



Ying Li International Real Estate Ltd
(Company Registration No: 199106356W)

Full Year Financial Statement And Dividend Announcement for the year ended 31 December 2009

Part 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) A statement of comprehensive income (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group					
	4th Qtr	4th Qtr	Increase / (Decrease)	Jan to Dec	Apr to Dec	Increase / (Decrease)
	2009	2008		2009	2008	
	RMB ('000)	RMB ('000)	%	RMB ('000)	RMB ('000)	%
Revenue	38,505	52,453	(26.6%)	132,159	86,724	52.4%
Cost of sales	(9,853)	(49,059)	(79.9%)	(58,079)	(60,680)	(4.3%)
Gross profit	28,652	3,394	744.2%	74,080	26,044	184.4%
Other income	673	24,626	(97.3%)	1,397	535,511	(99.7%)
Selling expenses	(2,784)	(5,880)	(52.7%)	(5,607)	(7,234)	(22.5%)
Administrative expenses	(14,753)	(10,937)	34.9%	(37,410)	(22,732)	64.6%
Fair value gain on investment properties	113,776	(51,023)	n.m	113,776	(50,458)	n.m
Finance costs	(2,667)	(4,675)	(43.0%)	(11,377)	(4,707)	141.7%
Other operating expenses	-	(2,788)	n.m	-	(125,397)	n.m
Share of associates' result	-	-		-	4,374	n.m
Profit / (loss) before Income Tax	122,897	(47,283)	n.m	134,859	355,401	(62.1%)
Taxation - Current	(5,379)	(4,336)	24.1%	(11,771)	(12,449)	(5.4%)
- Deferred	(28,444)	12,756	n.m	(28,444)	12,614	n.m
Profit / (loss) for the period	89,074	(38,863)	n.m	94,644	355,566	(73.4%)
Translation differences	(13,820)	(1,762)	n.m	(18,544)	9,890	n.m
Total comprehensive income for the period	75,254	(40,625)	n.m	76,100	365,456	(79.2%)
Profit attributable to:						
Owners of the parent	62,377	(36,992)	n.m	66,949	357,437	(81.3%)
Minority interests (MI)	26,697	(1,871)	n.m	27,695	(1,871)	n.m
	89,074	(38,863)	n.m	94,644	355,566	(73.4%)
Total comprehensive income attributable to:						
Owners of the parent	48,557	(38,754)	n.m	48,405	367,327	(86.8%)
Minority interests (MI)	26,697	(1,871)	n.m	27,695	(1,871)	n.m
	75,254	(40,625)	n.m	76,100	365,456	(79.2%)

n.m - not meaningful

1(b) 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	
	31-Dec-09 RMB ('000)	31-Dec-08 RMB ('000)	31-Dec-09 RMB ('000)	31-Dec-08 RMB ('000)
ASSETS				
Non-current assets:				
Property, plant and equipment	15,803	3,749	169	16
Investment in subsidiaries	-	-	2,826,787	2,768,751
Investment properties	1,449,400	1,279,949	-	-
Total non-current assets	1,465,203	1,283,698	2,826,956	2,768,767
Current assets:				
Land for development	1,530,786	572,736	-	-
Development properties	14,281	105,550	-	-
Refundable deposit	172,671	-	146,071	-
Trade and other receivables	72,968	24,151	999	2,797
Amount due from subsidiaries	-	-	682,658	-
Cash at bank - restricted	21,885	18,160	-	-
Cash and cash equivalents	233,282	81,982	30,098	25,860
Total current assets	2,045,873	802,579	859,826	28,657
Total assets	3,511,076	2,086,277	3,686,782	2,797,424
EQUITY AND LIABILITIES				
Capital and reserves:				
Capital contribution	3,526,732	2,637,682	3,526,732	2,637,682
Reverse acquisition reserve	(2,423,874)	(2,423,874)	-	-
Other reserve	430,163	430,163	-	-
Statutory common reserve	8,952	6,232	-	-
Share option reserve	842	-	842	-
Exchange fluctuation reserve	(8,654)	9,890	(4,793)	428
Retained profits	690,408	626,179	(6,591)	4,000
	2,224,569	1,286,272	3,516,190	2,642,110
Minority interests	50,948	23,254	-	-
Total equity	2,275,517	1,309,526	3,516,190	2,642,110
Non-current liabilities:				
Deferred taxation	219,120	190,676	-	-
Bank borrowings - Secured	415,860	269,250	-	-
Total non-current liabilities	634,980	459,926	-	-
Current liabilities:				
Trade and other payables	373,383	208,131	10,498	155,314
Amount due to a director - non interest bearing	11,886	11,905	-	-
Amount due to a director - interest bearing	30,041	-	30,041	-
Amount owing to subsidiaries	-	-	130,053	-
Borrowing - unsecured	21,700	-	-	-
Provision for taxation	80,179	68,619	-	-
Bank borrowings - Secured	83,390	28,170	-	-
Total current liabilities	600,579	316,825	170,592	155,314
Total equity and liabilities	3,511,076	2,086,277	3,686,782	2,797,424

Notes to Statement of Financial Position

1) Cash at bank - restricted

This relates to money restricted by bank from withdrawals in case of default payment by customers.

