



CHINA YUANBANG PROPERTY HOLDINGS LIMITED
(Incorporated in Bermuda)
(Co. Reg. No: 39247)

3RD QUARTER FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 MARCH 2018

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

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

Group Statement of Comprehensive Income for period ended 31 March 2018. These figures have not been audited.

	Group 3 months ended			Group 9 months ended		
	31/3/2018 RMB'000 Unaudited	31/3/2017 RMB'000 Unaudited	% Changes	31/3/2018 RMB'000 Unaudited	31/3/2017 RMB'000 Unaudited	% Changes
Revenue	557,892	40,411	1,281%	816,686	222,420	267%
Cost of sales	(504,530)	(28,593)	1,665%	(715,251)	(154,852)	362%
Gross profit	53,362	11,818	352%	101,435	67,568	50%
Other income and gains	9,439	14,265	(34%)	28,224	30,273	(7%)
Selling expenses	(5,532)	(1,767)	213%	(31,683)	(11,412)	178%
Administrative expenses	(17,423)	(19,424)	(10%)	(65,520)	(63,245)	3.6%
Other operating expenses	(3,881)	(3,468)	12%	(11,089)	(9,797)	13%
Profit before income tax	35,965	1,424	2,426%	21,367	13,387	60%
Income tax expense	(6,862)	(4,239)	62%	(9,837)	(8,326)	18%
Profit/(loss) for the period	29,103	(2,815)	1,134%	11,530	5,061	128%
Other comprehensive income, net of tax Items that may be reclassified subsequently to profit or loss:						
Exchange differences on translation of financial statements of foreign operations, net of tax	125	100	25%	251	291	(14%)
Total comprehensive income for the period	29,228	(2,715)	1,177%	11,781	5,352	120%
Profit/(loss) attributable to:						
Owners of the Company	28,197	(3,337)	945%	(2,348)	(2,299)	(2%)
Non-controlling interests	906	522	74%	13,878	7,360	89%
	29,103	(2,815)	1,134%	11,530	5,061	128%
Total comprehensive income attributable to:						
Owners of the Company	28,322	(3,237)	975%	(2,097)	(2,008)	(4%)
Non-controlling interests	906	522	74%	13,878	7,360	89%
	29,228	(2,715)	1,177%	11,781	5,352	120%

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

Statements of Financial Position	Group		Company	
	31/3/2018 RMB'000 Unaudited	30/06/2017 RMB'000 Audited	31/3/2018 RMB'000 Unaudited	30/06/2017 RMB'000 Audited
ASSETS AND LIABILITIES				
Non-current assets				
Interests in subsidiaries	-	-	134,381	134,381
Property, plant and equipment	104,274	104,722	-	-
Investment properties	589,200	589,200	-	-
Land use rights	10,166	10,381	-	-
Deferred tax assets	49,738	49,738	-	-
	753,378	754,041	134,381	134,381
Current assets				
Properties held under development	1,761,991	1,329,810	-	-
Properties held for sale	1,268,348	1,949,859	-	-
Accounts receivable	32,730	32,802	-	-
Prepayments, deposits paid and other receivables	882,217	765,384	1,447	1,447
Due from subsidiaries	-	-	334,974	336,550
Cash and bank balances	252,345	523,431	-	-
Total current assets	4,197,631	4,601,286	336,421	337,997
Current liabilities				
Account payables	413,810	537,572	-	-
Receipts in advance	1,279,934	1,154,969	-	-
Accruals, deposits received and other payables	1,120,208	1,185,537	9,271	8,844
Interest-bearing bank and other borrowings	180,374	524,193	-	-
Income tax payable	207,698	189,453	-	-
Total current liabilities	3,202,024	3,591,724	9,271	8,844
Net current assets	995,607	1,009,562	327,150	329,153
Total assets less current liabilities	1,748,985	1,763,603	461,531	463,534
Non-current liabilities				
Interest-bearing bank and other borrowings	634,333	660,732	-	-
Deferred tax liabilities	138,749	138,749	-	-
	773,082	799,481	-	-
Net assets	975,903	964,122	461,531	463,534
EQUITY				
Equity attributable to owners of the Company				
Share capital	133,882	133,882	133,882	133,882
Reserves	530,879	532,976	327,649	329,652
	664,761	666,858	461,531	463,534
Non-controlling interests	311,142	297,264	-	-
Total equity	975,903	964,122	461,531	463,534

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

As at 31/3/2018		As at 30/06/2017	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
180,374	-	504,193	20,000

Amount repayable after one year

As at 31/3/2018		As at 30/06/2017	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
610,127	24,206	636,526	24,206

Details of any collateral

As at 31 March 2018, the Group's interest-bearing bank and other borrowings of RMB790.5 million were secured by the pledge of certain properties held under development, properties held for sale, investment properties and bank deposits of the Group.

