

YONGMAO HOLDINGS LIMITED
(Company Registration No.200510649K)

UNAUDITED SECOND QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2018

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

1(a) An income statement and statement of comprehensive income, or 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 profit or loss and other comprehensive income for the financial period ended 30 September 2018. These figures have not been audited.

	Group (Second Quarter)			Group (First Half)		
	RMB'000		%	RMB'000		%
	3 months ended 30 Sep 2018 (Q2 FY2019)	3 months ended 30 Sep 2017 (Q2 FY2018) <i>Restated¹</i>	Increase/ (Decrease)	6 months ended 30 Sep 2018 (1H FY2019)	6 months ended 30 Sep 2017 (1H FY2018) <i>Restated¹</i>	Increase/ (Decrease)
Revenue	207,540	182,384	13.8	388,009	335,233	15.7
Cost of sales	(151,786)	(120,596)	25.9	(289,232)	(229,198)	26.2
Gross profit	55,754	61,788	(9.8)	98,777	106,035	(6.8)
Other income	1,405	1,220	15.2	3,196	1,645	94.3
Distribution costs	(19,367)	(13,349)	45.1	(34,656)	(25,644)	35.1
Administrative expenses	(20,992)	(19,407)	8.2	(39,831)	(38,830)	2.6
Other operating expenses	3,195	(3,652)	NM	5,157	(4,615)	NM
Finance costs	(4,194)	(4,461)	(6.0)	(8,609)	(8,103)	6.2
Total operating expenses	(41,358)	(40,869)	1.2	(77,939)	(77,192)	1.0
Profit before taxation	15,801	22,139	(28.6)	24,034	30,488	(21.2)
Taxation	(3,835)	(5,093)	(24.7)	(6,113)	(6,285)	(2.7)
Net profit for the period	11,966	17,046	(29.8)	17,921	24,203	(26.0)
Attributable to:						
Equity holders of the Company	13,587	18,173	(25.2)	21,625	24,562	(12.0)
Non-controlling interests	(1,621)	(1,127)	43.8	(3,704)	(359)	931.8
Net profit for the period	11,966	17,046	(29.8)	17,921	24,203	(26.0)

Note:

- The Q2 FY2018 and 1H FY2018 comparative figures have been restated to take into account the retrospective adjustment arising from the adoption of SFRS(I) 15 – Revenue Contracts With Customers as detailed in Paragraph 5 of this announcement.

	Group (Second Quarter)			Group (First Half)		
	RMB'000		%	RMB'000		%
	3 months ended 30 Sep 2018 (Q2 FY2019)	3 months ended 30 Sep 2017 (Q2 FY2018) <i>Restated</i> ¹	Increase/ (Decrease)	6 months ended 30 Sep 2018 (1H FY2019)	6 months ended 30 Sep 2017 (1H FY2018) <i>Restated</i> ¹	Increase/ (Decrease)
Net profit for the period	11,966	17,046	(29.8)	17,921	24,203	(26.0)
Other comprehensive income/(expense):						
Item that may be reclassified subsequently to profit of loss:						
Exchange translation difference ²	6,168	(2,619)	NM	12,377	(5,106)	NM
Other comprehensive income/(expense) of the period, net of tax	6,168	(2,619)	NM	12,377	(5,106)	NM
Total comprehensive income for the period	18,134	14,427	25.7	30,298	19,097	58.7
Total comprehensive income attributable to:						
Equity holders of the Company	17,713	16,561	7.0	29,593	21,426	38.1
Non-controlling interests	421	(2,134)	NM	705	(2,329)	NM
Total comprehensive income for the period	18,134	14,427	25.7	30,298	19,097	58.7

Notes to Group statement of profit or loss:

