



STRATEGIC FINANCIAL RELATIONS (CHINA) LIMITED
縱橫財經公關顧問（中國）有限公司

[Immediate Release]



Wuzhou International Announces 2013 Annual Results
Revenue Increases 79.7% to RMB 4,050 Million
Net Profit Rises 45.8% to RMB 1,020 Million

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Replicates Successful Business Model to Other Cities
Develops Integrated Trade and Logistics Property

Financial Highlights (Audited)

(RMB Million)	For the Year Ended 31 December		
	2013	2012	Change
Revenue	4,049.6	2,253.2	+79.7%
Gross Profit	1,769.1	1,200.9	+47.3%
Profit and Total Comprehensive Income Attributable to Owners of the Parent For the Year	1,020.0	699.7	+45.8%

(Hong Kong, 20 March 2014) Wuzhou International Holdings Limited (“Wuzhou International” or the “Company”, together with its subsidiaries the “Group,” stock code: 01369), a leading developer and operator of specialised wholesale markets in China and of multi-functional commercial complexes in both the Yangtze River Delta and Jiangsu Province, is pleased to announce its annual results for the year ended 31 December 2013 (“period under review”).

The year 2013 was a pivotal year for Wuzhou International. Wuzhou International was listed on the Stock Exchange of Hong Kong Limited during the year under review, a major step towards tapping international capital markets. Meanwhile, capitalising on opportunities, Wuzhou International experienced steady growth in both business development and results performance. For the year under review, revenue of Wuzhou International amounted to approximately RMB4,050 million, representing an increase of 79.7% as compared to 2012. Gross profit climbed 47.3% from RMB1,200 million in 2012 to RMB1,770 million. Profit and total comprehensive income attributable to owners of the parent for the year amounted to RMB1,020 million, representing a growth of 45.8% as compared with RMB700 million in 2012. Gross profit margin and net profit margin were 43.7% and 25.2% respectively. Basic

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and diluted earnings per share were RMB0.25. In order to reward the shareholders for their support, the Board of Directors recommended the payment of a final dividend of HK3.5 cents for the year ended 31 December 2013. The dividend payout ratio was approximately 30.6%.

Mr. SHU Cecheng, Executive Director and Chairman of Wuzhou International said, “In 2013, global economy has recovered at only a slow pace with reduced growth. Nevertheless, the economic fundamentals of China remain sound and urbanisation continued to advance. As a driver of domestic consumption, urbanisation has become a strong driver behind the demand for property. As the operating environment for the property market has been under a series of austerity measures, the almost inelastic demand for property has provided solid support to the market. Facing such a complicated macroeconomic situation and strict industry regulations, the Group has leveraged its unique market positioning and development strategies to secure brand recognition in a number of local markets and at the same time replicate its business model for market expansion to rapidly-developing provinces such as Heilongjiang, Jilin, Henan and Liaoning as well as cities. Moreover, we have also achieved success in financing by issuing US\$100 million 5-year senior notes in September 2013 after our listing, further enhancing our financial flexibility.”

During the year under review, the Group recorded contracted sales and gross floor area (“GFA”) sold of approximately RMB5,184 million and 682,000 sq.m., representing increases of 87.7% and 105.8% respectively as compared to 2012. Multi-functional commercial complexes and specialised wholesale markets accounted for 62.0% and 38.0% of the Group’s contracted sales respectively. Jiangsu Province was the main revenue stream, accounted for approximately 53.7% of the Group’s contracted sales. Attributable to the Group’s active expansion strategy towards other emerging cities, contract sales generated from other provinces and cities increased significantly, resulting in a more balanced revenue mix by regions.

For project development, the Group had a total of 33 projects as at 31 December 2013, covering Jiangsu, Zhejiang, Shandong, Hubei, Yunnan, Heilongjiang, Jilin, Henan, Liaoning and Chongqing. Among these 17 were specialised wholesale markets while 16 were multi-functional commercial complexes. During the year under review, the Group had completed a total of 16 projects or project phases with a total GFA of approximately 2,071,000 sq.m., of which approximately 1,099,000 sq.m. was GFA sold and delivered and approximately 255,000 sq.m. was held for lease. The Group had a total of 19 projects or project phases under development with a total GFA of 2,095,000 sq.m., of which approximately 319,000 sq.m. was pre-sold and approximately 366,000 sq.m. was held for lease. The Group had a total of 23 projects or project phases planned for future development, with an estimated total GFA of 5,045,000 sq.m.