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

	Group 3 months ended		Group 9 months ended	
	31/03/2018 RMB'000 Unaudited	31/03/2017 RMB'000 Unaudited	31/03/2018 RMB'000 Unaudited	31/03/2017 RMB'000 Unaudited
Cash flows from operating activities				
Profit before income tax	29,103	1,424	11,530	13,387
Adjustments for:				
Interest income	(166)	(246)	(979)	(548)
Amortisation of land use rights	71	89	215	269
Depreciation of property, plant and equipment	2,381	2,263	7,209	7,542
Operating profit before working capital changes	31,389	3,530	17,975	20,650
Increase in properties held under development	(31,844)	(41,442)	(312,676)	(185,869)
Decrease/(increase) in properties held for sale	398,957	20,625	581,511	(33,116)
Decrease in accounts receivable	-	-	72	6,377
Increase in prepayments, deposits paid and other receivables	(132,705)	(84,709)	(116,833)	(84,693)
Decrease in accounts payable	(37,907)	(42,638)	(123,762)	(96,316)
(Decrease)/increase in receipts in advance	(292,040)	176,743	124,965	395,330
(Decrease)/increase in accruals, deposits received and other payables	(42,610)	114,326	(65,329)	501,317
Cash (used in)/generated from operations	(106,760)	146,435	105,923	523,680
Income taxes refunded/(paid)	1,633	(7,093)	18,245	(14,867)
Interest received	166	246	979	548
<i>Net cash (used in)/generated from operating activities</i>	(104,961)	139,588	125,147	509,361
Cash flows from investing activities				
Purchases of property, plant and equipment	(2,922)	(2,750)	(6,761)	(13,204)
<i>Net cash used in investing activities</i>	(2,922)	(2,750)	(6,761)	(13,204)
Cash flows from financing activities				
Proceeds from bank and other borrowings	200,000	109,814	279,840	349,539
Repayments of bank and other borrowings	(52,191)	(87,975)	(650,058)	(642,051)
Interest paid	(7,214)	(41,831)	(19,505)	(110,515)
<i>Net cash generated from/(used in) financing activities</i>	140,595	(19,992)	(389,723)	(403,027)
Net increase/(decrease) in cash and cash equivalents	32,712	116,846	(271,337)	93,130
Effect on exchange translation	125	100	251	291
Cash and cash equivalents at beginning of period	104,767	174,827	408,690	198,352
Cash and cash equivalents at end of period	137,604	291,773	137,604	291,773

Note:

	Group 3 months ended		Group 9 months ended	
	31/3/2018 RMB'000 Unaudited	31/3/2017 RMB'000 Unaudited	31/3/2018 RMB'000 Unaudited	31/3/2017 RMB'000 Unaudited
Cash and bank balances	252,345	420,589	252,345	420,589
Less: Restricted bank balances	(114,741)	(128,816)	(114,741)	(128,816)
Cash and cash equivalents for the purpose of statement of cash flows	137,604	291,773	137,604	291,773

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.

Group	Share capital RMB'000	Share premium* RMB'000	Merger reserve* RMB'000	Revaluation reserve* RMB'000	Statutory reserve* RMB'000	Translation reserve* RMB'000	Retained earnings* RMB'000	Non-controlling Interests RMB'000	Total RMB'000
At 30 June 2016 and 1 July 2016 (Audited)	133,882	302,585	20,720	10,293	93,892	3,138	130,820	296,674	992,004
Profit for the period	-	-	-	-	-	-	(2,299)	7,360	5,061
Other comprehensive Income									
- Exchange difference arising on translation of financial statements of foreign subsidiaries	-	-	-	-	-	291	-	-	291
Total comprehensive income for the period	-	-	-	-	-	291	(2,299)	7,360	5,352
At 31 March 2017 (Unaudited)	133,882	302,585	20,720	10,293	93,892	3,429	128,521	304,034	997,356
At 30 June 2017 and 1 July 2017 (Audited)	133,882	302,585	20,720	10,293	93,892	2,399	103,087	297,264	964,122
Profit for the period	-	-	-	-	-	-	(2,348)	13,878	11,530
Other comprehensive Income									
- Exchange difference arising on translation of financial statements of foreign subsidiaries	-	-	-	-	-	251	-	-	251
Total comprehensive income for the period	-	-	-	-	-	251	(2,348)	13,878	11,781
At 31 March 2018 (Unaudited)	133,882	302,585	20,720	10,293	93,892	2,650	100,739	311,142	975,903

*These reserve accounts comprise the consolidated reserves of approximately RMB530,879,000 (3QFY2017: RMB559,440,000) in the Group's statement of financial position.