2) Trade and other receivable comprises of:

	Group		Company	
	31-Dec-09 RMB ('000)	31-Dec-08 RMB ('000)	31-Dec-09 RMB ('000)	31-Dec-08 RMB ('000)
Trade receivables	20,276	8,651	-	-
Other receivables				
- Deposits	1,518	1,766	497	484
- Prepayments	4,175	114	452	114
- GST receivables	44	782	44	782
- Advance to sub-contractors and management agents	46,105	9,469	-	-
- Advance to staff	157	1,124	-	-
- Distribution of net capital from Showy (Shanghai) Impex Ltd	-	1,288	-	1,288
- Others	693	957	6	129
	<u>72,968</u>	<u>24,151</u>	<u>999</u>	<u>2,797</u>

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

	Group			
	31-Dec-09		31-Dec-08	
	Secured RMB ('000)	Unsecured RMB ('000)	Secured RMB ('000)	Unsecured RMB ('000)
Amount repayable in one year or less, or on demand	83,390	63,627	28,170	11,905
Amount repayable after one year	415,860	-	269,250	-
	<u>499,250</u>	<u>63,627</u>	<u>297,420</u>	<u>11,905</u>

Details of any collateral

Secured bank borrowings are generally secured by the legal mortgage of the Group's investment properties.

Secured bank borrowings bear interest at rates ranging from 6.34% to 9.48% per annum. Interest rates are re-priced every 12 months.

Current bank borrowings are repayable within 12 months from the balance sheet date and non-current bank borrowings are repayable between more than 1 year to 12 years from the balance sheet date.

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			
	4th Qtr 2009	4th Qtr 2008	December 2009	December 2008
	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)
Operating activities				
Profit/(loss) before taxation	122,897	(47,283)	134,859	355,401
Adjustments for:				
Depreciation of property, plant and equipment	308	211	1,118	919
Fair value (gain)/loss on investment properties	(113,776)	51,024	(113,776)	50,458
Negative goodwill	-	-	-	(485,396)
Goodwill written off	-	109,373	-	109,373
Interest expense	2,667	4,435	11,377	4,707
Interest income	(5)	(171)	(19)	(546)
Share of associates's result	-	4,374	-	-
Recognition of share option granted	6	-	842	-
Gain on disposal of property, plant and equipment	(292)	-	(293)	-
Properties, plant and equipment written off	13	-	80	-
Impairment of associates	-	68	-	5,213
Operating profit before working capital charges	11,818	122,031	34,188	40,129
Decrease/(increase) in development properties	4,113	(67,167)	24,817	(73,950)
Increase in land for development	(889,238)	(20,147)	(931,408)	(174,323)
Decrease/(increase) in trade and other receivables	5,066	144,768	(221,487)	125,652
Increase/(decrease) in trade and other payables	83,186	(34,545)	165,252	(18,210)
Cash (used in)/generated from operations	(785,055)	144,940	(928,638)	(100,702)
Interest paid	(16,348)	(4,435)	(38,019)	(4,707)
Interest received	5	171	19	546
Income tax paid	-	(477)	(212)	(2,604)
Net cash (used in)/generated from operating activities	(801,398)	140,199	(966,850)	(107,467)
Cash flow from investing activities				
Acquisition of property, plant and equipment	(1,832)	197	(2,977)	(855)
Acquisition of San Ya Wan	-	(36,447)	-	(98,292)
Acquisition of Chongqing Yingli	-	-	-	(59,316)
Proceed from disposal of property, plant and equipment	800	-	800	-
Proceed from disposal of existing business to Showy Pte Ltd	-	62	-	22,169
Net cash used in investing activities	(1,032)	(36,188)	(2,177)	(136,294)
Cash flow from financing activities				
New capital issued	723,965	3,376	889,050	2,558,920
Reverse acquisition reserve	-	283,152	-	(2,026,029)
Bank balance subject to restriction	(3,980)	1,520	(3,725)	(6,068)
Proceed from unsecured borrowings	51,722	-	51,722	-
Proceed from bank borrowings	250,000	9,728	308,494	83,000
Repayment of bank borrowings	(39,785)	(520,469)	(106,664)	(315,280)
Net cash generated from/(used in) financing activities	981,922	(222,693)	1,138,877	294,543
Exchange translation adjustments	(13,822)	(1,762)	(18,550)	9,891
Net increase / (decrease) in cash and cash equivalent	165,670	(120,444)	151,300	60,673
Cash and cash equivalent at beginning of period	67,612	202,426	81,982	21,309
Cash and cash equivalent at end of period	233,282	81,982	233,282	81,982

