



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

**1ST QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2017**

**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 30 September 2017. These figures have not been audited.

	Group 3 months ended		% Changes
	30/09/2017 RMB'000 Unaudited	30/09/2016 RMB'000 Unaudited	
<b>Revenue</b>	<b>104,578</b>	37,506	178.8
Cost of sales	(82,312)	(30,254)	172.1
<b>Gross profit</b>	<b>22,266</b>	7,252	207.0
Other income and gains	9,825	6,166	59.3
Selling expenses	(14,656)	(4,878)	200.5
Administrative expenses	(14,982)	(14,710)	1.8
Other operating expenses	(3,677)	(1,921)	91.4
<b>Loss before income tax</b>	<b>(1,224)</b>	(8,091)	(84.9)
Income tax expense	(1,819)	(469)	287.8
<b>Loss for the period</b>	<b>(3,043)</b>	(8,560)	(64.5)
<b>Other comprehensive income, net of tax items, that may be reclassified subsequently to profit or loss:</b>			
Exchange differences on translation of financial statements of foreign operations	(63)	111	(156.8)
<b>Total comprehensive income for the period</b>	<b>(3,106)</b>	(8,449)	(63.2)
<b>Profit/(loss) attributable to:</b>			
Owners of the Company	(11,008)	(8,554)	28.7
Non-controlling interests	7,965	(6)	(132,850.0)
	<b>(3,043)</b>	(8,560)	(64.5)
<b>Total comprehensive income attributable to:</b>			
Owners of the Company	(11,071)	(8,443)	31.1
Non-controlling interests	7,965	(6)	(132,850.0)
	<b>(3,106)</b>	(8,449)	(63.2)

**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	
	30/09/2017 RMB'000 Unaudited	30/06/2017 RMB'000 Audited	30/09/2017 RMB'000 Unaudited	30/06/2017 RMB'000 Audited
<b>ASSETS AND LIABILITIES</b>				
<b>Non-current assets</b>				
Interests in subsidiaries	-	-	134,381	134,381
Property, plant and equipment	104,518	104,722	-	-
Investment properties	589,200	589,200	-	-
Land use rights	10,309	10,381	-	-
Deferred tax assets	49,738	49,738	-	-
	<b>753,765</b>	<b>754,041</b>	<b>134,381</b>	<b>134,381</b>
<b>Current assets</b>				
Properties held under development	1,451,451	1,329,810	-	-
Properties held for sale	1,866,675	1,949,859	-	-
Accounts receivable	32,738	32,802	-	-
Prepayments, deposits paid and other receivables	756,942	765,384	1,447	1,447
Due from subsidiaries	-	-	336,394	336,550
Cash and bank balances	242,944	523,431	-	-
	<b>4,350,750</b>	<b>4,601,286</b>	<b>337,841</b>	<b>337,997</b>
<b>Current liabilities</b>				
Accounts payables	478,499	537,572	-	-
Receipts in advance	1,384,001	1,154,969	-	-
Accruals, deposits received and other payables	1,143,961	1,185,537	9,382	8,844
Interest-bearing bank and other borrowings	292,650	524,193	-	-
Income tax payable	191,392	189,453	-	-
	<b>3,490,503</b>	<b>3,591,724</b>	<b>9,382</b>	<b>8,844</b>
<b>Net current assets</b>	<b>860,247</b>	<b>1,009,562</b>	<b>328,459</b>	<b>329,153</b>
<b>Total assets less current liabilities</b>	<b>1,614,012</b>	<b>1,763,603</b>	<b>462,840</b>	<b>463,534</b>
<b>Non-current liabilities</b>				
Interest-bearing bank and other borrowings	514,247	660,732	-	-
Deferred tax liabilities	138,749	138,749	-	-
	<b>652,996</b>	<b>799,481</b>	<b>-</b>	<b>-</b>
<b>Net assets</b>	<b>961,016</b>	<b>964,122</b>	<b>462,840</b>	<b>463,534</b>
<b>EQUITY</b>				
<b>Equity attributable to owners of the Company</b>				
Share capital	133,882	133,882	133,882	133,882
Reserves	521,905	532,976	328,958	329,652
	<b>655,787</b>	<b>666,858</b>	<b>462,840</b>	<b>463,534</b>
<b>Non-controlling interests</b>	<b>305,229</b>	<b>297,264</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>961,016</b>	<b>964,122</b>	<b>462,840</b>	<b>463,534</b>

