the Group has earmarked Changsha and Chengdu as part of its expansion plans in addition to Wuhan.

In Australia, the Group expects to deliver its second project, Uptown@Roseville, in 3QFY2017 which would contribute positively to the Group’s 3QFY2017 results. In addition, the Group is marketing the sale of its Parramatta project. This divestment will allow the Group to recycle the capital to prospect for opportunities that will enhance shareholder value.

Concurrently, the Group remains focused to expand its fund management business beyond China to develop a diversified stream of revenue and earnings as it seeks to transform into an integrated property player. Towards this end, the Group is exploring related opportunities in Singapore and Australia.

Barring unforeseen circumstances, the Group expects to be profitable for FY2017.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding Period of the immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Nil

(c) Date payable

N.A.

(d) Books closure date

N.A.

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

Nil

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. 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 30 June 2017	Adjusted as at 30 June 2017	Adjusted as at 31 July 2017
Cash and cash equivalents	1,670,340	1,670,340	*
Current Indebtedness			
Secured			
Borrowings (guaranteed)	4,614,262	4,614,262	4,314,262
Borrowings (non-guaranteed)	-	-	-
Unsecured			
Borrowings(non-guaranteed)	600,765	600,765	570,437
Borrowings (non-guaranteed)	120,000	120,000	120,000
Non-current Indebtedness			
Secured			
Borrowings (guaranteed)	2,640,028	2,640,028	2,749,028
Borrowings(non-guaranteed)	79,000	79,000	79,000
Unsecured			
Borrowings (guaranteed)	272,182	272,182	275,572
Total Indebtedness	8,326,237	8,326,237	8,108,299
Total Shareholders' equity	1,279,819	1,279,819	*
Total Capitalisation and Indebtedness	**9,606,056**	**9,606,056**	*

* Not applicable for disclosure for the period reported on.

Notes:

(1) On 14 July 2017 and 25 July 2017, Zhangjiagang Wanhong and Wuxi Huake repaid RMB100 million and RMB200 million to Jiangsu Shagang Group respectively.

(2) In July 2017, Chiwayland Cayman repaid the unquoted debt securities of Overseas Investment Opportunity Fund to investors, which amounted to RMB 28.3 million.

(3) On 6 July 2017 and 31 July 2017, Zhangjiagang Wanhong borrowed RMB60 million and RMB20 million from Industrial and Commercial Bank of China.

(4) On 31 July 2017, Wuxi Taihu borrowed RMB30 million from Bank of China.

(5) On 5 July 2017, one of the Company's subsidiaries, Wuxi Huake and Western Trust entered into a financing agreement, pursuant to which Western Trust provided an aggregate funding of RMB1,500 million to Wuxi Huake. The Group is assessing the form of this financing arrangement for accounting purposes. This will be accounted for at the 3QFY2017 results.

(b) the aggregate trust financing obligations as a percentage of total indebtedness;

The Group has entered into three Type 1 trust financing agreements on 3 June 2016, 23 December 2016 and 12 April 2017 respectively. As at 31 June 2017 and 30 July 2017, RMB900.0 million remained outstanding.

RMB'000	**As at 30 June 2017**	**Adjusted as at 30 June 2017**	**As at 31 July 2017**
Total trust financing indebtedness	**900,000**	**900,000**	**900,000**
Total Indebtedness	**8,326,237**	**8,326,237**	**8,108,299**
Trust financing as a percentage of total Indebtedness	**10.81%**	**10.81%**	**11.10%**

(c) 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;

Subject to Note (5) above, the trust financing as a percentage of its total indebtedness is less than 20% as at 30 June 2017 and 31 July 2017.

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

Subject to Note (5) above, 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.

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

Subject to Note (5) above, 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.

15. 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.

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 second quarter and six months ended 30 June 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

[5] August 2017

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.