

CENTRALAND LIMITED

First Quarter Financial Statement and Dividend Announcement for the Period Ended 31 March 2009

Centraland Limited (the "Company") was listed on the Main Board at the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 1 February 2008. The initial public offering of the Company's shares was sponsored by Boulton Capital Asia Pte. Limited (the "Issue Manager"). The Issue Manager assumes no responsibility for the contents of this announcement.

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

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

| | <u>Group</u> | | |
|---|-------------------------------------|-------------------------------------|------------------------|
| | Three months ended | | |
| | 31.3.2009 (Unaudited) RMB'000 | 31.3.2008 (Unaudited) RMB'000 | % change + / (-) |
| Revenue | 63,821 | 82,416 | (22.6) |
| Cost of sales | <u>(27,379)</u> | <u>(34,852)</u> | (21.4) |
| Gross profit | 36,442 | 47,564 | (23.4) |
| Other income | 460 | 1,851 | (75.1) |
| Selling expenses | (2,577) | (825) | 212.4 |
| Administrative expenses | (11,307) | (19,396) | (41.7) |
| Other operating expenses | <u>-</u> | <u>(132)</u> | (100.0) |
| Profit from operations | 23,018 | 29,062 | (20.8) |
| Finance costs | <u>(1,053)</u> | <u>(410)</u> | 156.8 |
| Profit before taxation | 21,965 | 28,652 | (23.3) |
| Income tax expenses | <u>(13,898)</u> | <u>(23,738)</u> | (41.5) |
| Profit for the period | 8,067 | 4,914 | 64.2 |
| Other comprehensive income | <u>-</u> | <u>-</u> | - |
| Total comprehensive income for the period | <u><u>8,067</u></u> | <u><u>4,914</u></u> | 64.2 |

Notes:

- The Company was incorporated in Bermuda as an exempted company with limited liability under the Companies Act 1981 of Bermuda on 28 September 2007. The principal activity of the Company is investment holding.

2. On 12 December 2007, the Company completed its restructuring exercise as set out in the Company's prospectus dated 22 January 2008 (the "Restructuring Exercise") to rationalise the structure of the Group in preparation for the initial public offering of the Company's shares on the Singapore Exchange Securities Trading Limited (the "SGX-ST"). On 1 February 2008, the Company was officially listed on the SGX-ST.
3. Following the adoption of IAS 1 Presentation of Financial Statements (Revised 2007) for annual periods beginning on or after 1 January 2009, the Group has presented items of income and expenses and components of other comprehensive income in one statement of consolidated statement of comprehensive income.

The Group's profit before taxation is arrived at after charging:

| | <u>Group</u> | |
|---|--------------------|--------------------|
| | Three months ended | |
| | 31.3.2009 | 31.3.2008 |
| | <u>(Unaudited)</u> | <u>(Unaudited)</u> |
| | RMB'000 | RMB'000 |
| Cost of properties held for sale recognised | | |
| as expense | 24,196 | 30,784 |
| Depreciation | 2,752 | 2,410 |
| Amortisation of land use rights | 3 | 2 |
| Operating lease charges on land and buildings | 99 | 99 |