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

As at 30/09/2017		As at 30/06/2017	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
272,650	20,000	504,193	20,000

**Amount repayable after one year**

As at 30/09/2017		As at 30/06/2017	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
490,041	24,206	636,526	24,206

**Details of any collateral**

As at 30 September 2017, the Group's interest-bearing bank borrowings of RMB762.7 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	
	30/09/2017 RMB'000 Unaudited	30/09/2016 RMB'000 Unaudited
<b>Cash flows from operating activities</b>		
Loss before income tax	(3,043)	(8,091)
Adjustments for:		
Interest income	(670)	(130)
Amortisation of land use rights	72	89
Depreciation of property, plant and equipment	2,408	2,300
Operating loss before working capital changes	(1,233)	(5,832)
Increase in properties held under development	(112,289)	(13,284)
Decrease in properties held for sale	83,184	9,589
Decrease in accounts receivable	64	6,377
Decrease/(increase) in prepayments, deposits paid and other receivables	8,442	(30,469)
Decrease in account payables	(59,073)	(191,489)
Increase in receipts in advance	229,032	223,362
(Decrease)/increase in accruals, deposits received and other payables	(41,576)	241,568
Cash generated from operations	106,551	239,822
Income taxes refunded/(paid)	1,939	(9,573)
Interest received	670	130
<i>Net cash generated from operating activities</i>	<b>109,160</b>	<b>230,379</b>
<b>Cash flows from an investing activity</b>		
Purchases of property, plant and equipment, representing net cash used in an investing activity	(2,204)	(5,914)
<b>Cash flows from financing activities</b>		
Proceeds from bank and other borrowings	28,840	207,629
Repayments of bank and other borrowings	(406,868)	(369,516)
Interest paid	(9,352)	(41,831)
<i>Net cash used in financing activities</i>	<b>(387,380)</b>	<b>(203,718)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(280,424)</b>	<b>20,747</b>
<b>Effect on exchange translation</b>	<b>(63)</b>	<b>111</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>408,690</b>	<b>105,871</b>
<b>Cash and cash equivalents at end of period</b>	<b>128,203</b>	<b>126,729</b>

Note:

	Group	
	3 months ended 30/09/2017 RMB'000 Unaudited	30/09/2016 RMB'000 Unaudited
Cash and bank balances	242,944	219,210
Less: Restricted bank deposits	(114,741)	(92,481)
<b>Cash and cash equivalents for the purpose of statement of cash flows</b>	<b>128,203</b>	<b>126,729</b>

**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 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
Loss for the period	-	-	-	-	-	-	(8,554)	(6)	(8,560)
Other comprehensive income									
- Exchange difference arising on translation of financial statements of foreign subsidiaries	-	-	-	-	-	111	-	-	111
Total comprehensive income for the period	-	-	-	-	-	111	(8,554)	(6)	(8,449)
<b>At 30 September 2016 (Unaudited)</b>	<b>133,882</b>	<b>302,585</b>	<b>20,720</b>	<b>10,293</b>	<b>93,892</b>	<b>3,249</b>	<b>122,266</b>	<b>296,668</b>	<b>983,555</b>
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 for the period	-	-	-	-	-	-	(11,008)	7,965	(3,043)
Other comprehensive income									
- Exchange difference arising on translation of financial statements of foreign subsidiaries	-	-	-	-	-	(63)	-	-	(63)
Total comprehensive income for the period	-	-	-	-	-	(63)	(11,008)	7,965	(3,106)
<b>At 30 September 2017 (Unaudited)</b>	<b>133,882</b>	<b>302,585</b>	<b>20,720</b>	<b>10,293</b>	<b>93,892</b>	<b>2,336</b>	<b>92,079</b>	<b>305,229</b>	<b>961,016</b>