Company

	Share capital RMB'000	Share premium** RMB'000	Contributed surplus** RMB'000	Accumulated losses** RMB'000	Total RMB'000
At 30 June 2016 and 1 July 2016 (Audited)	133,882	304,474	35,064	(5,570)	467,850
Loss for the period and total comprehensive income for the period	-	-	-	(2,874)	(2,874)
At 31 March 2017 (Unaudited)	133,882	304,474	35,064	(8,444)	464,976
At 30 June 2017 and 1 July 2017 (Audited)	133,882	304,474	35,064	(9,886)	463,534
Loss for the period and total comprehensive income for the period	-	-	-	(2,003)	(2,003)
At 31 March 2018 (Unaudited)	133,882	304,474	35,064	(11,889)	461,531

** These reserve accounts comprise the Company's reserves of approximately RMB327,649,000 (3QFY2017: RMB331,094,000) in the Company's statement of financial position.

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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding year.

There were no shares held as treasury shares and the Company does not have any share that may be issued on conversion of any outstanding convertibles as at 31 March 2018.

There were no subsidiary holdings as at 31 March 2018.

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 proceeding year.

	Group		Company	
	31/3/2018	30/06/2017	31/3/2018	30/06/2017
Total number of issued shares	69,400,000	69,400,000	69,400,000	69,400,000
Less: Treasury shares	-	-	-	-
Total number of issued shares excluding treasury shares	69,400,000	69,400,000	69,400,000	69,400,000

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

Not applicable

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the 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.

The figures have neither been audited nor reviewed by the auditors.

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 applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those in the audited financial statements for the year ended 30 June 2017.

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.

The Group has adopted the new and revised International Financial Reporting Standards (IFRSs) which are relevant to and effective for the Group's Financial Statements for the financial periods beginning on 1 July 2017. The adoption of these new and amended IFRSs did not give rise to significant change to the financial statements.

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.

	Group		Group	
	3 months ended		9 months ended	
	31/3/2018	31/3/2017	31/3/2018	31/3/2017
	Unaudited	Unaudited	Unaudited	Unaudited
Profit/(loss) per ordinary share				
(a) Basic (RMB dollars)	0.41	(0.05)	(0.03)	(0.03)
(b) Fully diluted (RMB dollars)	N/A	N/A	N/A	N/A

Notes:

The calculation of basic profit/(loss) per ordinary share is based on the profit/(loss) for the three months ended 31 March 2018 (“3QFY2018”) and losses for the nine months ended 31 March 2018 (“9MFY2018”) attributable to owner of the Company of approximately profit of RMB28,197,000 and loss of RMB2,348,000, respectively (3QFY2017: loss of RMB3,337,000 and 9MFY2017: loss of RMB2,299,000) and on weighted average number of shares of 69,400,000 (2017: 69,400,000) ordinary shares in issue during the said periods.

Diluted earnings per share for the periods ended 31 March 2018 and 2017 was not presented as there was no potential dilution of the Company’s ordinary share capital.

- 7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**
(a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	31/3/2018	30/06/2017	31/3/2018	30/06/2017
Net asset value per ordinary share based on issued share capital at the end of the period: (RMB dollars)	9.58	9.61	6.65	6.68

Notes:

Net asset value per ordinary share was calculated based on:

1. the shareholder’s equity of the Group/ Company at 31 March 2018 and 30 June 2017; and
2. the issued ordinary shares at 31 March 2018 and 30 June 2017 of 69,400,000 ordinary shares.

- 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

Review of performance

Revenue

The Group’s revenue for 3QFY2018 and 9MFY2018 was mainly derived from the sale of residential units of Ming Yue Shui An (明月水岸) (“Xilang Project”), Shan Qing Shui Xiu (山清水秀) in Guangzhou City, Phase II of Aqua Lake Grand City (绿湖豪城) in Nanchang City (“Aqua Lake Project”) and Hou De Zai Wu (厚德载物) in Tonghua City (“Tonghua Project”).