	Group (Second Quarter)			Group (First Half)		
	RMB'000		%	RMB'000		%
	3 months ended 30 Sep 2018 (Q2 FY2019)	3 months ended 30 Sep 2017 (Q2 FY2018)	Increase/ (Decrease)	6 months ended 30 Sep 2018 (1H FY2019)	6 months ended 30 Sep 2017 (1H FY2018)	Increase/ (Decrease)
Other income						
Amortisation of deferred capital grants	57	57	-	114	114	-
Gain on disposal of property, plant and equipment	-	147	(100.0)	31	147	(78.9)
Interest income	190	621	(69.4)	236	838	(71.8)
Rental income ³	819	-	NM	1,724	-	NM
Compensation income ⁴	-	-	-	552	-	NM
Others	339	395	(14.2)	539	546	(1.3)
	1,405	1,220	15.2	3,196	1,645	94.3
Other operating expenses						
Allowance for impairment of trade receivables ⁵	-	2,231	(100.0)	-	2,231	(100.0)
Exchange (gain)/loss ⁶	(3,309)	1,145	NM	(5,475)	1,511	NM
Bank charges	103	227	(54.6)	276	803	(65.6)
Others	11	49	(77.6)	42	70	(40.0)
	(3,195)	3,652	NM	(5,157)	4,615	NM

NM: Not Meaningful

Notes to other profit or loss items

The Group profit before taxation is arrived at after charging:

	Group (Second Quarter)			Group (First Half)		
	RMB'000		%	RMB'000		%
	3 months ended 30 Sep 2018 (Q2 FY2019)	3 months ended 30 Sep 2017 (Q2 FY2018)	Increase/ (Decrease)	6 months ended 30 Sep 2018 (1H FY2019)	6 months ended 30 Sep 2017 (1H FY2018)	Increase/ (Decrease)
Amortisation of intangibles assets	-	25	(100.0)	-	50	(100.0)
Depreciation of property, plant and equipment	13,558	13,588	(0.2)	26,303	27,121	(3.0)
Gain on disposal of property, plant and equipment, net	-	(147)	(100.0)	(31)	(147)	(78.9)
Interest expense	4,194	4,461	(6.0)	8,609	8,103	6.2
Operating lease rentals ⁷	2,829	2,013	40.5	6,059	4,061	49.2
Inventory write-down ⁸	4,511	-	NM	4,511	-	NM

Note:

1. The Q2 FY2018 and 1H FY2018 comparative figures have been restated to take into account the retrospective adjustment arising from the adoption of SFRS(I) 15 – Revenue Contracts With Customers as detailed in Paragraph 5 of this announcement.
2. Gain on exchange translation arose from translation of the net assets of our Hong Kong subsidiaries and Singapore subsidiaries. HKD and SGD appreciated 9.7% and 5.0% respectively against RMB as at 30 September 2018 as compared to last financial year end.
3. See Paragraph 8 – Other income
4. Mainly compensation income received from sub-contractors resulted from non-conformance in quality for goods delivered.
5. See Paragraph 8 – Operating expense.
6. See Paragraph 8 – Operating expense.
7. See Paragraph 8 – Operating expense.
8. Mainly provision for inventory obsolescence on certain components and accessories that decline in value arising from products rationalization exercise to discontinue certain towercranes model with low market demand. The provision for inventory obsolescence is included in “cost of sales”.