1(b)(i) Statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

| | <u>Group</u> | | <u>Company</u> | |
|---|--------------------|------------------|--------------------|------------------|
| | 31.3.2009 | 31.12.2008 | 31.3.2009 | 31.12.2008 |
| | <u>(Unaudited)</u> | <u>(Audited)</u> | <u>(Unaudited)</u> | <u>(Audited)</u> |
| | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| ASSETS AND LIABILITIES | | | | |
| Non-current assets | | | | |
| Investments in subsidiaries | - | - | 576,857 | 576,857 |
| Property, plant and equipment | 183,546 | 185,710 | - | - |
| Investment properties | 45,095 | 45,512 | - | - |
| Land use rights | 589 | 592 | - | - |
| Goodwill | 38,703 | 38,703 | - | - |
| Deferred tax assets | 61,851 | 60,591 | - | - |
| Deposit paid | 234,182 | 234,182 | - | - |
| | <u>563,966</u> | <u>565,290</u> | <u>576,857</u> | <u>576,857</u> |
| Current assets | | | | |
| Deposits paid | 554,391 | 554,391 | - | - |
| Properties held for development | 45,089 | 45,089 | - | - |
| Properties held under development | 88,689 | 77,219 | - | - |
| Properties held for sale | 66,950 | 91,751 | - | - |
| Amount due from a subsidiary | - | - | 588,544 | 588,544 |
| Prepayments and other receivables | 12,000 | 3,589 | - | - |
| Prepayment of land appreciation tax | 132 | 845 | - | - |
| Restricted bank deposits | 16,862 | 14,413 | - | - |
| Cash and bank balances | 491,235 | 484,848 | 29 | 29 |
| | <u>1,275,348</u> | <u>1,272,145</u> | <u>588,573</u> | <u>588,573</u> |
| Current liabilities | | | | |
| Trade and bills payables | 2,644 | 2,442 | - | - |
| Accruals and other payables | 22,600 | 23,648 | - | - |
| Receipts in advance | 3,772 | 16,894 | - | - |
| Amount due to a subsidiary | - | - | 705 | 705 |
| Interest-bearing bank and other borrowings | 40,000 | 40,000 | - | - |
| Tax payable | 377,582 | 369,802 | - | - |
| | <u>446,598</u> | <u>452,786</u> | <u>705</u> | <u>705</u> |
| Net current assets | <u>828,750</u> | <u>819,359</u> | <u>587,868</u> | <u>587,868</u> |
| Total assets less current liabilities | <u>1,392,716</u> | <u>1,384,649</u> | <u>1,164,725</u> | <u>1,164,725</u> |
| Non-current liabilities | | | | |
| Interest-bearing bank borrowings | <u>70,000</u> | <u>70,000</u> | <u>-</u> | <u>-</u> |
| Net assets | <u>1,322,716</u> | <u>1,314,649</u> | <u>1,164,725</u> | <u>1,164,725</u> |
| EQUITY | | | | |
| Equity attributable to the Company's equity holders | | | | |
| Share capital | 697,076 | 697,076 | 697,076 | 697,076 |
| Reserves | 625,640 | 617,573 | 467,649 | 467,649 |
| Total equity | <u>1,322,716</u> | <u>1,314,649</u> | <u>1,164,725</u> | <u>1,164,725</u> |

1(b)(ii) Aggregate amount of the group's borrowings and debt securities.**Amount repayable in one year or less, or on demand**

| As at 31.3.2009 | | As at 31.12.2008 | |
|--------------------|----------------------|--------------------|----------------------|
| Secured RMB'000 | Unsecured RMB'000 | Secured RMB'000 | Unsecured RMB'000 |
| 40,000 | - | 40,000 | - |

Amount repayable after one year

| As at 31.3.2009 | | As at 31.12.2008 | |
|--------------------|----------------------|--------------------|----------------------|
| Secured RMB'000 | Unsecured RMB'000 | Secured RMB'000 | Unsecured RMB'000 |
| 70,000 | - | 70,000 | - |

Details of any collateral

As at 31 March 2009 and 31 December 2008, the Group's bank loans were secured by the pledge of the Group's certain properties held for development. The Group's bank loans of RMB40,000,000 as at 31 March 2009 and 31 December 2008 were jointly guaranteed by Mr Li Wei and Mr Yan Tao, the directors of the Group.