- 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 capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Changes in Equity for the period ended 31 December 2009

Group	Capital contribution	Reverse acquisition reserve	Capital surplus	Common reserve	Share option reserve	Exchange fluctuation reserve	Retained profits	Total attributable to equity holders of the Parent	Minority Interest	Total
	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)
Balance at January 1, 2009	2,637,682	(2,423,874)	430,163	6,232	-	9,890	626,179	1,286,272	23,254	1,309,526
Total comprehensive income for the period	-	-	-	-	-	(177)	473	296	(459)	(163)
Adjustment from minority interest	-	-	-	-	-	-	134	134	(134)	-
Recognition of share option granted	-	-	-	-	60	-	-	60	-	60
Balance at March 31, 2009	2,637,682	(2,423,874)	430,163	6,232	60	9,713	626,786	1,286,762	22,661	1,309,423
Total comprehensive income for the period	-	-	-	-	-	(2,658)	278	(2,380)	(81)	(2,461)
Adjustment from minority interest	-	-	-	-	-	-	(133)	(133)	133	-
Recognition of share option granted	-	-	-	-	380	-	-	380	-	380
Balance at June 30, 2009	2,637,682	(2,423,874)	430,163	6,232	440	7,055	626,931	1,284,629	22,713	1,307,342
Issue of shares	165,085	-	-	-	-	-	-	165,085	-	165,085
Total comprehensive income for the period	-	-	-	-	-	(1,889)	3,819	1,930	1,539	3,469
Adjustment from minority interest	-	-	-	-	-	-	1	1	(1)	-
Recognition of share option granted	-	-	-	-	396	-	-	396	-	396
Balance at September 30, 2009	2,802,767	(2,423,874)	430,163	6,232	836	5,166	630,751	1,452,041	24,251	1,476,292
Issue of shares	723,965	-	-	-	-	-	-	723,965	-	723,965
Total comprehensive income for the period	-	-	-	-	-	(13,820)	62,377	48,557	26,697	75,254
Transfer to common reserve	-	-	-	2,720	-	-	(2,720)	-	-	-
Adjustment from minority interest	-	-	-	-	-	-	-	-	-	-
Recognition of share option granted	-	-	-	-	6	-	-	6	-	6
Balance at December 31, 2009	3,526,732	(2,423,874)	430,163	8,952	842	(8,654)	690,408	2,224,569	50,948	2,275,517

Group	Capital contribution	Reverse acquisition reserve	Capital surplus	Common reserve	Share option reserve	Exchange fluctuation reserve	Retained profits	Total attributable to equity holders of the Parent	Minority Interest	Total
	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)
Balance at January 1, 2008	11	-	-	151	-	(1)	254,082	254,243	-	254,243
Total comprehensive income for the period	-	-	-	-	-	(6,486)	10,438	3,952	-	3,952
Balance as at March 31, 2008	11	-	-	151	-	(6,487)	264,520	258,195	-	258,195
Total comprehensive income for the period	-	-	-	1	-	17,146	491,391	508,538	-	508,538
Minority interest arising from acquisition of subsidiaries	-	-	-	-	-	-	-	-	91,946	91,946
Balance as at June 30, 2008	11	-	-	152	-	10,659	755,911	766,733	91,946	858,679
Issue of shares pursuant to the Acquisition	2,663,541	-	-	-	-	-	-	2,663,541	-	2,663,541
Reverse takeover expenses	(26,174)	-	-	-	-	-	-	(26,174)	-	(26,174)
Adjustments due to reverse acquisition	-	(2,464,917)	-	-	-	-	-	(2,464,917)	(484)	(2,465,401)
Conversion of loan stock to shares	4	-	460,686	-	-	-	-	460,690	-	460,690
Total comprehensive income for the period	-	-	-	-	-	993	(107,399)	(106,406)	-	(106,406)
Balance as at September 30, 2008	2,637,382	(2,464,917)	460,686	152	-	11,652	648,512	1,293,467	91,462	1,384,929
Issue of shares pursuant to the Acquisition	3,376	-	-	-	-	-	-	3,376	-	3,376
Share issue expense	(2,377)	-	-	-	-	-	-	(2,377)	-	(2,377)
Adjustments due to reverse acquisition	(699)	-	-	-	-	-	20,739	20,040	(66,337)	(46,297)
Adjustment to minority interest	-	-	-	-	-	-	-	-	-	-
Transfer to common reserve	-	-	-	6,080	-	-	(6,080)	-	-	-
Total comprehensive income for the period	-	41,043	(30,523)	-	-	(1,762)	(36,992)	(28,234)	(1,871)	(30,105)
Balance as at December 31, 2008	2,637,682	(2,423,874)	430,163	6,232	-	9,890	626,179	1,286,272	23,254	1,309,526

