

CHINA YUANBANG PROPERTY HOLDINGS LIMITED

Registration Number 39247

(Incorporated in Bermuda)

STATUS UPDATE OF LOAN RECEIVABLES OF THE GROUP

The Board of Directors (the “Board”) of China Yuanbang Property Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) would like to provide an update on the Group’s loan receivables for the period ended 31 March 2021.

(i) Loan receivable of Jiadi Xindu Development Co., Ltd (“Jiadi Xindu”)

The Group provided a loan of RMB146.8 million to Jiadi Xindu (the “**Jiadi Xindu Loan**”). The Jiadi Xindu Loan was used to fund Jiadi Xindu’s property development project.

The Jiadi Xindu Loan which carries an interest rate of 16% per annum is secured against the sale proceeds of Jiadi Xindu’s property development project in Guangzhou, Guangdong Province. (the “**Jiadi Xindu Project**”).

Till date, the Jiadi Xindu Project has pre-sold approximately RMB142 million worth of its units and approximately RMB50 million of revenue was recognized. Due to the delay in handing over of the property units, only approximately a third of the pre-sold units has been handed over to the customers.

In view of the delay in handing over of property units, the Group and Jiadi Xindu have agreed to extend the final repayment date of the Jiadi Xindu Loan to 31 December 2021. The outstanding Jiadi Xindu Loan as at 31 March 2021 was RMB50.6 million, and the interest and collaterals remain unchanged.

(ii) Loan receivable of Kaiping Qingshi Auto Parts Co., Limited (“Kaiping Qingshi”)

The Group provided a loan of RMB23.5 million to Kaiping Qingshi (the “**Kaiping Qingshi Loan**”). The Kaiping Qingshi Loan was used to partly finance the Phase 1 development of a property development project in Kaiping, Guangdong Province. (“**Phase 1 Kaiping Qingshi Project**”).

The Kaiping Qingshi Loan which carries an interest rate of 16% per annum is secured against the sale proceeds of Phase 1 Kaiping Qingshi Project.

Till date, Phase 1 Kaiping Qingshi Project has recorded pre-sold units of approximately RMB48 million and approximately RMB39 million revenue was recognized. Due to positive demand for the project, Kaiping Qingshi has decided to commence Phase 2 development of its project (“**Phase 2 Development**”) by June 2021.

In view of the imminent commencement of Phase 2 Development, the Group and Kaiping Qingshi have agreed to extend the final repayment date of the Kaiping Qingshi Loan to 31 December 2022. The outstanding loan amount as at 31 March 2021 was RMB32.2 million, and the interest and collaterals remain unchanged.

Further, Kaiping Qingshi has granted the Group a three-month exclusivity till 30 June 2021 to conduct an evaluation of its Phase 2 Development, so that the Group can decide whether to participate as a co-developer of the said project.

Mr Zhou Jiangtao, an Executive Director of the Company, currently holds an effective 28.6% equity interest in Kaiping Qingshi. Mr Zhou is also the legal representative of Kaiping Qingshi and he has an oversight over Kaiping Qingshi's cash disbursement/payment from Kaiping Qingshi's bank account.

Save for Mr Zhou as disclosed, there are no other Directors or controlling shareholders having an interest in Kaiping Qingshi or Jiadi Xindu other than their respective shareholdings in the Company.

FOR AND ON BEHALF OF THE BOARD

Lin Yeju
Non-Executive Chairman
6 April 2021