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

| | Group | |
|---|--|--|
| | Three months ended 31.3.2009 (Unaudited) RMB'000 | ended 31.3.2008 (Unaudited) RMB'000 |
| Cash flows from operating activities | | |
| Profit before taxation | 21,965 | 28,652 |
| Adjustments for: | | |
| Interest income | (460) | (889) |
| Interest expenses | 1,053 | 410 |
| Depreciation | 2,752 | 2,410 |
| Amortisation of land use rights | 3 | 2 |
| | <hr/> | <hr/> |
| Operating profit before working capital changes | 25,313 | 30,585 |
| Increase in properties held for development | - | (1,223) |
| Increase in properties held under development | (9,935) | (22,297) |
| Decrease in properties held for sale | 24,801 | 30,784 |
| Increase in prepayments, other receivables and deposits paid | (8,411) | (19,200) |
| Decrease/(increase) in prepayment of land appreciation tax | 713 | (1,539) |
| Increase/(decrease) in trade and bills payables | 202 | (312) |
| Decrease in accruals and other payables | (1,048) | (8,241) |
| Decrease in receipts in advance | (13,122) | (42,674) |
| | <hr/> | <hr/> |
| Cash generated from/(used in) operations | 18,513 | (34,117) |
| Income taxes paid | (7,378) | (9,430) |
| Interest received | 460 | 889 |
| | <hr/> | <hr/> |
| Net cash generated from/(used in) operating activities | 11,595 | (42,658) |
| Cash flows from investing activities | | |
| Purchases of property, plant and equipment | (171) | (18) |
| Increase in restricted bank deposits | (2,449) | (97) |
| | <hr/> | <hr/> |
| Net cash used in investing activities | (2,620) | (115) |
| Cash flows from financing activities | | |
| Proceeds from issue of new ordinary shares, net of share issue expenses charged to share premium account | - | 589,019 |
| Interest paid | (2,588) | (831) |
| | <hr/> | <hr/> |
| Net cash (used in)/generated from financing activities | (2,588) | 588,188 |
| Net increase in cash and cash equivalents | 6,387 | 545,415 |
| Cash and cash equivalents at beginning of period | 484,848 | 662,557 |
| | <hr/> | <hr/> |
| Cash and cash equivalents at end of period | 491,235 | 1,207,972 |
| Analysis of balances of cash and cash equivalents | | |
| Cash and bank balances | <u>491,235</u> | <u>1,207,972</u> |

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.

| <u>Group</u> | Share capital | Share premium | Merger reserve | Exchange reserve | Statutory reserves | Other reserve | Retained earnings | Minority interests | Total |
|---|----------------|----------------|----------------|------------------|--------------------|------------------|-------------------|--------------------|------------------|
| | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) |
| As at 1 January 2008 | 606,720 | - | 560,024 | (19,193) | 22,643 | (705,470) | 112,133 | - | 576,857 |
| Profit for the period | - | - | - | - | - | - | 4,914 | - | 4,914 |
| Total comprehensive income for the period | - | - | - | - | - | - | 4,914 | - | 4,914 |
| Issue of new shares, in connection with the listing | 90,356 | 531,209 | - | - | - | - | - | - | 621,565 |
| Share issue expenses | - | (32,546) | - | - | - | - | - | - | (32,546) |
| As at 31 March 2008 | <u>697,076</u> | <u>498,663</u> | <u>560,024</u> | <u>(19,193)</u> | <u>22,643</u> | <u>(705,470)</u> | <u>117,047</u> | <u>-</u> | <u>1,170,790</u> |
| | Share capital | Share premium | Merger reserve | Exchange reserve | Statutory reserves | Other reserve | Retained earnings | Minority interests | Total |
| | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) |
| As at 1 January 2009 | 697,076 | 498,663 | 560,024 | (19,267) | 45,368 | (705,470) | 238,255 | - | 1,314,649 |
| Profit for the period | - | - | - | - | - | - | 8,067 | - | 8,067 |
| Total comprehensive income for the period | - | - | - | - | - | - | 8,067 | - | 8,067 |
| As at 31 March 2009 | <u>697,076</u> | <u>498,663</u> | <u>560,024</u> | <u>(19,267)</u> | <u>45,368</u> | <u>(705,470)</u> | <u>246,322</u> | <u>-</u> | <u>1,322,716</u> |

| <u>Company</u> | <u>Share capital</u> RMB'000 (Unaudited) | <u>Share premium</u> RMB'000 (Unaudited) | <u>Contributed deficit</u> RMB'000 (Unaudited) | <u>Retained earnings</u> RMB'000 (Unaudited) | <u>Total</u> RMB'000 (Unaudited) |
|--|--|--|--|--|--|
| As at 1 January 2008 | 606,720 | - | (29,863) | - | 576,857 |
| Results during the period | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | - | - |
| Issue of new shares in connection with the listing | 90,356 | 531,209 | - | - | 621,565 |
| Share issue expenses | - | (32,546) | - | - | (32,546) |
| As at 31 March 2008 | <u>697,076</u> | <u>498,663</u> | <u>(29,863)</u> | <u>-</u> | <u>1,165,876</u> |

