



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

2ND QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 DECEMBER 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 December 2018. These figures have not been audited.

	Group 3 months ended			Group 6 months ended		
	31/12/2018 RMB'000 Unaudited	31/12/2017 RMB'000 Unaudited	% Changes	31/12/2018 RMB'000 Unaudited	31/12/2017 RMB'000 Unaudited	% Changes
Revenue	657,637	154,216	326.4	905,437	258,794	249.9
Cost of sales	(480,860)	(128,409)	274.5	(619,626)	(210,721)	194.1
Gross profit	176,777	25,807	585.0	285,811	48,073	494.5
Other income and gains	9,554	8,960	6.6	20,506	18,785	9.2
Selling expenses	(14,602)	(11,495)	27.0	(31,741)	(26,151)	21.4
Administrative expenses	(14,766)	(33,115)	(55.4)	(30,009)	(48,097)	(37.6)
Other operating expenses	(7,220)	(3,531)	104.5	(16,461)	(7,208)	128.4
Operating profit/ (loss)	149,743	(13,374)	N.M*	228,106	(14,598)	N.M*
Finance costs	(568)	-	100.0	(1,136)	-	100.0
Profit/ (loss) before income tax	149,175	(13,374)	N.M*	226,970	(14,598)	N.M*
Income tax expense	(13,740)	(1,156)	1,088.6	(48,225)	(2,975)	1,521.0
Profit/ (loss) for the period	135,435	(14,530)	N.M*	178,745	(17,573)	N.M*
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	(637)	189	(437.0)	(1,327)	126	N.M*
Total comprehensive income for the period	134,798	(14,341)	N.M*	177,418	(17,447)	N.M*
Profit/ (loss) attributable to:						
Owners of the Company	136,071	(19,537)	N.M*	181,131	(30,545)	N.M*
Non-controlling interests	(636)	5,007	N.M*	(2,386)	12,972	N.M*
	135,435	(14,530)	N.M*	178,745	(17,573)	N.M*
Total comprehensive income attributable to:						
Owners of the Company	135,434	(19,348)	N.M*	179,804	(30,419)	N.M*
Non-controlling interests	(636)	5,007	N.M*	(2,386)	12,972	N.M*
	134,798	(14,341)	N.M*	177,418	(17,447)	N.M*

* Not Meaningful

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	
	31/12/2018 RMB'000 Unaudited	30/6/2018 RMB'000 Audited	31/12/2018 RMB'000 Unaudited	30/6/2018 RMB'000 Audited
ASSETS AND LIABILITIES				
Non-current assets				
Interests in subsidiaries	-	-	134,381	134,381
Property, plant and equipment	106,876	107,299	-	-
Investment properties	586,800	586,800	-	-
Land use rights	10,202	10,094	-	-
Prepayment	120,000	85,000	-	-
Loan receivables	18,800	18,800	-	-
Deferred tax assets	34,065	34,065	-	-
	876,743	842,058	134,381	134,381
Current assets				
Properties held under development	1,555,554	1,708,654	-	-
Properties held for sale	1,449,968	1,378,865	-	-
Accounts receivable	49,624	35,721	-	-
Prepayments, deposits paid and other receivables	661,392	752,032	1,464	1,406
Due from customers for contract work	22,444	22,444	-	-
Loan receivable	6,405	6,152	-	-
Due from subsidiaries	-	-	333,820	335,699
Cash and bank balances	152,946	180,310	-	-
	3,898,333	4,084,178	335,284	337,105
Current liabilities				
Accounts payable	611,007	654,664	-	-
Receipts in advance	1,140,204	1,310,959	-	-
Accruals, deposits received and other payables	765,695	951,950	9,393	9,888
Interest-bearing bank and other borrowings	263,887	268,244	-	-
Income tax payable	209,593	197,515	-	-
	2,990,386	3,383,332	9,393	9,888
Net current assets	907,947	700,846	325,891	327,217
Total assets less current liabilities	1,784,690	1,542,904	460,272	461,598
Non-current liabilities				
Interest-bearing bank and other borrowings	555,347	490,979	-	-
Deferred tax liabilities	139,876	139,876	-	-
	695,223	630,855	-	-
Net assets	1,089,467	912,049	460,272	461,598
EQUITY				
Equity attributable to owners of the Company				
Share capital	133,882	133,882	133,882	133,882
Reserves	667,742	487,938	326,390	327,716
	801,624	621,820	460,272	461,598
Non-controlling interests	287,843	290,229	-	-
Total equity	1,089,467	912,049	460,272	461,598