The Group recorded a revenue of RMB557.9 million, which was RMB517.5 million higher compared to RMB40.4 million in 3QFY2017. The Group recorded a revenue of RMB816.7 million, which was RMB594.3 million higher compared to RMB222.4 million in 9MFY2017.

The increase in revenue was attributed to the accelerated efforts of the Group in handing over the residential units of its Tonghua Project (9MFY2018: 356 units; 9MFY2017: 259 units) and Xilang Project (3Q2018: 202 units; 3Q2017: Nil; 9M2018: 202 units; 9MFY2017: 4 units). Following the resolution of the delay in completion of the interior renovation works of Xilang Project, the handover procedures for 202 units of Xilang Project were completed expeditiously which resulted in a revenue of RMB527.1 million recognised in 3QFY2018.

Cost of sales

The Group's cost of sales in 3QFY2018 amounted to RMB504.5 million which was RMB475.9 million higher compared to RMB28.6 million in 3QFY2017. The Group's cost of sales in 9MFY2018 amounted to RMB715.3 million, which was RMB560.4 million higher compared to RMB154.9 million in 9MFY2017.

The increase in cost of sales for 3QFY2018 and 9MFY2018 was mainly due to (i) the cost of Xilang Project which was incurred in line with its revenue recognised and (ii) higher direct labour and material costs for Tonghua Project in 9MFY2018 compared to 9MFY2017.

Gross profit

The Group's gross profit in 3QFY2018 amounted to RMB53.3 million, which was RMB41.5 million higher compared to RMB11.8 million in 3QFY2017. The Group's gross profit in 9MFY2018 amounted to RMB101.4 million, which was RMB33.8 million higher compared to RMB67.6 million in 9MFY2017. The increase in gross profit was in line with the higher sales as a result of the increase in residential units handed over to the buyers.

The decrease in gross profit margin from 30% in 9MFY2017 to 12% in 9MFY2018 was mainly because of (i) a lower gross margin generated from the Xilang Project which lower the overall Group's margin performance; (ii) a slight decrease in gross margin for the Tonghua Project due to increased direct labour and material costs; and (iii) the absence of car park lots sales in 3QFY2018 and 9MFY2018.

Other income and gains

For 3QFY2018, the Group recorded other income and gains of RMB9.4 million, which was RMB4.9 million lower compared to RMB14.3 million in 3QFY2017. For 9MFY2018, the Group recorded other income and gains of RMB28.2 million, which was RMB2.1 million lower compared to RMB30.3 million in 9MFY2017.

For 9MFY2018, the decrease was the net effect of (i) the increased leased out ratios which contributed to the increase in rental income amounted to RMB12.9 million in 9MFY2018 compared to RMB7.4 million in 9MFY2017 and (ii) the decreased ticket sales income of Batai Mountain National Park of RMB11.4 million (9MFY2017: RMB15.6 million) due to *temporary halting of its operation during the current reporting period.

**please refer to the announcements released via SGXNet on 29 August 2017 and 20 September 2017.*

Selling expenses

The Group recorded selling expenses of RMB5.5 million in 3QFY2018, which was RMB3.7 million higher compared to RMB1.8 million in 3QFY2017. For 9MFY2018, the Group recorded selling expenses of RMB31.7 million, which were RMB20.3 million higher compared to RMB11.4 million in 9MFY2017.

The increase in selling expenses was mainly attributable to the sales commission to the sales agents due to the increased commission rate (from 2% to 7%) in order to incentivize them in accelerating the pre-sale of the Group's residential projects in Guangzhou City.

Administrative expenses

The Group recorded administrative expenses of RMB17.4 million in 3QFY2018, which were RMB2.0 million lower compared to RMB19.4 million in 3QFY2017.

For 9MFY2018, the Group recorded administrative expenses of RMB65.5 million, which were RMB2.3 million higher compared to RMB63.2 million in 9MFY2017.

The increase was mainly due to an increase in other taxes including urban construction tax and duties charged by the local government. (9MFY2018: RMB3.0 million, 9MFY2017: RMB1.1 million).

Other operating expenses

The amount mainly represented the direct expenses such as staff cost, repair and maintenance and others. The Group recorded other operating expenses of RMB3.9 million in 3QFY2018, which was RMB0.4 million higher compared to RMB3.5 million in 3QFY2017.

