



CHINA YUANBANG PROPERTY HOLDINGS LIMITED
(Company Registration No. 39247)
(Incorporated in Bermuda on 04 December 2006)

MEDIA RELEASE

CHINA YUANBANG ACHIEVES RMB173.0 MILLION REVENUE IN 2QFY15

- **Business operations go on as usual with the pre-launched sale of a new project – Phase III of Shan Qing Shui Xiu in Guangzhou City in January 2015**
- **Net asset value per share of RMB 108.4 cents as at 31 December 2014**

SINGAPORE, 13 February 2015 – Mainboard-listed **China Yuanbang Property Holdings Limited** (元邦房地產控股有限公司) together with its subsidiaries (“**Yuanbang**” or the “**Group**”), a Guangzhou-based property developer with a focus on developing quality and premium residential and commercial properties targeting middle to upper-middle income market segments in China, achieved revenue of RMB173.0 million for the three months ended 31 December 2014 (“**2QFY15**”), RMB280.2 million lower than that achieved in 2QFY14. The lower revenue was mainly due to a delay in the certification process for a major project, Ming Yue Shui An (明月水岸), which deferred its handing over of pre-sold units to buyers. For the six months ended 31 December 2014 (“**1HFY15**”), Yuanbang recorded revenue of RMB190.0 million.

Gross profit decreased from RMB174.3 million in 2QFY14 to RMB28.0 million in 2QFY15, in line with the lower revenue. It recorded lower gross profit of RMB32.6 million in 1HFY15, in tandem with the decline in revenue. Overall gross margin in 2QFY15 and 1HFY15 was 16.2% and 17.2% respectively, compared with 38.5% and 35.6% a year ago. This was attributed to certain carpark projects that were handed over during the period, which had lower gross profit margin compared with residential units.

Selling expenses declined by 25.5% to RMB14.0 million in 2QFY15 due to lower advertising and promotional expenses incurred as there were no pre-sales activities for new projects during the quarter. Yuanbang was able to lower its administrative expenses slightly to RMB29.6 million, with effective cost control measures.

Despite lower operating expenses, the Group recorded a net loss attributable to shareholders of RMB21.4 million for 2QFY15 and RMB46.0 million for 1HFY15, a result of the lower revenue.

The Group recently announced that Mr Chen Jianfeng has stepped down as Executive Chairman of the Group and resigned from the Board of Directors. Ms Lin Yeju, who is the spouse of Mr Chen Jianfeng, has been appointed as a Non-Executive Director and Chairman of the Board of Directors. The day-to-day operations of the Group will continue to be managed by the Chief Executive Officer, Mr Zhou Xiaoxiong, who is supported by the senior management team.

Financial Position

The Group's net assets attributable to shareholders was RMB752.2 million as at 31 December 2014. Based on the total number of issued shares of 694,000,000, this translates into a net asset value per share of RMB 108.4 cents. The Group has bank borrowings amounting to RMB1,855.6 million, of which RMB1,329.0 million are secured by the pledge of certain properties held for development, properties held under development, properties held for sale and investment properties of the Group.

Its cash and cash equivalents balance decreased to RMB494.5 million as at 31 December 2014 from RMB620.9 million as at 30 September 2014.

Business Outlook

The Chinese government has rolled-out measures to support real estate demand and investment, such as lowering interest rates and first-time home buyers' down payment requirements. Demand for residential and commercial properties is expected to remain healthy with continuous urbanisation initiatives by the Chinese government.

The remaining value of pre-sold units from its projects that have not been handed over, namely, Shan Qing Shui Xiu (Phase I & II) (山清水秀), Aqua Lake Grand City (Phase II) (绿湖豪城), Ming Yue Xing Hui (明月星辉) and Ming Yue Jin An (明月金岸), will be progressively recognised as revenue from 3QFY15 onwards. Once the Group obtains the necessary certifications for its Xilang project – Ming Yue Shui An (明月水岸), it expects to progressively hand over the pre-sold units to buyers and recognise the corresponding revenue. The Group has also commenced the pre-launch sales of a new project, Phase 1 of Ren Jie Di Ling (人杰地灵) in Rushan City, with a total of 170 units available for sale as at 31 December 2014. A full-scale launch is likely to take place in the months ahead.

The Board believes that the above will have a positive impact to the Group's performance and profitability for the second half of FY2015.

The Group is on schedule for the construction work-in-progress for its other on-going projects. In addition, the Group is in the process of planning and constructing four (4) other developments, namely Hou De Zai Wu (厚德载物) in Tonghua City, Batai Mountain Project in Wanyuan City, Huizhou Project in Huizhou City and Conghua Project in Conghua City.

Mr Zhou Xiaoxiong, Chief Executive Officer of Yuanbang said, ***“We are on track with the construction of our on-going developments. Yuanbang's expertise and track record in building premium properties with the right attributes would allow the Group to stay ahead of the competition. Our operations will continue as usual and the Group will continue to focus on being a “quality builder” of luxurious properties that reflect “quality lifestyle” and add value to the community.”***

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This media release is to be read in conjunction with the Company's announcement posted on the SGX website on 13 February 2015.

ABOUT CHINA YUANBANG PROPERTY HOLDINGS LIMITED (SGX Stock code: B2X)

China Yuanbang Property Holdings Limited (元邦房地產控股有限公司) together with its subsidiaries (“**Yuanbang**” or the “**Group**”), is a Guangzhou-based property developer, with a focus on developing quality and premium residential and commercial properties targeting middle to upper-middle income market segments in the People’s Republic of China (“PRC”).

Established in 1998, Yuanbang remains committed to its mission of being a “*quality builder*”. Over the years, Yuanbang has established itself as premium brand developer, with expertise in residential real estate, commercial real estate, tourism-related real estate, hotel development, real estate planning as well as property management.

Based on its vision to have every project encompass the values and attributes that embodies “*quality lifestyle*”, the Group has established a track record of building luxurious, high quality properties in the PRC, such as “Shan Qing Shui Xiu (山清水秀)”, “Ming Yue Xing Hui (明月星辉)” and “Ming Yue Jin An (明月金岸)” amongst others. To date, Yuanbang has completed a total development area of over 3.0 million square metres.

The Group currently has a presence in several cities across the PRC, such as Guangzhou, Huizhou, Nanchang, Wanyuan, Weihai and Tonghua. With Guangzhou as its base, the Group strategically expands its focus to the surrounding cities.

Building on its strong brand name and years of experience, Yuanbang had initiated a “10-year free warranty” for its properties. Over the years, Yuanbang has also won several awards and accolades in the PRC, including being ranked as one of the Top 200 Real Estate Development Enterprises in the PRC and receiving the Good Faith Demonstration Enterprise of Guangdong Province award.

A number of its properties also received recognition as Most Influential Real Estate and Consumer Trusted Real Estate by consumers, which are testaments to the quality of its property developments. Yuanbang is regarded as one of the more influential real estate developers in the PRC, based on its high quality property developments.

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

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