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

As at 31/12/2018		As at 30/06/2018	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
236,483	27,404	244,504	23,740

Amount repayable after one year

As at 31/12/2018		As at 30/06/2018	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
555,347	-	490,979	-

Details of any collateral

As at 31 December 2018, the Group's interest-bearing bank borrowings of RMB602.7 million were secured by the pledge of certain properties held under development, properties held for sale and investment properties 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 6 months ended	
	31/12/2018 RMB'000 Unaudited	31/12/2017 RMB'000 Unaudited	31/12/2018 RMB'000 Unaudited	31/12/2017 RMB'000 Unaudited
Cash flows from operating activities				
Profit/ (loss) before income tax	149,175	(14,530)	226,970	(17,573)
Adjustments for:				
Interest income	(1,053)	(143)	(2,131)	(813)
Amortisation of land use rights	73	72	144	144
Depreciation of property, plant and equipment	2,024	2,420	4,256	4,828
Operating profit/ (loss) before working capital changes	150,219	(12,181)	229,239	(13,414)
Decrease/ (increase) in properties held under development	202,221	(168,543)	190,015	(280,832)
(Increase)/ decrease in properties held for sale	(202,840)	99,370	(71,103)	182,554
(Increase)/ decrease in accounts receivable	(7,967)	8	(13,903)	72
Decrease in prepayments, deposits paid and other receivables	124,670	7,430	90,640	15,872
Decrease/ (increase) in account payables	231,879	(26,782)	(43,657)	(85,855)
(Decrease)/ increase in receipts in advance	(448,817)	187,973	(170,755)	417,005
Decrease/ (increase) in accruals, deposits received and other payables	(88,961)	18,857	(186,255)	(22,719)
Cash (used in)/ generated from operations	(39,596)	106,132	24,221	212,683
Income taxes (paid)/ refunded	(7,959)	14,673	(36,147)	16,612
Interest received	1,053	143	1,878	813
<i>Net cash (used in)/ generated from operating activities</i>	(46,502)	120,948	(10,048)	230,108
Cash flows from an investing activity				
Increase in deposit paid	-	-	(35,000)	-
Purchase of property, plant and equipment	(1,895)	(1,635)	(4,085)	(3,839)
<i>Net cash used in investing activities</i>	(1,895)	(1,635)	(39,085)	(3,839)
Cash flows from financing activities				
Proceeds from bank and other borrowings	880	51,000	100,880	79,840
Repayments of bank and other borrowings	(14,714)	(190,999)	(40,869)	(597,867)
Interest paid	(10,000)	(2,939)	(36,915)	(12,291)
<i>Net cash (used in)/ generated from financing activities</i>	(23,834)	(142,938)	23,096	(530,318)
Net decrease in cash and cash equivalents	(72,231)	(23,625)	(26,037)	(304,049)
Effect on exchange translation	(637)	189	(1,327)	126
Cash and cash equivalents at beginning of period	206,855	128,203	161,351	408,690
Cash and cash equivalents at end of period	133,987	104,767	133,987	104,767

Note:

	Group 3 months ended		Group 6 months ended	
	31/12/2018 RMB'000 Unaudited	31/12/2017 RMB'000 Unaudited	31/12/2018 RMB'000 Unaudited	31/12/2017 RMB'000 Unaudited
Cash and bank balances	152,946	219,508	152,946	219,508
Less: Restricted bank deposits	(18,959)	(114,741)	(18,959)	(114,741)
Cash and cash equivalents for the purpose of statement of cash flows	133,987	104,767	133,987	104,767

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 profits* RMB'000	Non- controlling Interests RMB'000	Total Equity RMB'000
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
(Loss)/profit for the period	-	-	-	-	-	-	(30,545)	12,972	(17,573)
Other comprehensive income - Exchange differences on translation of financial statements of foreign operations	-	-	-	-	-	126	-	-	126
Total comprehensive income for the period	-	-	-	-	-	126	(30,545)	12,972	(17,447)
At 31 December 2017 (Unaudited)	133,882	302,585	20,720	10,293	93,892	2,525	72,542	310,236	946,675
At 30 June 2018 and 1 July 2018 (Audited)	133,882	302,585	20,720	10,293	93,892	4,064	56,384	290,229	912,049
Profit/ (loss) for the period	-	-	-	-	-	-	181,131	(2,386)	178,745
Other comprehensive income - Exchange differences on translation of financial statements of foreign operations	-	-	-	-	-	(1,327)	-	-	(1,327)
Total comprehensive income for the period	-	-	-	-	-	(1,327)	181,131	(2,386)	177,418
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-
At 31 December 2018 (Unaudited)	133,882	302,585	20,720	10,293	93,892	2,737	237,515	287,843	1,089,467

