

CHINA YUANBANG PROPERTY HOLDINGS LIMITED

(the "**Company**")

(Company Registration No.: 39247)

(Incorporated in Bermuda on 4 December 2006)

ADDITIONAL INFORMATION TO THE UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 MARCH 2016

The Board of Directors of China Yuanbang Property Holdings Limited (the "Company" and together with its subsidiaries, the "Group") refers to the 3rd quarter financial statements and dividend announcement for the financial year ended 31 March 2016 ("3rd quarter results announcement") released on the SGXNet on 13 May 2016. The Company would like to provide the following additional information in reply to the queries raised by the Singapore Exchange Securities Trading Limited ("SGX-ST") on 25 May 2016.

Query 1:

In paragraph 8 of the financial statement, the Company disclosed that "Group revenue in 3QFY2016 decreased by 93.5% year-on-year to RMB10.4 million from RMB160.5 million. The decrease in revenue was mainly attributed to the unexpected delay in the handover of the residential units of Ming Yue Shui An and Phase II of Aqua Lake Project".

Please provide:-

- i) Reasons for the unexpected delay in the handover of the residential units; and
- ii) Details on the updated expected dates of handover for Ming Yue Shui An and Phase II of Aqua Lake Project.

Response:

For the three months ended 31 March 2016, there was some delay in the completion of the renovation works, which has caused the delay in the handover of these residential units. As agreed with the purchasers, the handover was postponed to next quarters. Certain properties of Ming Yue Shui An and Phase II of Aqua Lake Project will be expected to handover in end of June 2016 and July 2016, respectively.

Query 2:

In paragraph 8 of the financial statement, the Company disclosed that “the results are in line with item 10 of the Company’s results announcement for the quarter ended 31 December 2015 released via SGXNet on 3 February 2016”. Previously, it was announced by the Company that it is “prudently optimistic in respect of the year’s prospects and look forward to another year of healthy progress ahead”.

Please explain how the results are in line with item 10 of the Company’s results announcement for the quarter ended 31 December 2015 released via SGXNet on 3 February 2016.

Response:

The Group believes that the 3rd quarter result is in line with expectation in 2nd quarter because for the three months ended 31 March 2016, the Group has sold 76 residential units with amounts approximately RMB125 million (3Q 2015: 53 residential units with amounts approximately RMB93 million) received from purchasers, which were not recognised as revenue in the 3rd quarter. Based on the accounting policies of the Group, revenue arising from sale of properties held for sale is recognised upon the properties transfer of the significant risks and rewards of ownership of those properties to the purchasers and collectability of related receivables is reasonably assured. However, due to the delay in the handing over of properties to the purchasers, the Group has not been able to recognise the pre-sale revenue in the 3rd quarter.

BY ORDER OF THE BOARD
CHINA YUANBANG PROPERTY HOLDINGS LIMITED

Tse Kwok Hing Henry
Chief Financial Officer / Company Secretary
27 May 2016