

## CHINA YUANBANG PROPERTY HOLDINGS LIMITED

(Incorporated in Bermuda)

(Co. Reg. No.: 39247)

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### RESPONSES TO QUERIES FROM SGX-ST

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The Board of Directors of China Yuanbang Property Holdings Limited (the "**Company**" or together with its subsidiaries, the "**Group**") refers to its full year results ended 30 June 2020 announcement released to SGX-ST on 28 August 2020.

The following information is in response to the SGX-ST's queries dated 1 September 2020.

- 1) We refer to the full yearly financial statements announced by the Company on 28 August 2020. We noted interest paid of RMB 85,377,000 in FY2020 compared to RMB 2,602,000 in FY2019 in the statement of cash flows. Please explain the reasons for the significant increase in interest paid.

**Response:**

There was a classification mistake in the interest paid in the cashflow statements. The interest paid amount should be RMB16,625,000 which represents the interest expenses used in operating purpose. The remaining interest paid of RMB68,752,000 interest paid should be classified as decrease/ (Increase) in properties held under development. The increase in interest paid from RMB2,602,000 to RMB16,625,000 was mainly due to the increase in other borrowings which were used for working capital purposes during the year.

- 2) We noted the higher total finance cost of RMB 85.4 million in FY2020 compared to RMB 75.3 million in FY2019 despite having lower total borrowings of RMB 686 million as at 30 June 2020 compared to RMB 791 million as at 30 June 2019. Please provide a breakdown of the loan amounts, the interest rate, as well as the corresponding finance costs recognised for both FY2020 and FY2019.

**Response:**

Please refer to the below tables for the breakdown

Breakdown for loan balance as at 30 June 2020

	Principal amount	Outstanding balance	Interest rate	Finance cost
	RMB'000	as at 30 June 2020	%	RMB'000
		RMB'000		
1	200,000	200,000	15.00%	29,714
2	8,000	-	5.71%	86
3	39,000	-	6.25%	1,519
4	22,284	22,284	5.23%	1,164
5	15,000	1,344	10.00%	799
6	20,000	20,000	8.53%	1,700

	<b>Principal amount</b>	<b>Outstanding balance as at 30 June 2020</b>	<b>Interest rate</b>	<b>Finance cost</b>
	<b>RMB'000</b>	<b>RMB'000</b>	<b>%</b>	<b>RMB'000</b>
7	24,410	24,410	10.00%	2,204
8	100,000	40,000	9.03%	5,875
9	5,000	1,344	10.00%	209
10	45,000	11,759	7.62%	1,341
11	58,000	27,652	8.37%	2,696
12	23,100	23,100	9.76%	2,255
13	130,000	100,805	6.37%	6,120
14	500,000	136,000	7.50%	10,558
15	50,000	50,000	8.60%	4,311
16	27,666	27,666	9.71%	2,602
17	29,000	-	7.28%	1,007
18	30,000	-	6.00%	1,197
19	17,700	-	9.50%	1,522
20	52,780	-	7.83%	3,443
21	21,000	-	5.44%	856
22	45,221	-	9.95%	4,200
		<u>686,364</u>		<u>85,377</u>

Breakdown for loan balance as at 30 June 2019

	<b>Principal amount</b>	<b>Outstanding balance as at 30 June 2019</b>	<b>Interest rate</b>	<b>Finance cost</b>
	<b>RMB'000</b>	<b>RMB'000</b>	<b>%</b>	<b>RMB'000</b>
1	200,000	200,000	10.15%	20,300
2	8,000	3,000	5.71%	457
3	39,000	32,000	6.25%	1,833
4	20,000	-	9.50%	1,751
5	9,000	-	7.04%	994
6	43,780	-	7.04%	2,517
7	18,000	-	5.71%	914
8	100,000	80,000	9.03%	7,959
9	5,000	2,853	10.00%	291
10	45,000	19,859	7.62%	1,513
11	58,000	36,011	8.37%	3,014
12	23,100	23,100	9.76%	2,255
13	130,000	101,000	6.37%	8,281
14	500,000	141,000	7.50%	13,117
15	5,000	-	10.00%	258
16	27,775	27,775	9.71%	2,697
17	29,000	29,000	7.28%	1,056
18	30,000	30,000	6.00%	1,171
19	22,000	-	10.00%	440
20	52,780	44,748	7.83%	3,658
21	21,000	21,000	5.44%	827
		<u>791,346</u>		<u>75,303</u>

- 3) We noted that no breakdown of sales was provided under paragraph 15. As required under paragraph 18 in Appendix 7.2 of the Listing Manual, please provide a breakdown of sales and operating profit/loss after tax before deducting non-controlling interests for the first half and second half of the year in accordance with the format specified in Appendix 7.2.

**Response:**

Please refer to the below tables.

<b>(RMB'000)</b>	<b>Year ended 30 June 2020</b>	<b>Year ended 30 June 2019</b>	<b>% Increase/ (Decrease)</b>
(a) Sales reported for first half year	208,175	905,437	(77%)
(b) Operating profit after tax before deducting non-controlling interests reported for first half year	28,783	178,745	(84%)
(c) Sales reported for second half year	368,973	1,038,266	(64%)
(d) Operating profit/ (loss) after tax before deducting non-controlling interests reported for second half year	26,957	(88,120)	(131%)

**BY ORDER OF THE BOARD**

Huang Tak Wai  
Chief Financial Officer / Company Secretary

Date: 3 September 2020