* These reserve accounts comprise the consolidated reserves of approximately RMB667,742,000 (2QFY2018: RMB502,557,000) in the consolidated 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 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 year	-	-	-	(1,384)	(1,384)
At 31 December 2017 (Unaudited)	133,882	304,474	35,064	(11,270)	462,150
At 30 June 2018 and 1 July 2018 (Audited)	133,882	304,474	35,064	(11,822)	461,598
Loss for the period and total comprehensive income for the year	-	-	-	(1,326)	(1,326)
At 31 December 2018 (Unaudited)	133,882	304,474	35,064	(13,148)	460,272

** These reserve accounts comprise the Company's reserves of approximately RMB326,390,000 (2QFY2018: RMB328,268,000) 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 December 2018.

There were no subsidiary holdings as at 31 December 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 preceding year.

	Group		Company	
	31/12/2018	30/06/2018	31/12/2018	30/06/2018
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, disposal, 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 had applied the same accounting policies and methods of computation in the financial statements for the current reporting period as in those of the audited financial statement for the year ended 30 June 2018.

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 same accounting policies and methods of computation as stated in the audited financial statements for the year ended 30 June 2018, except for the adoption for the new and amended International Financial Reporting Standards (IFRSs) which become effective on 1 July 2018.

The Group has adopted the following new IFRSs effective for the financial period beginning 1 July 2018:

(i) IFRS 15 Revenue from Contracts with Customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It also introduces new cost guidance which requires certain costs of obtaining and fulfilling contracts to be recognised as separate assets when specified criteria are met. There is no significant impact to the financial statements of the Group for the current and comparative financial period arising from the adoption of IFRS 15.

(ii) IFRS 9 Financial Instruments

IFRS 9 introduces revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements.

There is no change in measurement basis arising from the adoption of the new classification and measurement model. In assessing for impairment losses on financial assets, the Group has adopted the simplified approach by applying lifetime expected credit losses on its loans and receivables (if applicable). The impairment calculated using the expected credit loss model does not have a significant impact to the financial statements of the Group for the current and comparative financial period arising from the adoption of IFRS 9.

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		6 months ended	
	31/12/2018	31/12/2017	31/12/2018	31/12/2017
	Unaudited	Unaudited	Unaudited	Unaudited
Earnings/ (losses) per share				
(a) Basic (RMB dollars)	1.96	(0.28)	2.61	(0.44)
(b) Fully diluted (RMB dollars)	N/A	N/A	N/A	N/A

Note:

The calculation of basic earnings / (losses) per ordinary share is based on the profit for the three months ended 31 December 2018 ("2QFY2019") and six months ended 31 December 2018 ("1HFY2019") attributable to owner of the Company of approximately RMB136,071,000 and RMB181,131,000, respectively (2QFY2018: loss of RMB19,537,000 and 1HFY2018: RMB30,545,000) and on weighted average number of shares of 69,400,000 (2QFY2018 and 1HFY2018: 69,400,000) ordinary shares in issue during the said periods.

Diluted earnings per share for the period ended 31 December 2018 and diluted loss per share for the period ended 31 December 2017 were 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	
	31/12/2018	30/06/2018	31/12/2018	30/06/2018
Net asset value per ordinary share based on issued share capital at the end of the period: (RMB dollars)	11.55	8.96	6.63	6.65

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

For the second quarter ended 31 December 2018 ("2QFY2019"), the Group's revenue was mainly derived from the sales of units in Shan Qing Shui Xiu (山清水秀), Ming Yue Shui An (明月水岸) and Hou De Zai Wu (厚德载物).

The Group recorded a revenue of RMB657.6 million in 2QFY2019, which was RMB503.4 million higher compared to RMB154.2 million in 2QFY2018. For 1HFY2019, the Group's

revenue was RMB905.4 million which was RMB646.6 million higher compared to RMB258.8 million in 1HFY2018.