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During the year under review, the Group recorded a total rental income of RMB44 million, representing an increase of 43.6% as compared to 2012. Most of the purchasers of its retail stores have entered into exclusive operation and management agreements with the Group, under which it received management services income from the purchasers for managing and controlling the leases of the retail shops, event organisation and ancillary service provision. The Group also provided the purchasers with services such as project positioning, planning, design, construction, marketing, leasing and operation so as to ensure the centralised operation of projects. In addition, the Group also provided general property management services for tenants and occupants.

Acquisition of prime lands is vital to the Group's rapid growth in the future. In addition to the strong presence in Yangtze River Delta Area, the Group has expanded its business in various other cities for product development. During the year under review, the Group strived to consolidate its existing land bank and actively expand and develop into other areas, including Heilongjiang, Jilin, Henan and Liaoning, etc., for more extensive land bank across China. As at 31 December 2013, the total planned GFA of land bank amounted to approximately 7,877,000 sq.m., including approximately 737,000 sq.m. for completed projects, approximately 2,095,000 sq.m. for projects under development and approximately 5,045,000 sq.m. for projects planned for future development. The land bank is sufficient for the development of the Group in the following three to five years. The average GFA costs per sq.m. amounted to approximately 10% of the average selling price. With lower land costs, the Group can ensure sustainable future development and higher profitability.

The Group develops and operates the specialised wholesale markets and multi-functional commercial complexes under the brands of "Wuzhou International" and "Columbus". In order to unify the brand image of its specialised wholesale markets and multi-functional commercial complexes, its professional planning and marketing team is responsible for formulating nationwide promotion strategies and coordinating marketing activities. During the period under review, both the brand awareness and visitor flow of its specialised wholesale markets and multi-functional commercial complexes recorded significant growth attributable to various marketing and promotion activities and sponsorship of numerous activities. In addition, property management, construction, design and operation capability of the Group were highly recognised within the industry. As a result, both "Wuzhou International" and "Columbus" brands were well-received in places where the Group operates. Particularly noteworthy, "Wuzhou International" was named the "2013 Top Ten Brand Value of Commercial Property Companies in China" by the Development Research Center of the State Council, making the Group one of only two commercial property companies in Jiangsu thus honoured.

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Mr. Shu concluded, “Huge territory of China provides an opportunity for e-commerce and logistics to develop rapidly. In the future, convergence of e-commerce and logistics platform will not be limited to business integration, but a complete convergence from strategies, systems to supply chains. Wuzhou International is planning to engage in logistics business along with its integrated commercial trading platform provided to customers. Initially, capital investment was made for developing logistics business. In addition, the Group seeks to corporate with business partners for entering into logistics real estate market in a timely manner. Looking forward, the Group will be committed to provide its merchants and customers an integrated logistics platform, linking all merchants to establish a nationwide trading wholesale network. Furthermore, the Group will strive to apply its successful business models for its business expansion in other rapidly-developing regions and cities in China, and further focus on project management strategies to enhance the synergies among property buyers, occupants and the Group. The Group will also strive to enhance its brand awareness in the market with effective project planning and superior project quality to create a better service platform for its business partners, with an aim to achieve satisfactory results.”

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Wuzhou International Holding Limited

Starting in Wuxi, Jiangsu Province in 2004, Wuzhou International is a developer and operator of specialised wholesale markets and multi-functional commercial complexes with 34 projects covering ten provinces and cities across China. The Group’s “Wuzhou International” brand was named “2013 Chinese commercial real estate brand value Top 10” , by Development Research Center of the State Council. As at the end of 2013, Wuzhou International is No. 1 in the no. of trade logistics center, No. 1 in the no. of partial completed and trade logistics center in operation, and No. 1 in the coverage of provinces and cities, according to Savills.

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