| <u>Company</u> | <u>Share capital</u> RMB'000 (Unaudited) | <u>Share premium</u> RMB'000 (Unaudited) | <u>Contributed deficit</u> RMB'000 (Unaudited) | <u>Retained earnings</u> RMB'000 (Unaudited) | <u>Total</u> RMB'000 (Unaudited) |
|--|--|--|--|--|--|
| As at 1 January 2009 | 697,076 | 498,663 | (29,863) | (1,151) | 1,164,725 |
| Results for the period | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | - | - |
| As at 31 March 2009 | <u>697,076</u> | <u>498,663</u> | <u>(29,863)</u> | <u>(1,151)</u> | <u>1,164,725</u> |

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 for 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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, 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.

| <u>Issued and fully paid</u> | <u>Number of shares</u> | <u>Amount HK\$'000</u> |
|---|-----------------------------|----------------------------|
| As at 31 December 2008 and 31 March 2009, ordinary shares at HK\$0.40 each | 1,845,000,000 | 738,000 |

The issued share capital of the Company as at 31 December 2008 and 31 March 2009 was equivalent to approximately RMB697,076,000. There were no share options or convertibles outstanding that may be converted into the Company's shares as at 31 December 2008 and 31 March 2009.

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.

| | As at 31 March 2009 | As at 31 December 2008 |
|--|------------------------|---------------------------|
| Total number of issued shares | 1,845,000,000 | 1,845,000,000 |
| Less: Treasury shares | - | - |
| Total number of issued shares excluding treasury shares | <u>1,845,000,000</u> | <u>1,845,000,000</u> |

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

Not applicable.

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

These figures presented have neither been audited or reviewed.

- 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 methods of computations as stated in the audited financial statements for the year ended 31 December 2008, except for the adoption of the new and amended International Financial Reporting Standards (IFRSs) which became effective for financial year beginning on or after 1 January 2009. The adoption of these IFRSs did not affect the financial positions or results of the Group.

- 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.**

Not applicable.

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.

Earnings per ordinary share

| | <u>Group</u> | |
|---------|---------------------------------------|---------------------------------------|
| | Three months ended | |
| | 31.3.2009 (Unaudited) RMB cents | 31.3.2008 (Unaudited) RMB cents |
| Basic | <u>0.44</u> | <u>0.28</u> |
| Diluted | <u>N/A</u> | <u>N/A</u> |

Basic earnings per ordinary share for the three months ended 31 March 2009 were calculated based on the Group's profit for the period of approximately RMB8,067,000 (2008: approximately RMB4,914,000) divided by issued share capital of 1,845,000,000 shares (2008: the weighted average of 1,761,538,462 ordinary shares).

There were no potential dilutive ordinary shares in existence for the three months ended 31 March 2009 and 31 March 2008 and accordingly, no diluted earnings per ordinary share have been presented.

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.

| | <u>Group</u> | | <u>Company</u> | |
|------------------------------------|------------------|-------------------|------------------|-------------------|
| | As at | As at | As at | As at |
| | <u>31.3.2009</u> | <u>31.12.2008</u> | <u>31.3.2009</u> | <u>31.12.2008</u> |
| | RMB cents | RMB cents | RMB cents | RMB cents |
| Net asset value per ordinary share | <u>71.69</u> | <u>71.25</u> | <u>63.13</u> | <u>63.13</u> |

Net asset value per ordinary share was calculated based on:

- (a) the equity of our Group/Company attributable to the equity holders of the Company as at 31 March 2009 and 31 December 2008;
- (b) post-Invitation share capital of 1,845,000,000 ordinary shares in issue as at 31 March 2009 and 31 December 2008
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**

| | <u>Group</u> | | <u>Group</u> | |
|------------------------------------|----------------------|-------|----------------------|-------|
| | Three months | | Three months | |
| | ended | | ended | |
| | 31.3.2009 | | 31.3.2008 | |
| | (Unaudited) | % | (Unaudited) | % |
| | <u>RMB'000</u> | | <u>RMB'000</u> | |
| <u>Revenue</u> | | | | |
| <u>J-Expo (金智·万博商城)</u> | | | | |
| Retail units | 58,918 | 92.3 | - | - |
| Office units | - | - | - | - |
| | <u>58,918</u> | 92.3 | <u>-</u> | - |
| <u>Guoling Shanshui (果岭山水)</u> | | | | |
| Low-rise apartments | - | - | 17,251 | 20.9 |
| Low-density luxury detached houses | - | - | 5,977 | 7.2 |
| Townhouses | - | - | 44,305 | 53.8 |
| Commercial retail units | - | - | 13,833 | 16.8 |
| | <u>-</u> | - | <u>81,366</u> | 98.7 |
| Rental income | <u>4,903</u> | 7.7 | <u>1,050</u> | 1.3 |
| | <u><u>63,821</u></u> | 100.0 | <u><u>82,416</u></u> | 100.0 |

The analysis of our revenue for both financial periods are as follows:

Review of Group's Performance for 1Q2009 as compared to 1Q2008

Revenue

Revenue arising from sale of properties held for sale are recognised when the significant risks and rewards of ownership of these properties held for sale have been transferred to the purchasers and the Group retains neither continuing involvement to the degree usually associated with ownership nor effective control over properties held for sales. Notwithstanding we may have pre-sold our development properties, the sale will not be recorded as revenue if the above conditions are not fulfilled. As a result, our revenue can be lumpy on a quarter-to-quarter basis.

Revenue decreased by RMB18.6 million or 22.6% to RMB63.8 million in 1Q2009 from RMB82.4 million in 1Q2008.

Sale of properties

In 1Q2009, revenue amounting to approximately RMB58.9 million were recognised from the sales of 284 retail units with a total GFA of 4,794 sq m. in our commercial properties project, J-Expo (金智·万博商城), at an average selling price of about RMB12,290 per sq m.

In 1Q2008, revenue amounting to approximately RMB81.4 million were recognised from the sales of all the remaining 82 units in Phase I and Phase II of Guoling Shanshui (果岭山水), representing an aggregate GFA of approximately 12,132 sq m.

Rental income

Our rental income increased by approximately RMB3.8 million from RMB1.1 million in 1Q2008 to RMB4.9 million in 1Q2009 mainly due to the following:

- i. The lease agreement with the third-party operator of the golf academy expired at the end of December 2007, and the lease agreement with the third-party operator of the hotel facilities was terminated in 2Q2008. The Group subsequently re-negotiated and entered into two revised lease agreements with the two third-party operators. The new lease agreements allow the Group to raise the annual rental income. As a result, the respective rental income increased from approximately RMB1.1 million to RMB4.7 million; and
- ii. The Group commenced to lease the unsold units to third parties in 3Q 2008 in levels 4 and 5 of J-Expo (金智·万博商城) and approximately RMB0.2 million was recognised during the current period accordingly.

Group Profit and Gross Profit Margin

In line with sales, our gross profit decreased from RMB47.6 million in 1Q2008 to RMB36.4 million in 1Q2009. However, our gross profit margins for the 2 periods remained unchanged at approximately 57%.

Other Income

Other income decreased by approximately RMB1.4 million from RMB1.9 million in 1Q2008 to RMB0.5 million in 1Q2009, mainly due to the decrease in interest income resulting from lower level of average bank balances.

Operating Expenses

Administrative expenses decreased by 41.7% from approximately RMB19.4 million in 1Q2008 to approximately RMB11.3 million in 1Q2009. It was mainly due to one-off listing expenses incurred for the Company's listing on SGX-ST during 1Q2008.

Selling expenses increased by 212.4% or RMB1.8 million from RMB0.8 million in 1Q2008 to RMB2.6 million in 1Q2009. To market the unsold flats in J-expo (金智·万博商城), the

Group launched a promotion campaign in 1Q2009. In addition, in conjunction with the sales recognition of the units in J-Expo (金智·万博商城) upon delivery, sales agency fee amounting to approximately RMB1.5 million was incurred in the current period.