Statement of Changes in Equity of the Company for the period ended 31 December 2009

Company	Capital contribution	Share option reserve	Exchange fluctuation reserve	Retained profits	Total
	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)
Balance at January 1, 2009	2,637,682	-	428	4,000	2,642,110
Total comprehensive income for the period	-	-	20	(2,431)	(2,411)
Recognition of share option granted	-	60	-	-	60
Balance at March 31, 2009	2,637,682	60	448	1,569	2,639,759
Total comprehensive income for the period	-	-	(2,592)	6,058	3,466
Recognition of share option granted	-	380	-	-	380
Balance at June 30, 2009	2,637,682	440	(2,144)	7,627	2,643,605
Issue of shares	165,085	-	-	-	165,085
Total comprehensive income for the period	-	-	(1,835)	(4,746)	(6,581)
Recognition of share option granted	-	396	-	-	396
Balance at September 30, 2009	2,802,767	836	(3,979)	2,881	2,802,505
Issue of shares	723,965	-	-	-	723,965
Total comprehensive income for the period	-	-	(814)	(9,472)	(10,286)
Recognition of share option granted	-	6	-	-	6
Balance at December 31, 2009	3,526,732	842	(4,793)	(6,591)	3,516,190

Company	Capital contribution	Share option reserve	Exchange fluctuation reserve	Retained profits	Total
	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)
Balance at January 1, 2008	-	-	-	(1)	(1)
Total comprehensive income for the period	-	-	-	-	-
Balance as at March 31, 2008	-	-	-	(1)	(1)
Total comprehensive income for the period	-	-	-	17,257	17,257
Balance as at June 30, 2008	-	-	-	17,256	17,256
Issue of shares pursuant to the Acquisition	2,664,234	-	-	-	2,664,234
Share issue expense	(682)	-	-	-	(682)
Reverse takeover expenses	(26,174)	-	-	-	(26,174)
Total comprehensive income for the period	4	-	378	(12,457)	(12,075)
Balance as at September 30, 2008	2,637,382	-	378	4,799	2,642,559
Issue of shares pursuant to the Acquisition	3,376	-	-	-	3,376
Adjustments due to reverse acquisition	(3,076)	-	-	-	(3,076)
Total comprehensive income for the period	-	-	50	(799)	(749)
Balance as at December 31, 2008	2,637,682	-	428	4,000	2,642,110

- 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 or 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 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**

Share capital

Ordinary shares issued and fully paid	<u>No. of shares ('000)</u>
Balance as at 1 Jan 2009	1,782,149
Issue of new shares:	
- arising from share placement	360,343
- upon exercise of share options granted on 26 February 2009	20,000
Balance as at 31 December 2009	<u><u>2,162,492</u></u>

As mentioned in our announcement released on 4 September 2009, our Company raised a total amount of S\$30 million by way of a placement of 107,143,000 new ordinary shares at S\$0.28 for each new ordinary share. The net proceeds of S\$28.7 million have been used as an initial refundable deposit for the acquisition of the 28,226 sqm land parcel located at the city centre of Chongqing. The deposit has been refunded in January 2010.

As mentioned in our announcements released on 15 September 2009, 16 September 2009 and 22 September 2009, our Company issued a total of 20 million new shares at S\$0.279 per share to OCBC pursuant to the loan and option agreement dated 26 February 2009. On 15 October 2009, our Company has applied the total proceeds of S\$5.58 million to prepay the remaining outstanding amount of loan. Accordingly, there is no further outstanding amount owed by the Company to OCBC in respect of the loan.

During the quarter under review, our Company raised a total amount of S\$154.5 million by way of a placement of 253,200,000 new ordinary shares at S\$0.61 for each ordinary share. S\$138 million out of the net proceeds of S\$146.2 million have been used to fund the Da Ping project which is in accordance with the intended use of such proceeds as disclosed in the announcement dated 18 November 2009. The balance of the net proceeds has been used for general working capital.

- 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.**

The total number of issued shares (there being no treasury shares) as at 31 December 2009 was 2,162,492,429. (31 December 2008: 1,782,149,429).

- 1(d)(iv) A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

The Company does not hold any treasury shares as at 31 December 2009 and 31 December 2008.

- 2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the auditors.

- 3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a 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.**

The Group has adopted the same accounting policies and method of computation in the financial statements for the current financial period compared with the audited financial statements for the year ended 31 December 2008.

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.

In the current year, the Group and the Company adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and effective for annual periods beginning on or after 1 January 2009. The adoption of these new/revised IFRS did not result in changes to the Group's and Company's accounting policies and has no material effect on the amounts reported for the current or prior periods.