The Group recorded other operating expenses of RMB11.1 million in 9MFY2018, which was RMB1.3 million higher compared to RMB9.8 million in 9MFY2017. The increase was mainly attributable to the cost of rectification works incurred for Batai Mountain National Park project during the temporary halt period.

Income tax expense

The Group recorded income tax expense of RMB6.9 million in 3QFY2018, which was RMB2.7 million higher compared to RMB4.2 million in 3QFY2017. The Group recorded income tax expense of RMB9.8 million in 9MFY2018, which was RMB1.5 million higher compared to RMB8.3 million in 9MFY2017. The amount mainly represented the provision of land appreciation tax and enterprise income tax in line with increase in profit before tax during the period.

Profit/(loss) for the period

The Group recorded a profit of RMB29.1 million for 3QFY2018, compared to a loss of RMB2.8 million in 3QFY2017. The Group recorded a profit of RMB11.5 million for 9MFY2018, compared to a profit of RMB5.1 million in 9MFY2017.

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

Review of the Group Financial Position as at 31 March 2018

Current assets

As at 31 March 2018, the Group's current assets stood at RMB4,197.6 million, representing a decrease of RMB403.7 million compared to RMB4,601.3 million as at 30 June 2017.

The changes were mainly attributable to an increase in properties held under development by RMB432.2 million and a decrease in property held for sales by RMB681.5 million. The increase in properties held under development was attributable to the startup of the construction of Phase II of Tonghua Project and Phase III of Shan Qing Shui Xiu while a decrease in properties held for sales was due to the recognition of cost of sales during the period.

The decrease in cash and bank balances by RMB271.1 million was mainly the net effect of (i) net repayment of bank borrowings amounted to RMB370.2 million; and (ii) increase in receipt in advance from buyers of RMB125.0 million.

The breakdown of “Prepayments, deposits and other receivables” under the Group’s current assets is as follows:

		As at 31 March 2018 RMB’000	As at 30 June 2017 RMB’000
Prepayments	(a)	232,244	131,613
Deposits paid	(b)	15,431	15,479
Other receivables, net of impairment	(c)	634,542	618,292
		882,217	765,384

- (a) Prepayments comprise substantially the advances made to the subcontractors for purchase of construction materials.
- (b) Deposits of approximately RMB15 million were paid in relation to a proposed development of certain land parcels in Conghua City, Guangdong Province.
- (c) Other receivables comprise substantially loans to subcontractors for projects construction. These loans are usually unsecured, interest-free and repayable on demand and/or to be set off against construction costs. In addition, other receivables of approximately RMB255.5 million are also due from companies related to the non-controlling equity owners of New Zhong Yuan (Nanchang) Real Estate Co. Ltd (“New Zhong Yuan”), a subsidiary of the Group. Saved for an amount of approximately RMB11.0 million which bears a fixed interest rate of 16.96% per annum and repayable on demand, the balances are interest-free, repayable on demand and secured by the equity interest in New Zhong Yuan that is currently held by the non-controlling equity owners.

Current liabilities

As at 31 March 2018, the Group’s current liabilities stood at RMB3,202.0 million, representing an decrease of RMB389.7 million, compared to RMB3,591.7 million as at 30 June 2017.

The decrease in balance was due mainly to the net effect of (i) decrease in accounts payable due to payments made during the period; (ii) net decrease in interest-bearing bank and other borrowings of RMB343.8 million as a result of the repayment of loans, and (iii) net increase in receipts in advance from (a) presale of the units of Tonghua Project and Phase III of Shan Qing Shui Xiu and (b) cost of sales recognized upon the handover of units of Xilang Project and Tonghua Project during the period.