Taxation

Our Group is subject to enterprise income tax and Land Appreciation Tax ("LAT") in the PRC. Our income tax expenses decreased by RMB9.8 million from RMB23.7 million to RMB13.9 million. LAT provision was based on progressive rates ranging from 30% to 60% of the appreciation value as defined in the relevant tax laws. Our effective tax rate decreased from 82.8% in 1Q2008 to 63.3% in 1Q2009. Both rates were higher than the enterprise income tax rate of 25%, mainly due to the provision of LAT, which represents 62.9% of the total income tax expense in the current period.

Net Profit for the period

The significant decreases in administrative expenses and income tax expenses offset by the drop in gross profit resulted in a rise in net profit for the period under review. Net profit totalled RMB8.1 million in 1Q2009, compared with RMB4.9 million in 1Q2008.

Review of Group's Financial Position as at 31 March 2009 and 31 December 2008

Total equity as at 31 March 2009 amounted to approximately RMB1,322.7 million (31 December 2008: approximately RMB1,314.6 million), representing an increase of 0.6%.

Properties held under development increased by RMB11.5 million. The increase represents the additional development and related costs incurred for Phase III of Guoling Shanshui (果岭山水).

Properties held for sale mainly comprised the costs incurred for the unsold units in levels 4 and 5 of J-Expo (金智·万博商城).

Receipts in advance decreased by RMB13.1 million from RMB16.9 million to RMB3.8 million. As most of the pre-sold units in J-Expo (金智·万博商城) had already been delivered to the buyers, the receipts in advance was recognised as revenue accordingly.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Not applicable.

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

No forecast or prospect statement had been previously disclosed to shareholders.

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.

The challenges CentraLand faced in FY2008 continue to be present in the quarter under review, and as such the Group's experienced management team is committed to review all its ongoing and potential projects periodically and adapt their development pace according to prevailing market conditions to extract the best possible advantage for the Group.

Amidst an adverse economic environment in 1Q FY2009, the Group believes its strategic decision to exercise prudent cost discipline will put it a good state to deal with the challenges ahead.

CentraLand's first commercial project – J-Expo continues to contribute to the Group's revenue from delivered units and leasing of units held by the Group for rental income. Going forward, the Group will continue to selectively source for potential sites in prime locations in a prudent manner, for acquisition and development into commercial centres.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?
None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?
None

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared (recommended), a statement to that effect.

Not applicable.

13. Interested person transactions

As at 31 March 2009 and 31 December 2008, the Group's bank loans of RMB40,000,000 were guaranteed by Mr Li Wei and Mr Yan Tao, the directors of the Group.

14. Use of IPO Proceeds

| Future Plans | Actual IPO proceeds <u>RMB million</u> | Amount utilised <u>RMB million</u> | Balance <u>RMB million</u> |
|--|--|--|-------------------------------|
| Acquire land directly from the government or other entities or indirectly through the acquisition of companies owning land use rights | 196.9 | 196.9 | - |
| Increase the paid-up registered capital of our PRC subsidiary which shall be used in future to acquire land directly from the government or other entities or indirectly through the acquisition of companies owning land use rights | 362.9 | 362.9 | - |
| Balance as general working capital | <u>25.6</u> | <u>15.0</u> | <u>10.6</u> |
| | <u><u>585.4</u></u> | <u><u>574.8</u></u> | <u><u>10.6</u></u> |

BY ORDER OF THE BOARD

Yan Tao
Chief Executive Officer
13 May 2009

**CENTRALAND LIMITED
(Incorporated in the Bermuda)**

**CONFIRMATION BY THE BOARD
PURSUANT TO RULE 705(5) OF THE LISTING MANUAL**

We, Yan Tao and Wang Zhimin, being two directors of CentraLand Limited (“the Company”), do hereby confirm on behalf of the directors of the Company, that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the first quarter financial results of the Company and of the Group for the financial period ended 31 March 2009 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Yan Tao
Chief Executive Officer

Wang Zhimin
Finance Director

13 May 2009