\* These reserve accounts comprise the consolidated reserves of approximately RMB521,905,000 (1QFY2017: RMB553,005,000) 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 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	-	-	-	(855)	(855)
<b>At 30 September 2016 (Unaudited)</b>	<b>133,882</b>	<b>304,474</b>	<b>35,064</b>	<b>(6,425)</b>	<b>466,995</b>
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	-	-	-	(694)	(694)
<b>At 30 September 2017 (Unaudited)</b>	<b>133,882</b>	<b>304,474</b>	<b>35,064</b>	<b>(10,580)</b>	<b>462,840</b>

\*\* These reserve accounts comprise the Company's reserves of approximately RMB328,958,000 (1QFY2017: RMB333,113,000) 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 30 September 2017.

There were no subsidiary holdings as at 30 September 2017.

**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	
	30/09/2017	30/06/2017	30/09/2017	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, 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 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	
	3 months ended	
	30/09/2017	30/09/2016
	Unaudited	Unaudited
Losses per share		
(a) Basic (RMB dollars)	(0.16)	(0.12)
(b) Fully diluted (RMB dollars)	N/A	N/A

Note:

The calculation of basic losses per ordinary share is based on the loss for the three months ended 30 September 2017 (“1QFY2018”) attributable to owners of the Company of approximately RMB11,008,000 (1QFY2017: RMB8,554,000) and on weighted average number of shares of 69,400,000 (1QFY2017: 69,400,000) ordinary shares in issue during the said period.

Diluted losses per share for the periods ended 30 September 2017 and 2016 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	
	30/09/2017	30/06/2017	30/09/2017	30/06/2017
Net asset value per ordinary share based on issued share capital at the end of the period: (RMB dollars)	9.45	9.61	6.67	6.68

- 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 1QFY2018 was mainly contributed by the sales of units in Tonghua project, namely Hou De Zai Wu (厚德載物) in Tonghua City.

The Group’s revenue amounted to RMB104.6 million for 1QFY2018 which was RMB67.1 million higher compared to RMB37.5 million in 1QFY2017.

The increase in revenue attributed to the Group accelerating its efforts in handing over the residential units of its Tonghua project (1QFY2018: 207 units; 1QFY2017: 54 units) to the buyers during the period.

##### **Cost of sales**

The Group’s cost of sales in 1QFY2018 amounted to RMB82.3 million which was RMB52.1 million higher than 1QFY2017. The increase in cost of sales was in line with the increase in revenue.

##### **Gross profit**

The Group recorded a gross profit of RMB22.3 million for 1QFY2018 which was RMB15.0 million higher compared to RMB7.3 million in 1QFY2017. The increase in gross profit was in tandem with the increase in revenue.



**Other income and gains**

The Group recorded other income and gains of RMB9.8 million in 1QFY2018 which were RMB3.6 million higher compared to RMB6.2 million in 1QFY2017. The increase was the net effect of (i) the increased leased out ratios which contributed to the increase in rental income amounted to RMB4.0 million in 1QFY2018 compared to RMB1.0 million in 1QFY2017 and (ii) the decreased ticket sales income of Batai Mountain National Park of RMB3.6 million (1QFY2017: RMB4.5 million) due to \*temporary halting of its operation during this 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 RMB14.7 million in 1QFY2018 which were RMB9.8 million higher compared to RMB4.9 million in 1QFY2017. The increase was mainly attributable to the sales commission to the sales agents, which was in line with the increase in revenue.