The following are the new/revised IFRS that are relevant to the Group and the Company:

IAS 1 : Presentation of Financial Statements (Revised)
 IAS 23 : Borrowing Costs
 IFRS 8 : Operating Segments

The new/revised IFRS do not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption except for IAS 1 (Revised). IAS 1 (Revised) changes the basis for presentation and structure of the financial statements. It does not change the recognition, measurement or disclosure of specific transactions and other events required by other IFRS.

6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-
(a) Based on the weighted average number of ordinary shares on issue; and
(b) On a fully diluted basis (detailing any adjustments made to the earnings).

	Group			
	4th Qtr 2009	4th Qtr 2008	YTD 2009	YTD 2008
<i>Earnings per ordinary share:</i>				
(i) Based on weighted average no. of ordinary shares in issue (RMB per share)	0.03	(0.02)	0.04	0.63
(ii) On a fully diluted basis (RMB per share)	0.03	(0.02)	0.04	0.63
<i>Number of shares in issue:</i>				
(i) Based on weighted ave no. of ordinary shares in issue ('000)	2,008,371	1,781,594	1,847,862	565,487
(ii) On a fully diluted basis ('000)	2,008,371	1,781,594	1,847,862	565,487

Earnings per ordinary share is calculated on the Group profit for the financial periods attributable to the shareholders of the Company divided by the weighted average number of ordinary shares in issue during the period under review.

- 7 **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-**
(a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	31-Dec-09	31-Dec-08	31-Dec-09	31-Dec-08
Net Assets Value (RMB'000)	2,224,569	1,286,272	3,516,190	2,642,110
Based on existing issued share capital (RMB per share)	1.03	0.72	1.63	1.48
Net Assets Value has been computed based on the number of share issued (000')	2,162,492	1,782,149	2,162,492	1,782,149
Revised Net Assets Value (RMB'000) (Note 1)	4,225,403	3,225,517	3,516,190	2,642,110
Based on existing issued share capital (RMB per share)	1.95	1.81	1.63	1.48

Note 1:

Included in the revised calculation is the land revaluation of Sanyawan and land for development of RMB 186.4 million and RMB 1,814.4 million respectively used for the purpose of Net Assets Value (NAV) calculation.

- 8 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
(a) 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; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

STATEMENT OF COMPREHENSIVE INCOME

In our industry, the recognition of sales of properties is project driven. Consequently, quarterly results may not be a good indication of the trend of profitability.

Revenue	Group					
	4th Qtr 2009	4th Qtr 2008	Increase / (Decrease)	Jan to Dec 2009	Apr to Dec 2008	Increase / (Decrease)
	RMB ('000)	RMB ('000)	%	RMB ('000)	RMB ('000)	%
Sale of properties	26,887	43,078	(37.6%)	88,518	55,856	58.5%
Rental income	11,618	9,375	23.9%	43,641	30,868	41.4%
	<u>38,505</u>	<u>52,453</u>	(26.6%)	<u>132,159</u>	<u>86,724</u>	52.4%

For the 12 months ended 31 December 2009

Total Group Revenue of RMB132.3 million was 52.4% higher than that of the 9 months period in 2008. The increase was due to the better performance in both the sale of properties and rental income segments.

Revenue from the sale of properties segment increased by 58.5% to RMB88.5 million arising from the sale of units at Future International which had an average selling price of approximately RMB5800 psm.

Rental income rose by 41.4% to RMB43.6 million as compared to the 9 months period in 2008.

For the 3 months ended 31 December 2009

Total Group Revenue fell by 26.6% to RMB38.6 million as compared to 2008 mainly due to the lower revenue recorded in the sale of properties segment.

Revenue from the sale of properties decreased by 37.6% to RMB26.9 million due to the lesser units sold in Phase 1 of Sanyawan. Phase 1 of Sanyawan was completed and substantially sold in Q4 2008.

As mentioned in our 2008 full year results announcement released on 28 February 2009, the drop in rental income for the 3 months ended 31 December 2008 was mainly due to an adjustment to reverse the early recognition of receipts recorded in the earlier quarters in 2008.

Gross profit and margin	Group							
	4th Qtr 2009		4th Qtr 2008		Jan to Dec 2009		Apr to Dec 2008	
	RMB ('000)	%	RMB ('000)	%	RMB ('000)	%	RMB ('000)	%
Sale of properties	20,528	76.3%	686	1.6%	43,321	48.9%	2,917	5.2%
Rental income	8,124	69.9%	2,708	28.9%	30,759	70.5%	23,127	74.9%
	28,652	74.4%	3,394	6.5%	74,080	56.1%	26,044	30.0%

For the 12 months ended 31 December 2009

The Group recorded a gross profit of RMB74.1 million, an increase of 184.4% as compared to the gross profit of RMB26.0 million recorded in the previous financial period. The increase was primarily due to higher gross profit achieved from the sale of units of Phase 1 of Sanyawan and Future International.