The increase in revenue was attributed to the significant number of residential units handover in 1HFY2019 which included 843 residential units of Shan Qing Shui Xiu, 85 residential units of Ming Yue Shui An and 114 residential units of Hou De Zai Wu.

Cost of sales

The Group's cost of sales in 2QFY2019 amounted to RMB480.9 million which was RMB352.5 million higher compared to RMB128.4 in 2QFY2018. For 1HFY2019, the Group's cost of sales amounted to RMB619.6 million which was RMB408.9 million higher compared to 210.7 million in 1HFY2018.

The increase in cost of sales was mainly attributable to the increase in number of residential units handed over to customers.

Gross profit

The Group's gross profit in 2QFY2019 amounted to RMB176.8 million, which was RMB151.0 million higher compared to RMB25.8 million in 2QFY2018. For 1HFY2019, the Group's gross profit amounted to RMB285.8 million, which was RMB237.7 million higher compared to RMB48.1 million in 1HFY2017.

The increase in gross profit was due to higher gross profit margin for the sale units of Ming Yue Shui An and Shan Qing Shui Xiu., while the sales in the previous corresponding period were mainly from the Tong Hua project which commanded lower margins.

Other income and gains

For 2QFY2019, the Group recorded other income and gains of RMB9.6 million, which was RMB0.6 million higher compared to RMB9.0 million in 2QFY2018. For 1HFY2019, the Group's other income and gains of RMB20.5 million which was RMB1.7 million higher compared to RMB18.8 million in 1HFY2018.

The increase in 1HFY2019 was mainly due to increase in ticket sales income of Batai Mountain National Park. During 1QFY2018, the Group temporary halted its operation of Batai Mountain National Park due to certain application procedures for the facilities at the park found not in order and did not meet the compliance requirements in relation to the protection of the environment and community in the vicinity. The ticket sales income of Batai Mountain National Park for 1HFY2019 was RMB 1.6 million higher compared to same period last year.

Selling expenses

The Group recorded selling expenses of RMB14.6 million in 2QFY2019, which was RMB3.1 million higher compared to RMB11.5 million in 2QFY2018. For 1HFY2019, the Group's selling expenses were RMB31.7 million which were RMB5.5 million higher compared to RMB26.2 million in 1HFY2018.

The increase was mainly attributable to the sales commission to agents and sales promotion expenses, which was in line with the increase in revenue.

Administrative expenses

The Group recorded administrative expenses of RMB14.8 million in 2QFY2019, which were RMB18.3 million lower compared to RMB33.1 million in 2QFY2018. For 1HFY2019, the Group's administrative expenses of RMB30.0 million which were RMB18.1 million lower compared to RMB48.1 million in 1HFY2018.

Due to the effective cost control policies, the Group was able to reduce staff cost and travelling expenses in the 1HFY2019. Further, a surcharge for overdue payment of RMB 6.1 million was recorded in the same period last year. The surcharge was a one-off payment to a construction contractor and no such item recorded in 2Q2019

Other operating expenses

The Group recorded other operating expenses of RMB7.2 million in 2QFY2019, which were RMB3.7 million higher compared to RMB3.5 million in 2QFY2018. For 1HFY2019, the Group's other operating expenses of RMB16.5 million which were RMB9.3 million higher compared to RMB7.2 million in 1HFY2018.

These comprise the direct costs of the operation of Batai Mountain National Park and other taxes including urban construction tax and duties charged by the local government amounted to RMB4.1 million and RMB5.2 million, respectively.

Finance costs

The Group recorded finance costs of RMB1.1 million in 1HFY2019 (1HFY2018: Nil). The increase in finance costs was mainly due to an increase in other borrowing for general operating purpose. The finance costs were not capitalized in properties held under development.

Income tax expense

The Group recorded income tax expense of RMB13.7 million in 2QFY2019, which was RMB12.5 million higher compared to RMB1.2 million in 2QFY2018. For 1HFY2019, the Group recorded income tax expense of RMB48.3 million which was RMB45.3 million higher compared to RMB3.0 million in 1HFY2018. The amount mainly represented the provision of land appreciation tax and enterprise income tax during the period.

As the Group recorded a loss before tax in the same period last year, there was no enterprise income tax expense.

