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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)**

**POSITIVE PROFIT ALERT**

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 (Chapter 571 of the Laws of Hong Kong) and Rule 13.09(2) (a) 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 a preliminary assessment and review of the latest unaudited management accounts of the Group and other information currently available, the Group is expected to record a profit in the range from approximately RMB50 million to RMB80 million for the twelve months ended 31 December 2016 (the “**Period**”) as compared to a loss of RMB167.7 million for the corresponding period of last year. The Board considers that the aforesaid turnaround from loss to profit was principally attributable to the strict control of contract quality and the effective contract budget management implemented by the Group during the Period, which resulted in increase of gross profit margin from the Group’s construction projects.

As the Group is still in the course of finalizing the annual results of the Group for the Period, the information contained in this announcement is only based on the preliminary assessment by the Board on the unaudited management accounts of the Group for the Period and other information currently available to the Company, and such information has not been audited or reviewed by the independent auditor of the Company or the audit committee of the Board and is subject to possible adjustments upon further review.

Accordingly, the actual results of the Group for the twelve months ended 31 December 2016 may differ from what is expected and disclosed herein. Shareholders and potential investors are advised to read carefully the results announcement of the Company for the year ended 31 December 2016, which is expected to be published by end of March 2017.

**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*

The PRC, 15 March 2017

*As at the date of this announcement, the executive directors of the Company are Mr. Kang Baohua, Mr. Li Hongren, Mr. Liu Futao, Mr. Ma Minghui, Mr. Wang Hao and Mr. Zhang Lei, 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.*