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

	Group		Company	
	30 Sep 2018 RMB'000	31 Mar 2018 RMB'000 <i>Restated</i> ¹	30 Sep 2018 RMB'000	31 Mar 2018 RMB'000 <i>Restated</i> ¹
ASSETS				
Non-current				
Property, plant and equipment	440,546	424,921	-	-
Subsidiaries	-	-	344,363	344,363
Available-for-sale financial assets	88,127	88,127	88,127	88,127
Trade and other receivables	332	498	-	-
Deferred tax assets	16,349	13,720	-	-
	<u>545,354</u>	<u>527,266</u>	<u>432,490</u>	<u>432,490</u>
Current				
Inventories	343,677	322,349	-	-
Trade and other receivables	373,195	392,740	103	183
Amounts owing by subsidiaries	-	-	31,475	32,078
Amounts owing by related parties	80,734	71,236	-	-
Amount owing by a corporate shareholder of a subsidiary	2,464	699	-	-
Cash and cash equivalents	152,977	131,967	2,407	858
	<u>953,047</u>	<u>918,991</u>	<u>33,985</u>	<u>33,119</u>
TOTAL ASSETS	<u>1,498,401</u>	<u>1,446,257</u>	<u>466,475</u>	<u>465,609</u>
EQUITY				
Capital and Reserves				
Share capital	312,484	312,484	312,484	312,484
Reserves	345,157	319,897	137,598	142,573
Equity attributable to equity holders of the Company	<u>657,641</u>	<u>632,381</u>	<u>450,082</u>	<u>455,057</u>
Non-controlling interests	57,322	56,617	-	-
TOTAL EQUITY	<u>714,963</u>	<u>688,998</u>	<u>450,082</u>	<u>455,057</u>
LIABILITIES				
Non-current				
Borrowings	804	961	-	-
Deferred capital grants	9,886	10,000	-	-
Deferred tax liabilities	23,372	21,432	8,250	7,678
Trade and other payables	19,010	20,201	-	-
	<u>53,072</u>	<u>52,594</u>	<u>8,250</u>	<u>7,678</u>
Current				
Trade and other payables	417,783	376,238	1,601	2,874
Borrowings	247,964	270,514	-	-
Deferred capital grants	229	229	-	-
Amounts owing to a subsidiary	-	-	6,542	-
Amounts owing to/advances from related parties	27,375	25,732	-	-
Amounts owing to a corporate shareholder of a subsidiary	32,279	29,832	-	-
Current tax payable	4,736	2,120	-	-
	<u>730,366</u>	<u>704,665</u>	<u>8,143</u>	<u>2,874</u>
TOTAL LIABILITIES	<u>783,438</u>	<u>757,259</u>	<u>16,393</u>	<u>10,552</u>
TOTAL EQUITY AND LIABILITIES	<u>1,498,401</u>	<u>1,446,257</u>	<u>466,475</u>	<u>465,609</u>

Note:

- The comparative figures as at 31 March 2018 have been restated to take into account the retrospective adjustment arising from the adoption of SFRS(I) 15 – Revenue Contracts With Customers as detailed in Paragraph 5 of this announcement.

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

	As at 30 Sep 2018		As at 31 Mar 2018	
	Secured ⁽¹⁾	Unsecured ⁽²⁾	Secured ⁽¹⁾	Unsecured ⁽²⁾
	RMB'000	RMB'000	RMB'000	RMB'000
Amount repayable in one year or less, or on demand	247,963	32,175	270,514	33,405
Amount repayable after one year	804	-	961	-
	248,767	32,175	271,475	33,405

Details of any collaterals

Note (1): The secured loans include the following:

	30 Sep 2018	31 Mar 2018	
	RMB'000	RMB'000	Description
Bank borrowings			
a)	106,000	96,000	Granted to Fushun Yongmao Construction Machinery Co., Ltd. ("Fushun Yongmao"), guaranteed by Beijing Yongmao Jiangong Machinery Manufacturing Co., Ltd. ("Beijing Yongmao") and a director of the Company.
b)	49,500	50,000	Granted to Fushun Yongmao, guaranteed by Beijing Yongmao.
c)	10,000	10,000	Granted to Fushun Yongmao, guaranteed by the Company.
d)	10,000	10,000	Granted to Fushun Yongmao, guaranteed by Beijing Yongmao and certain directors of the Company and secured by bank deposits.
e)	30,000	30,000	Granted to Fushun Yongmao, guaranteed by the Company, Beijing Yongmao and a director of the Company and secured by fixed deposit.
f)	-	20,000	Granted to Fushun Yongmao, guaranteed by certain directors of the Company and secured by bank deposits.
	205,500	216,000	
Short-term trade financing			
a)	16,100	32,900	Granted to Fushun Yongmao, guaranteed by certain directors of the Company and secured by certain trade receivables from related party.
b)	-	6,021	Granted to Fushun Yongmao, guaranteed by certain directors of the Company and secured by certain trade receivables from related company and Yongmao Machineries Pte Ltd ("Singapore Yongmao").
	16,100	38,921	
Finance lease obligations			
a)	2,071	2,379	In respect of motor vehicles and office equipment acquired under finance leases.
b)	25,096	14,175	In respect of towercranes acquired under finance leases granted to Yongmao Machinery (H.K.) Company Limited.
	27,167	16,554	
	248,767	271,475	

The above borrowings are for working capital purposes.