The breakdown of “Accruals, deposits received and other payables” under the Group’s current liabilities is as follows:

		As at 31 March 2018 RMB’000	As at 30 June 2017 RMB’000
Accruals	(a)	62,671	53,569
Refundable deposits made by property purchasers	(b)	703,640	778,071
Other payables	(c)	353,897	353,897
		1,120,208	1,185,537

- (a) Accruals comprise substantially accrued construction costs due to the subcontractors.
- (b) During the pre-sale of the three projects namely Shan Qing Shui Xiu, Ming Yue Shui An and Hou De Zai Wu, the Group received refundable deposits from potential buyers. Upon the execution of sales and purchase agreements with the buyers, the amount will be reclassified as "Receipts in advance". Should the potential buyers withdraw their purchase, the deposits will be fully refunded to them. As at 31 March 2018, the Group had received deposits amounted to approximately RMB703.6 million.
- (c) At 31 March 2018, other payables included:
- (i) an amount of approximately RMB70 million due to senior management and non-controlling equity owners of Tonghua Litong Real Estate Development Co., Ltd, a subsidiary of the Group. The balances are interest-free, unsecured and repayable on demand.
- (ii) an amount of approximately RMB23,895,000 representing the accruals made for the settlement of the legal actions against the Group. Details of the legal actions are set out on page 109 of Company's FY2017 Annual Report.
- (iii) an amount of approximately RMB34,000,000 representing the consideration received from an independent third party relating to the disposal of its 25% equity interest in Wanyuan Resort ("Disposal") in December 2015. The transaction has not yet completed as the transfer of land title has not been approved by the relevant authorities. Details of the Disposal are set out in an announcement of the Company dated 28 December 2015.
- (iv) an amount of approximately RMB87 million representing the deposits received from the local government of Tonghua City for the construction of properties earmarked for residents who were affected by the relocation when the Group acquired the land for the construction of Hou De Zai Wu; and
- (v) the remaining balances comprises other tax payables, including value added taxes payables of RMB11.8 million, and short-term working capital borrowings from two subcontractors of approximately RMB67 million.

Non-current liabilities

As at 31 March 2018, the Group's non-current liabilities stood at RMB773.1 million, representing a decrease of RMB26.4 million, compared to RMB799.5 million as at 30 June 2017. The decrease in balance was mainly due to an amount of RMB26.4 million in bank and other borrowings which was reclassified under current liabilities as its maturity will be due in one year.

Total equity

As at 31 March 2018, the Group's equity stood at RMB975.9 million, an increase of RMB11.8 million from RMB964.1 million as at 30 June 2017. This was due mainly to the profit for the period under review.

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

The results are in line with item 10 of the Company's results announcement for the quarter ended 31 December 2017 released via SGXNet on 12 February 2018.

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 Chinese Government has recently implemented new housing policies to reduce speculation in the property market in major cities, including measures such as higher down-payments and restriction on third-home purchases. As such, China's residential property market is expected to face headwinds in 2018.

The Group has laid down its strategies to focus its property development efforts in Guangzhou. Sales efforts of other property projects in the second tier cities outside of Guangzhou have been stepped up and at the same time, the Group is actively seeking for new land bank reserves in Guangzhou.

Details of the occupancy and take-up rates of the Group's major existing projects which had obtained pre-sale certificates as at 31 March 2018 are as follows:

	Shan Qing Shui Xiu (山清水秀)	Aqua Lake Grand City (Phase II) (绿湖豪城)	Ming Yue Xing Hui (明月星辉)	Ming Yue Jin An (明月金岸)	Ming Yue Shui An (明月水岸)	Hou De Zai Wu (厚德载物)
Total units of residential for sales	1,791	1,005	431	404	605	2,035
Total units handed over to buyers as of 31 March 2018	352	989	431	402	548	1,028
Percentage of handed over	20%	98%	100%	99%	91%	51%
Pre-sale units not handed over to buyers as at 31 March 2018						
- Residential units	790	12	-	1	57	741
- Carpark	-	-	13	3	-	1
Pre-sale value of units not handed over to buyers as at 31 March 2018	RMB505.9 million	RMB70.2 million	RMB7.1 million	RMB2.1 million	RMB71.9 million	RMB620.7 million

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

N/A

(d) Books closure date

N/A

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

No dividend has been declared or recommended for the third quarter results ended 31 March 2018.

13. Confirmation By Directors Pursuant to Rule 705(5) of the Listing Manual of SGX-ST.

We confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of China Yuanbang Property Holdings Limited which may render the financial statements for 3QFY2018 and 9MFY2018 to be false or misleading in any material aspect.

For and on behalf of the
Board of Directors of
China Yuanbang Property Holdings Limited

Lin Yeju
Non-Executive Chairman

Zhou Jiangtao
Director

14. General mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii)

The Company does not have an IPT mandate.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1)

The Company hereby confirms that it has procured undertakings from all the directors and executive offices under Rule 720(1).

BY ORDER OF THE BOARD

Lin Yeju
Non-Executive Chairman

15 May 2018