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Yuanda China Holdings Limited

遠大中國控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2789)

PROFIT WARNING

This announcement is made by Yuanda China Holdings Limited (the “**Company**” together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rule 13.09 of the Listing Rules.

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary review of unaudited consolidated management accounts of the Group for the six months ended 30 June 2014, the loss attributable to equity shareholders of the Group for the six months ended 30 June 2014 is expected to decrease significantly by approximately 50% as compared to the loss for the corresponding period in 2013. Such improvement is mainly attributable to the various production cost control measures implemented by the Group during the first half of 2014.

During the first half of 2014, the slowdown of the global economy and the tightening of the domestic credit market continue to affect the progress of certain projects of the Group, which caused the revenue of the Group for the first half of 2014 to decrease as compared with the corresponding period in 2013. However, in light of the improvement attributable to the implementation of the production cost control measures, the gross profit of the Group for the six months ended 30 June 2014 recorded an increase as compared with the corresponding period in 2013. As a result, the loss attributable to equity shareholders of the Group for the six months ended 30 June 2014 has decreased significantly as compared to the loss for the corresponding period in 2013.

The information contained in this announcement is only based on the preliminary assessment by the management with reference to the information currently available and is not based on any figures or information that has been audited or reviewed by the auditors or the audit committee of the Company. Shareholders and investors should read carefully the results announcement of the Company for the six months ended 30 June 2014, which is expected to be published in late August 2014.

Shareholders and investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Yuanda China Holdings Limited
Mr. Kang Baohua
Chairman

15 August 2014

As at the date of this announcement, the executive directors of the Company are Mr. Kang Baohua (chairman), Mr. Tian Shouliang (chief executive officer), Mr. Guo Zhongshan, Mr. Wang Yijun, Mr. Zhang Lei and Mr. Wang Lihui, and the independent non-executive directors of the Company are Mr. Poon Chiu Kwok, Mr. Woo Kar Tung, Raymond and Mr. Pang Chung Fai, Benny.