Profit for the period

Net profit attributable to owners of the Company of RMB136.1 million was recorded for 1HFY2019, compared to a net loss attributable to owners of the Company of RMB19.5 million for 1HFY2018. The increase was mainly due to increase in recognition of sales of properties as revenue after the handover of residential units of Ming Yue Shui An and Shan Qing Shui Xiu to buyers and as a result of cost control policy for administration expenses.

(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 December 2018

Current assets

As at 31 December 2018, the Group's current assets of RMB3,898.3 million, representing a slight decrease of RMB185.9 million compared to RMB4,084.2 million as at 30 June 2018.

The decrease was due to the net effect of (i) decrease in properties held under development by RMB153.1 million due to completed properties which were transferred to property held for sales in respect of Shan Qing Shui Xiu; (ii) increase in property held for sales by RMB71.1

million; (iii) decrease in prepayment, deposit and other receivables of RMB90.6 million; (iv) decrease in cash and bank balances of RMB27.4 million.

The loan receivable of RMB6.4 million was related to an interest-bearing development loan made to Kaiping Qingshi Auto Parts Co., Limited (“Kaiping Qingshi”), in which the Executive Director of the Company, Mr. Zhou Jiangtao holds an effective 30.6% equity interest. The purpose of the loan was to fund the initial re-development of a parcel of land in Kaiping City of Guangdong Province held by Kaiping Qingshi. It is the Group’s intent to eventually participate in the redevelopment of the said land asset.

Non-current assets

As at 31 December 2018, the Group had non-current assets of RMB876.7 million, representing an increase of RMB34.6 million compared to RMB842.1 million as at 30 June 2018. The increase was mainly attributable to the payment of balance deposit of RMB35.0 million. The full refundable deposit of RMB120.0 million was made in relation for the possible acquisition of equity interest in a company that holds the development rights to a 32,566.64 sqm. land parcel in Huadu District of Guangzhou. The said transaction is awaiting approval from the relevant regulatory authorities to re-develop the land. The Company will make the appropriate announcement when the acquisition materializes.

Current liabilities

As at 31 December 2018, the Group’s current liabilities stood at RMB2,900.4 million, representing an decrease of RMB482.9 million, compared to RMB3,383.3 million as at 30 June 2018.

The decrease in balance was due mainly to the net effect of (i) decrease in accruals by RMB186.3 million as a result of settlement of accrued construction cost; and (ii) decrease in receipt in advance of RMB170.8 million from buyers of Ming Yue Shui An and Shan Qing Shui Xiu.

Non-current liabilities

As at 31 December 2018, the Group’s non-current liabilities stood at RMB695.2 million, representing an increase of RMB64.3 million, compared to RMB630.9 million as at 30 June 2018. The increase in balance was due to the net effect of the new bank and other borrowings of RMB100.9 million and repayment of the bank and other borrowings of RMB40.9 million.

Total equity

As at 31 December 2018, the Group’s equity stood at RMB1,089.5 million, representing an increase of RMB177.5 million, compared to RMB912.0 million as at 30 June 2018. 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 the profit guidance announcement released by the Company on 1 February 2019 via SGXNet.

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 property sector in China is expected to continue to be challenging in view of the tight regulatory controls on home purchases, restricted access to credit for developers and homebuyers, and weaker sentiment among homebuyers.

In light of the challenging environment, the Group will continue to take a prudent approach in its activities and fine tune its business development strategy. The Group will continue its focus in property development projects in Guangdong, and accelerate its efforts to sell its projects inventory outside Guangdong province. The Group is also actively seeking opportunities with other properties developers on new projects in Guangdong province.

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

	Shan Qing Shui Xiu (山清水秀)	Aqua Lake Grand City (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 available for sales	1,791	3,332	984	713	1,419	3,936
Total units handed over to buyers as of 31 December 2018	1,206	3,324	910	472	744	1,535
Percentage of handed over	67%	99.8%	92%	66%	52%	39%
Pre-sale units not handed over to buyers as at 31 December 2018						
- Residential unit	438	8	-	1	8	1,356
- Carpark unit	23	-	-	-	-	-
Pre-sale value received not handed over to buyers as at 31 December 2018	RMB409.5 million	RMB52.8 million	Nil	RMB2.1 million	RMB3.5 million	RMB666.4 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 and the reason(s) for the decision.

No dividend has been declared or recommended for the second quarter results ended 31 December 2018 as the Group wishes to reserve its cash for operational purpose.

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 2QFY2019 and 1HFY2019 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

14 February 2019