

To: Business Editor 【For Immediate Release】



**Golden Wheel Tiandi Holdings Company Limited**  
**(Stock Code: 1232.HK)**

**ANNOUNCES ITS ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2014**

Revenue Amounted to Approximately RMB831.1 Million

Profit Attributable to Shareholders Recorded RMB234.4 million

Proposed a Final Dividend of RMB1.95 Cents Per Share with Payout Ratio of Nearly 43.3% of 2014 Net Core Profit

Continue to Maintain Low Net Gearing Ratio and Solid Financial Position

Leveraging Abundant Uncompleted GFA for Sale worth of RMB7 Billion in Portfolio and Expected Substantially

Increase in Recurring Leasing Rental Income to Boost Rapid Growth in the Coming Years

Bringing Strong Momentum to the Long-term Steady Development of the Group

**FINANCIAL HIGHLIGHTS**

- Revenue amounted to RMB831.1 million (FY2013: RMB871.3 million)
- Gross profit increased to RMB304.2 million (FY2013: RMB302.1 million)
- Profit attributable to shareholders recorded RMB234.4 million (FY2013: RMB316.1 million)
- Shareholders' funds increased to RMB3,694.9 million (FY2013: RMB3,524.3 million)
- Net asset value per share amounted to RMB2.05 per share for the year ended 31 December 2014 (FY2013: RMB1.98 per share)\*
- Net gearing ratio maintained at a low level of approximately 33.7% \*\*
- The Board proposed a final dividend of RMB1.95 cents per share, representing a payout of approximately 43.3% of 2014 net core profit

\*Net asset value per share is calculated by shareholders' funds by weight average number of shares

\*\*Net gearing ratio is calculated by aggregated bank borrowings and senior notes net of bank balances and cash and restricted/pledged bank deposits over the total equity

(Hong Kong, 29 March 2015) - **Golden Wheel Tiandi Holdings Company Limited** ("Golden Wheel Tiandi" or the "Company", together with its subsidiaries, the "Group") (Stock code: 1232.HK), a leading integrated property developer in China with a focus on developing projects that are physically connected to metro stations or other transportation hubs, is pleased to announce its annual results for the year ended 31 December 2014 (the "Year").

Although the property market in China has been confronted with severe challenges throughout the year of 2014, the Group still managed to achieve steady and healthy results during the Year. In 2014, The Group's revenue amounted to RMB831.1 million (FY2013: RMB871.3 million). Gross profit increased to RMB304.2 million (FY2013: RMB302.1 million) while gross profit margin expanded to 36.6% (FY2013: 34.7%). Profit

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attributable to shareholders reached RMB234.4 million (FY2013: RMB316.1 million), which was mainly due to the fair value loss of RMB50.4 million arising from the cross currency rate swap contracts and the reversal of Land Appreciation Tax of RMB67.3 million in 2013.

As at 31 December 2014, shareholders' funds increased to RM3,694.9 million (FY2013: RMB3,524.3 million) with net asset value per share amounted to RMB2.05 per share (FY2013: 1.98 cents per share). In addition, the Group's net gearing ratio remained at a low level of 33.7%.

The Board proposed a final dividend of RMB1.95 cents per share, representing a payout of approximately 43.3% of 2014 net core profit.

### **Business Review**

<b><u>Revenue Analysis</u></b>	<b>For the year ended 31 December (RMB '000)</b>			
	<b>Revenue</b>		<b>% to Total Revenue</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
<b>Property Development</b>	<b>725,025</b>	761,851	<b>87.2%</b>	87.4%
<b>Property Leasing and Operational Management</b>	<b>106,091</b>	109,424	<b>12.8%</b>	12.6%
<b>Total</b>	<b>831,116</b>	871,275	<b>100.0%</b>	100.0%

During the Year, the revenue of property development amounted to RMB725.0 million (FY2013: RMB761.9 million). It was mainly because one of the Group's projects located in Yangzhou was completed during the Year, however, the Group held it for future sale as there were substantial discounts offered by other property developers in the nearby area in 2014.

Two projects had been completed during 2014, namely, Golden Wheel Star Plaza and Phase III of Golden Wheel Star City, with a saleable total GFA of approximately 83,000 sq.m.. Golden Wheel Star Plaza is located in Nanjing within the walking distance to the Nanjing Metro Line No. Three. The average selling price was approximately RMB26,000, RMB9,900 and RMB11,000 per sq.m. for commercial, office units and residential units respectively, with gross profit margin of approximately 31.8%. Golden Wheel Star City is located in Yangzhou. The average selling price was approximately RMB8,500 per sq.m. with gross profit margin of approximately 35.8%. As at 31 December 2014, a total GFA of approximately 44,000 sq.m. of these two newly completed projects had been sold and delivered.