The improved gross profit margin of 56.1% in 2009 was mainly due to the higher gross profit margin of 61.8% achieved from the sale of units of Phase 1 of Sanyawan (2008: 1.0%) and the margin contributed from the sale of units in Future International.

As mentioned in our 2008 full year results announcement released on 28 February 2009, gross profit margin for Phase 1 of Sanyawan in Q4 2008 was only 1.0%. The low gross profit margin was due to the way the deal to acquire Sanyawan was undertaken in 2008. The Group agreed to acquire the whole of Sanyawan including being responsible for any sales that had already been undertaken. Prior to being taken over, Sanyawan had agreed to sell part of Phase 1 to the previous shareholders at a pre-agreed low price. This 'loss' was factored into the purchase consideration of Sanyawan.

Gross profit margin of the rental income segment was 4.4 percentage point (74.9% down to 70.5%) lower as compared to 2008 as a result of higher property tax. With effect from 1 January 2009, property tax is based on 12% of rental income compared to 1.2% of property cost in 2008.

For the 3 months ended 31 December 2009

The Group recorded a gross profit of RMB28.7 million compared to RMB3.4 million, a hike of 744.2% from the previous corresponding quarter. This increase was mainly due to the higher gross profit achieved from the sale of units from Phase 1 of Sanyawan.

In Q4 2008, the Group recorded certain direct expenses of approximately RMB3.89 million related to Q2 and Q3 of 2008. This coupled with the impact of reversal of early recognition of receipts as mentioned earlier had caused gross profit margins from the rental income in Q4 2008 to be exceptionally low.

Other income

	Group			
	4th Qtr	4th Qtr	Jan to Dec	Apr to Dec
	2009	2008	2009	2008
	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)
Subletting fee	264	-	816	-
Gain on disposal of fixed assets	293	-	320	-
Interest income	5	57	19	546
Consultancy fees	-	10,625	-	35,625
Negative goodwill	-	-	-	485,396
Refund of Land Appreciation Tax	-	13,939	-	13,939
Others	111	5	242	5
	673	24,626	1,397	535,511

Selling expenses

Selling expenses for the 12 months ended 31 December 2009 of RMB5.6 million was lower compared to the selling expenses of RMB7.2 million incurred in 2008. Selling expenses for the 3 months ended 31 December 2009 was also lower as compared to the previous corresponding quarter. The reduction in selling expenses was in line with the fewer units of Phase 1 of Sanyawan being sold in 2009.

Administrative expenses

Administrative expenses comprise of staff cost, depreciation, directors' fees and remuneration, office rental, travelling, accommodation, GST expenses, foreign currencies exchange losses, advisory and professional fees and other administrative expenses.

Administrative expenses for the 12 months ended 31 December 2009 of RMB37.4 million was 64.6% higher compared to RMB22.7 million for the 9 months period in 2008. The increase was due to the additional 3 months expenses incurred in 2009 as the acquisition of Chongqing Yingli was completed only in March 2008 and the incorporation of the corporate office and Sanyawan in Q4 2008.

For the 3 months ended 31 December 2009, administrative expenses increased from RMB10.9 million in Q4 2008 to RMB14.8 million as a result of the expenses incurred in relation to the recent share placement exercise to raise RMB762.8 million (\$154.5 million) for our new project located at Da Ping.

Finance costs

Finance expenses for the 12 months ended 31 December 2009 of RMB11.4 million was RMB6.7 million higher as compared to RMB4.7 million incurred in 2008 as a result of the loan obtained from OCBC in February 2009 and the bridging loan interest obtained in July 2009 to finance the tender of the parcel of land located at Da Ping.

Finance expenses for the 3 months ended 31 December 2009 reduced to RMB2.7 million since the charge of interest expense incurred for Phase 1 of Sanyawan project ceased in Q3 2009 when the loan was fully repaid.

Taxation

Income tax expense comprises income tax and deferred tax.

For the 9 months period in 2008, income tax expense was lower mainly due to negative goodwill (net of goodwill written off) of RMB376.0 million not subject to tax.

Profit attributable to owners of the parent

Group						
4th Qtr 2009	4th Qtr 2008	Increase / (Decrease)	Jan to Dec 2009	Apr to Dec 2008	Increase / (Decrease)	
RMB ('000)	RMB ('000)	%	RMB ('000)	RMB ('000)	%	
Profit attributable to:						
Owners of the parent	62,377	(36,992)	(268.6%)	66,949	357,437	(81.3%)
Minority interests (MI)	26,697	(1,871)	(100.0%)	27,695	(1,871)	(100.0%)
	89,074	(38,863)	(329.2%)	94,644	355,566	(73.4%)

Due to the absence of the one-off negative goodwill of RMB485.4 million and goodwill written off of RMB109.4 million recognised in 2008, profit attributable to owners of the parent fell 81.3% to RMB66.9 million. Excluding the one-off net of goodwill of RMB360.7 million, the performance from our underlying business would have improved by 367.2%.

