

MEDIA RELEASE

CHIWAYLAND ACHIEVES 1Q2015 REVENUE OF RMB75.9 MILLION

- Fixed price housing projects helped alleviate impact from a seasonally slow first quarter and a general slowdown in the real estate sector
- Australian projects progressing on track as Chiwayland continues to look out for opportunities
- Encouraging increase in pre-sales for development projects in both China and Australia in the first quarter
- Real estate sector is likely to benefit from the recent interest rates cuts as China and Australia aim to boost the economies

FYE 31 December (RMB'm)	1Q2015	1Q2014	YoY Change
Revenue	75.9	268.4	(72%)
Gross profit	4.0	16.0	(75%)
Operating loss	(42.2)	(19.4)	(118%)
Loss before tax	(47.8)	(17.5)	(173%)
Net loss attributable to shareholders	(35.9)	(18.8)	(90%)

SINGAPORE, 14 May 2015 – Mainboard-listed Shanghai-based **Chiwayland International Limited** (中锐地产国际股份有限公司), together with its subsidiaries (“**Chiwayland**” or the “**Group**”), the premier property developer in providing urban living solutions, announced that it had achieved revenue of RMB75.9 million for the three-month period ending 31 March 2015 (“**1Q2015**”). This was against the backdrop of a challenging business environment for the property sector in the PRC, as the Chinese economy recorded its slowest growth in six years.

Revenue is recognised when legal title of the properties have been transferred to the buyers. Owing to construction schedules and the festive period in 1Q2015, the GFA handed over to its buyers was 71% lower as compared with 1Q2014. Chiwayland’s strategic expansion into fixed price housing (“定销房”) property development projects

has helped it overcome the challenging business environment. The unique features of these property developments include lower land costs, certainty in customer base, and buy-back commitment by the government, reduce the Group's exposure to market fluctuations. Chiwayland has two such developments, namely, Suzhou Hetai Garden and Suzhou Hemei Garden.

The Group recorded gross profit of RMB4.0 million in 1Q2015. Fixed price housing projects are government initiated public housing and therefore, command lower gross margin. Given that Suzhou Hemei Garden was a major revenue contributor during the period, the Group recorded gross profit margin of 5.2% in 1Q2015, slightly lower than the 6.0% recorded in 1Q2014. Fixed price housing accounted for 85.5% of GFA sold in 1Q2015, compared with 67.6% in 1Q2014.

During the quarter, the Group saw increased business activities for new projects such as the Suzhou Industrial Park Royal Mansion. To support the increased business activities, the Group incurred higher staff costs and other related expenses including professional fees, bringing administrative expenses to increase by 60% to RMB32.4 million in 1Q2015. Consequently, the Group recorded a net loss of RMB39.2 million in 1Q2015.

Financial Position

Net asset value of the Group stood at RMB888.9 million as at 31 March 2015 as compared to RMB890.6 million as at 31 December 2014, mainly due to increases in investment properties, development properties, deferred tax assets, receivables, cash and cash equivalents as well as lower loans and borrowings, partially offset by an increase in payables. Based on the total number of issued shares of 666,851,006, this translates to a net asset value per share of RMB133.3 cents for the Group.

The Group's cash and cash equivalents balance increased to RMB1.2 billion as at 31 March 2015, from RMB1.1 billion as at 31 December 2014, mainly due to net cash generated from operating and investing activities.

Mr. Qian Jianrong (钱建蓉先生), Executive Chairman and Chief Executive Officer of Chiwayland said, ***"We are heartened that our strategy to move into fixed price housing at a time where cooling measures were in place, helped us to overcome***

the challenging business environment. While expanding our presence overseas, we continue to seize opportunities in the Chinese property market. We believe the real estate market is stabilising gradually with the Chinese government taken steps to relax the cooling measures implemented earlier. We remain positive that continued urbanisation will lend support for the demand for quality residential developments in the Chinese and Australian property markets.”