Apart from the property development business, the Group also operates property leasing business. During the Year, property leasing business recorded revenue of RMB106.1 million (FY2013: RMB109.4 million). The decrease was mainly attributable to improvement works which were carried out on a shopping mall resulted in a loss of a few months of rental income.

### **Newly Acquired Projects to Propel Rapid Future Development**

The Group steady expanded its land bank for future development during the Year. In January 2014, the Group acquired a piece of land in Wuxi, Jiangsu province, China with a total GFA of approximately 84,379 sq.m. for a residential, office and retail complex. This is the Group's first property development project in Wuxi. With this project, the Group currently has six projects under development in four cities in China, namely Nanjing, Zhuzhou, Changsha and Wuxi with a total undeveloped GFA of approximately 676,641 sq.m.. Among these lands, approximately 366,073 sq.m., 229,900 sq.m., and 80,668 sq.m. are for residential, commercial and

office, and investment properties purpose respectively.

All the six projects have commenced construction as at December 2014. The Group has scheduled to launch pre-sale of all these projects starting from the third quarter of 2015.

As at 31 December 2014, taking into account of the 49% interest in the JV Company, the Group has a land bank of a total GFA of approximately 960,494 sq.m.. These reserves of lands can ensure the Group has enough sale revenue for at least the next 2 to 3 years.

### **Investment properties**

As at 31 December 2014, the Group has completed investment properties with a total GFA of approximately 101,893 sq.m., including a new shopping metro, the Golden Wheel New Metro Mall, which was opened for business in October 2014 and recorded approximately 80% occupancy rate as at 31 December 2014. Its estimated annual rental income is approximately RMB20 million.

The investment properties held by Group maintained an occupancy rate close to 90% as at 31 December 2014.

### **Metro leasing and operational management business**

Leveraging on its rich experience in the leasing and operational management of the Nanjing Xinjiekou Metro Mall over the years, strong professional operation team and extensive client base, the Group obtained leasing and operational management contracts of metro shopping mall in three more cities in China, namely Suzhou, Wuxi and Changsha, in 2013. Including the Nanjing Xinjiekou Metro Mall, the Group had a total leasable GFA of over 70,000 sq.m. for its metro leasing and operational management business as at 31 December 2014. It is expected that the metro leasing and operational management business will substantially increase the Group's recurring leasing rental income in the coming years.

**Mr. Wong Yam Yin, Chairman and Executive Director of Golden Wheel Tiandi** commented, "Stabilized growth is the main message delivered by the China leaders during the 12th National People's Congress. Premier Li Keqiang said China would "promote a stable and healthy development of the property market". Against the backdrop of the expected further reduction in interest rate, the second-child policy, the rising rigid housing demand of the 80s and the GDP target of not less than 7% for 2015, the Group believes the worst business environment has been over and the market will be gradually improved with a stable growth in the long term. Leveraging on our strong financial position and lower gearing as well as abundant uncompleted GFA for sale worth of RMB7 billion in portfolio, the Group is able to fully capture the opportunities in the market and gradually boost the growth of the Group in the coming two to three years."

**Chairman Wong** continued, "We will continue to retain our completed properties with good location and potential growth for long term leasing purpose in order to build up our investment property portfolio so as to maintain a stable return to our shareholders. Meanwhile, we will also continue in focusing the metro leasing and operational management business and will actively participate in the tender of projects in the target cities in the future, in order to further expand the geographic reach and the market share of the Group in metro station commercial property leasing and operational management business. The Group endeavors to become a leading operator in the industry. The Group will continue to enhance the operational efficiency of the existing commercial property projects at metro stations in Nanjing, Suzhou, Wuxi and Changsha. The Group endeavors to replicate this successful model in other cities efficiently, so as to capitalize on the immense opportunities emerging from the development of urban rail transport network and the increased urbanization in China."

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**About Golden Wheel Tiandi Holdings Company Limited (Stock Code: 1232)**

Golden Wheel Tiandi is a leading integrated property developer in China, developing projects that are physically connected to metro stations or other transportation hubs. It currently owns several investment properties as well as integrated properties under construction in Jiangsu and Hunan provinces. The Group has a balanced business model which comprises the sale of commercial and residential properties and the leasing and operational management of commercial properties owned by the Company or third-parties. Golden Wheel Tiandi will continue to retain its long-term ownership of shopping malls with high investment value for recurring rental income and long-term financial strength and sell a mix of offices, residential properties and hotel-style apartments for growth capital, so as to enhance the steady long-term business development in the future.

Company website: [www.gwtd.com.hk](http://www.gwtd.com.hk)

Issued by Porda Havas International Finance Communications Group for and on behalf of **Golden Wheel Tiandi Holdings Company Limited** For further information, please contact:

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