STATEMENT OF FINANCIAL POSITION

Total Group assets increased by RMB1,424.8 million or 68.3% to RMB3,511.1 million. The increase was due to the acquisition of a new piece of land (Da Ping) and additional land development cost being incurred on the IFC project which amounted to RMB851.6 million and RMB96.4 million respectively. In addition, Investment Properties also increased by approximately RMB169.5 million resultant from the recognition of the fair value gain of RMB113.8 million and transfer of cost of RMB55.7 million from development properties. Cash at bank increased by RMB151.3 million mainly due to new bank loan obtained to finance the development of IFC project.

Total Group liabilities increased by RMB458.8 million or 59.1% to RMB1,235.6 million as at 31 December 2009. The additional liabilities consist mainly of the fresh bank borrowing of RMB201.8 million obtained in December 2009 and amount of RMB182.4 million accrued for the balance 20% payment for the Da Ping land acquisition cost.

For the year under review, share capital increased by RMB889.1 million to RMB3,526.7 million as a result of the issuance of a total of 380.3 million new ordinary shares via a series of share placements and the exercise of share options.

Share option reserve was created only in 2009 where RMB0.8 million was accrued on a monthly basis with effect from February to record the fair value cost allocated to the 20 million share options granted to OCBC in February 2009. These options were fully exercised in September 2009 and the Company had since ceased the accrual of such cost.

The drop in exchange fluctuation reserve of RMB18.5 million was mainly due to the exchange loss of RMB13.1 million arising from the remittance of SGD138.0 million to settle the 80% payment of land fee for the Da Ping project.

STATEMENT OF CASH FLOW

For the year under review, the increase in cash and bank balances of RMB155.6 million to RMB237.6 million was mainly due to:-

- RMB889.1 million raised from the issuance of new shares;
- Bank borrowing of RMB308.5 million being obtained, and
- The amount of RMB931.4 million being the amount incurred for the acquisition of new parcel of land for future projects and development cost.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

As mentioned in our last results Announcement, the Company has successfully acquired the prime integrated development site of 28,266 sqm of land in Da Ping area, Yuzhong district for RMB851.6 million. The development of this site expected to be fully completed by Jun 2013 and commencement of pre-sale of the residential units to be deferred till end of 2010.

10 A commentary at the date of the announcement of the significant trends and 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.

Growth in Chongqing's GDP continued to remain strong for the year 2009; the full year's GDP growth was recorded at 14.9%, ranking third among all cities in China (Source from <http://english.cq.gov.cn/ChongqingToday/Headlines/2627.htm>). According to Chongqing Foreign Trade and Economic Relations Commission, Chongqing utilized foreign capital of 4.04 billion U.S. dollars in 2009, ranking among the top 10 in China and Fixed Asset Investments of Chongqing in 2009 also reached 531.8 billion yuan, up 31.5% year-on-year, creating the highest growth rate of Fixed Assets Investments since 1997. This city that has over 33 million populations was also selected as one of the 5 key cities by the state council in China in February 2010, along with Beijing, Shanghai, Tianjin and Guangzhou. Given this, Chongqing will get more central government support for its economic growth going forward.

The Chongqing officials recently announced details of the preferential policies that will be applied to the Liangjiang New Development Zone (两江新区), where one of our projects is currently located. This development zone follows the Pudong Development Zone in Shanghai and Binhai Development zone in Tianjin, where both zones enjoyed tremendous growth following the implementation of pro-growth policies. Some of the key features of the Liangjiang new development zone are that:

1. Newly-established enterprises in the bonded Zone will be eligible for a reduced 15% enterprise income tax rate;
2. Enterprises registered in the bonded Zone will be exempted for Value added tax and excise duty on trading of goods;
3. The value added tax levied on water, power and gas (steam) used by manufacturers of goods for export registered in the bonded Zone shall be refunded according to the export rebate rate applicable to water, power and gas (steam) specified in current policies.
4. Domestic goods entering the bonded Zone are deemed as exported goods and shall be eligible for the export rebate rate applicable to exported goods specified in current policies.

With the favorable policies being rolled out, the municipality saw an increase in the foreign companies making their entries in the recent months: Citigroup opened their Chongqing branch in December 2009; Shangri-la announced their entry into Chongqing with a new hotel to be opened in 2011.