Business Outlook

Since the start of 2015, the Chinese government has been taking steps to stimulate the economy by (i) easing bank reserve-requirement ratios to allow banks to boost lending, and (ii) easing cooling measures specific to the real estate sector such as lowering the downpayment for first-time and second-time homebuyers. Just this week, China cut rates for the third time in six months, in a bid to shore up the economy, which grew 7.0% year-on-year in the first quarter of 2015. The Group believes this would also help support the financing and long term demand for residential housing in China.

As China continues in its pursuit of urbanization, its long-term economic growth would support long term demand for quality commercial and residential developments in key cities. The Group is confident that its expertise and track record in offering a full suite of urban living solutions would enable it to deliver “*quality real estate and quality living*”.

During 1Q2015, the Group experienced encouraging increase in pre-sales activities for its PRC projects. It achieved pre-sales in GFA of approximately 83,173 sqm with an aggregate consideration of approximately RMB704.6 million. This was an increase of 41.4% in aggregate consideration, as well as an increase of 10.9% in GFA, as compared to 1Q2014. Average selling prices (“ASP”) were also generally higher, by RMB1,827 per sqm mainly due to the launch of Suzhou Royal Palace and Suzhou Industrial Park Royal Mansion in 1Q2015, which command higher ASP due to the projects’ good attributes.

In Australia, while the proposed foreign investment rules may make Australian real estate less attractive, the Group remains optimistic on the demand for homes in major cities, underpinned by a stable economy, the low interest rate environment and

interstate migration. Last week, the Australian government cut interest rates for the second time this year, to an all-time low of 2.0%.

The Group currently enjoys a presence in Brisbane and Sydney, with five projects in the pipeline. It has set up a joint venture in Brisbane to develop three mixed development projects located in the Brisbane suburbs. Its two projects in Sydney will be residential developments, one of which will be the Group's first wholly-owned development in Australia. It has started pre-sales activities for two of its Brisbane projects, namely Vivir and Illumina, where a total of 16 units with an aggregate consideration of AUD7.4 million have been pre-sold.

Added Mr. Qian Jianrong, ***“Our Australian projects are progressing on track. We will continue to evaluate strategic opportunities to strengthen our presence in Australia and grow the business. Our capabilities and track record has helped propel us forward in this region and we remain committed to delivering quality real estate and quality homes across our projects.”***

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This media release is to be read in conjunction with the Company's announcement posted on the SGX website on 14May 2015.

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

About Chiwayland International Limited (SGXstock code: ACW)

Shanghai-based Chiwayland International Limited (中锐地产国际股份有限公司), together with its subsidiaries (“**Chiwayland**” or the “**Group**”), is the premier property developer focuses on providing urban living solutions in the People’s Republic of China (“PRC”) and overseas.

Committed to building “*quality real estate and quality living*”, the Group focuses on delivering a full suite of services ranging from real estate investment and development, township design and planning, project management, marketing and sales, building maintenance as well as investment properties management.

The Group has established a stellar track record in developing affordable quality residential and commercial properties in the PRC. The Group’s portfolio of property developments comprises residential and commercial properties, office buildings, education hubs, and fixed price housing spanning the heart of the Yangtze River Delta Region, including Shanghai, Suzhou, Wuxi, Xuzhou, Zhangjiagang and Xuancheng.

To date, the Group has completed 11 property developments with an aggregate sold and pre-sold gross floor area (“GFA”) exceeding 2.0 million square metres. It has completed several large and comprehensive real estate projects including Suzhou Xuefu Garden and Suzhou Landscape Garden. It retained some of its property development projects, particularly those developments with commercial and retail space and educational facilities, as investment properties with the view of generating returns from recurring income and long-term capital appreciation potential. The Group has expanded its overseas presence with five property development projects in key cities in Australia.

Chiwayland is one of the few established property developers that has a strong track record in developing educational institutions and education zone. The Group’s expertise in integrating education institutions with residential developments has developed its competitiveness in enhancing the value of its property developments.

Over the years, Chiwayland has won numerous awards and accolades in the PRC, including being ranked as one of the Top 100 Real Estate Development Enterprises in the PRC, which are testaments to the quality of its property developments.

Chiwayland is listed on the Mainboard of the SGX-ST via a reverse takeover of R H Energy Ltd.

For more information, please visit the company website at www.chiwayland.com

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