**Administrative expenses**

The Group recorded administrative expenses of RMB15.0 million in 1QFY2018 which were RMB0.3 million higher compared to 1QFY2017. The increase was mainly due to net effect of (i) an increase in other taxes including urban construction tax and duties charged by the local government amounted to RMB2.4 million (1QFY2017: RMB0.2 million), and (ii) a lower expenses including staff allowance, entertainment and travelling expenses amounted to approximately RMB2.0 million due to the implementation of cost controls policy.

**Other operating expenses**

The Group recorded other operating expenses, being direct costs of the operation of Batai Mountain National Park, which amounted to RMB3.7 million for 1QFY2018. This was RMB1.8 million higher compared to RMB1.9 million in 1QFY2017. The increase was mainly attributable to the costs of rectification work incurred during the temporary halting of its operation during the period.

**Income tax expense**

The Group recorded income tax expense of RMB1.8 million for 1QFY2018 which was RMB1.3 million higher compared to RMB0.5 million in 1QFY2017. The amount represented the provision of land appreciation tax during the period. The Group did not record any enterprise income tax for the period under review.

**Loss for the period**

The Group recorded a lower loss of RMB3.0 million for 1QFY2018, compared to a loss of RMB8.6 million in 1QFY2017. The decrease in loss was due mainly to an increase in revenue as mentioned above.

**(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 30 September 2017****Current assets**

As at 30 September 2017, the Group's current assets stood at RMB4,350.8 million, representing a decrease of RMB250.5 million compared to RMB4,601.3 million as at 30 June 2017.

The increase was mainly attributable to an increase in properties held under development by RMB121.6 million which was partially offset by the decrease in property held for sales by RMB83.2 million. The increase in properties held under development was attributable to the startup of the construction of Phase II of Tonghua Project 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 RMB280.5 million was mainly the net effect of (i) repayment of bank borrowings amounted to RMB406.9 million; and (ii) increase in receipt in advance from buyers of RMB229 million.

### **Current liabilities**

As at 30 September 2017, the Group's current liabilities stood at RMB3,490.5 million, representing an increase of RMB101.2 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) net decrease in interest-bearing bank and other borrowings by RMB231.5 million; and (ii) increase in receipt in advance of RMB229 million from buyers of the Group's property projects.

### **Non-current liabilities**

As at 30 September 2017, the Group's non-current liabilities stood at RMB653.0 million, representing a decrease of RMB146.5 million, compared to RMB799.5 million as at 30 June 2017. The decrease in balance was due to the net repayment of interest-bearing bank and other borrowings of RMB146.5 million during the period.

### **Total equity**

As at 30 September 2017, the Group's equity stood at RMB961.0 million, representing a decrease of RMB3.1 million, compared to RMB964.1 million as at 30 June 2017. This was due mainly to the loss 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.**

Not applicable.

**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 is constantly fine-tuning its policies for the property market which the Group will monitor closely and will continue to implement formulated strategies to mitigate against any possible headwinds.

The Group will continue its property development in Guangzhou and at the same time, expedite its efforts to sell the inventory of projects in the second-tier cities. The Group will also co-operate with other properties developers on new projects 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 30 September 2017 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 residential units available for sale	1,791	1,005	431	404	605	2,035
Total units handed over to buyers as of 30 September 2017	325	976	431	402	350	879
Percentage of handed over	18%	97%	100%	99%	58%	43%
Pre-sale units not handed over to buyers as at 30 September 2017						
- Residential units	398	14	-	1	223	653
- Carpark lots	-	-	15	3	-	1
Pre-sale value not handed over to buyers as at 30 September 2017	RMB290.9 million	RMB84.5 million	RMB10.4 million	RMB2.1 million	RMB434.7 million	RMB336.9 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 first quarter results ended 30 September 2017.

**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 the first quarter results ended 30 September 2017 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**

13 November 2017