The IT industry also saw a boost when the world's largest laptop maker, Quanta Computer and HP announced the setting up of their laptop production bases in Chongqing.

Neptune Orient Lines (NOL) stated that it selected Chongqing due to supportive government policies and strong commercial infrastructure.

We continue to see the government implementing pro-growth policies and believe this trend is likely to continue in the near term to medium term. As announced on 19th January 2010, we are planning to bid for two potential prime sites located in the Chongqing Yuzhong CBD (sited along Wu Yi Road, designated as the new Financial Street) to develop grade-A offices and retail malls.

As mentioned in our results announcement for Q309, until the development of IFC is completed, the Group's revenues and profits are expected to be muted.

11 Dividend

(a) Current Financial Period Reported On
Any dividend declared for the current financial period reported on?

No dividend was declared or recommended.

(b) Corresponding Period of the Immediately Preceding Financial year
Any dividend declared for the corresponding period of the immediately preceding financial year?

No dividend has been declared or recommended

(c) Date payable

Not Applicable.

(d) Books closure date

Not Applicable.

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

Not applicable.

Part 2 - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**(This part is not applicable to Q1, Q2, Q3 or Half Year Results)****13 Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

Business segments

31 December 2009	Property <u>Rental</u>	Property <u>Development</u>	<u>Others</u>	<u>Total</u>
REVENUE				
External revenues	43,641	88,518	-	132,159
Inter-segment revenues	-	-	-	-
Total revenue	<u>43,641</u>	<u>88,518</u>	-	<u>132,159</u>
RESULTS				
Segment result	30,759	21,176		51,935
Unallocated corporate expenses			(19,493)	<u>(19,493)</u>
Operating profit				32,442
Interest expense			(11,377)	<u>(11,377)</u>
Interest income			18	18
Negative goodwill				-
Goodwill written off				-
Fair value gain on investment property	113,776			<u>113,776</u>
Profit before taxation				134,859
Income taxes			(40,215)	<u>(40,215)</u>
Net profit after tax				<u><u>94,644</u></u>
ASSETS				
Segment assets	1,463,007	776,170		2,239,177
Unallocated assets			1,271,899	<u>1,271,899</u>
Consolidated total assets				<u><u>3,511,076</u></u>
LIABILITIES				
Segment liabilities	25,710	670,007	2,165	697,882
Income tax			80,178	80,178
Deferred tax			219,121	219,121
Unallocated liabilities			238,378	<u>238,378</u>
Consolidated total liabilities				<u><u>1,235,559</u></u>
OTHER INFORMATION				
Capital expenditure				2,977
Depreciation				1,118

31 December 2008	Property <u>Rental</u>	Property <u>Development</u>	<u>Others</u>	<u>Total</u>
REVENUE				
External revenues	30,868	55,856	-	86,724
Inter-segment revenues	-	-	-	-
Total revenue	<u>30,868</u>	<u>55,856</u>	<u>-</u>	<u>86,724</u>
RESULTS				
Segment result	25,487	19,641		45,128
Unallocated corporate expenses			(11,131)	<u>(11,131)</u>
Operating profit				33,997
Interest expense			(4,707)	(4,707)
Interest income			546	546
Negative goodwill			485,396	485,396
Goodwill written off			(109,373)	(109,373)
Fair value loss on investment property	(50,458)			<u>(50,458)</u>
Profit before taxation				355,401
Income taxes			165	165
Net profit after tax				<u><u>355,566</u></u>
ASSETS				
Segment assets	1,289,428	692,942		1,982,370
Unallocated assets			103,907	<u>103,907</u>
Consolidated total assets				<u><u>2,086,277</u></u>
LIABILITIES				
Segment liabilities	58,708	298,612		357,320
Income tax			68,619	68,619
Deferred tax			190,676	190,676
Unallocated liabilities			160,136	<u>160,136</u>
Consolidated total liabilities				<u><u>776,751</u></u>
OTHER INFORMATION				
Capital expenditure				855
Depreciation				919

14 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to item 8.

15 Breakdown of sales as follows:-

	<u>Group</u>		Increase/ (Decrease)
	<u>2009</u>	<u>2008</u>	
(a) Sales reported for first half year	62,275	-	n.m
(b) Operating profit after tax before deducting minority interest reported for first half year	210	-	n.m
(c) Sales reported for second half year	69,884	86,724	-19.4%
(d) Operating profit after tax before deducting minority interest reported for second half year	94,434	355,566	-73.4%

16 Breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-

Nil.

17 Interested Person Transactions:-

<u>Name of interested person</u>	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual (excluding transactions less than \$100,000)
	<u>RMB (000')</u> <u>Nil</u>	<u>RMB (000')</u> <u>Nil</u>

BY ORDER OF THE BOARD

Fang Ming
Chairman and CEO
24 February 2010