Note (2): The unsecured loans include the followings:

- RMB18.4 million (31 March 2018 – RMB18.4 million), which was interest-bearing, was from a corporate shareholder to Beijing Yongmao for the purpose of increasing the working capital of Beijing Yongmao. This is included as part of "Amounts owing to a corporate shareholder of a subsidiary" under current liabilities in the balance sheet.
- RMB9.1 million (31 March 2018 – RMB10.3 million), which was interest-bearing, was from related parties to Fushun Yongmao for the purpose of increasing the working capital of the Group. This is included as part of "Amounts owing to/advances from related parties" under current liabilities in the balance sheet.
- RMB4.7 million (31 March 2018 – RMB4.7 million), which was non-interest bearing, was from a director of the Company to Fushun Yongmao for the purpose of increasing the working capital of the Group. This is included as part of "Trade and other payables" under current liabilities in the balance sheet.

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 (Second Quarter)		Group (First Half)	
	RMB'000		RMB'000	
	3 months ended 30 Sep 2018 (Q2 FY2019)	3 months ended 30 Sep 2017 (Q2 FY2018) <i>Restated</i> ¹	6 months ended 30 Sep 2018 (1H FY2019)	6 months ended 30 Sep 2017 (1H FY2018) <i>Restated</i> ¹
Cash flows from operating activities				
Profit before taxation	15,801	22,139	24,034	30,488
Adjustments for:				
Amortisation of deferred capital grants	(57)	(57)	(114)	(114)
Amortisation of intangible assets	-	25	-	50
Depreciation of property, plant and equipment	13,558	13,588	26,303	27,121
Gain on disposal of property, plant and equipment	-	(147)	(31)	(147)
Inventory write-down	4,511	-	4,511	-
Interest expense	4,194	4,461	8,609	8,103
Interest income	(190)	(621)	(236)	(838)
Exchange translation difference	356	(1,345)	469	(1,909)
Operating profit before working capital changes	38,173	38,043	63,545	62,754
(Increase)/Decrease in inventories ²	(16,804)	13,017	(54,952)	(138)
Decrease/(Increase) in operating receivables	1,741	(46,759)	14,585	(72,188)
Increase/(Decrease) in operating payables	10,281	(8,610)	39,378	2,409
Cash generated from/(used in) operations	33,391	(4,309)	62,556	(7,163)
Interest paid	(2,461)	(4,363)	(7,485)	(8,122)
Tax paid	(2,070)	(872)	(3,998)	(1,025)
Net cash generated from/(used in) operating activities	28,860	(9,544)	51,073	(16,310)
Cash flows from investing activities				
Acquisition of property, plant and equipment	(515)	(445)	(1,332)	(1,838)
Proceeds from disposal of property, plant and equipment	38	147	1,309	147
(Repayment to)/Receipt from corporate shareholder of a subsidiary	(5)	-	(5)	10
Interest received	190	1,109	236	1,326
Net cash (used in)/generated from investing activities	(292)	811	208	(355)
Cash flows from financing activities				
Proceeds from borrowings	36,566	108,896	129,910	155,194
Repayment of borrowings	(69,400)	(105,271)	(147,421)	(156,010)
Repayment of finance lease liabilities	(3,082)	(5,281)	(7,087)	(12,009)
Restricted bank balances	8,277	7,231	(13,185)	36,783
Repayment to related parties	(1,261)	(500)	(2,702)	(1,410)
(Repayment to)/Advances from a director	-	(2,000)	-	4,500
Dividends paid to equity holders of the Company	(4,333)	(4,370)	(4,333)	(4,370)
Net cash (used in)/generated from financing activities	(33,233)	(1,295)	(44,818)	22,678
Net (decrease)/increase in cash and cash equivalents	(4,665)	(10,028)	6,463	6,013
Cash and cash equivalents at beginning of period	77,100	69,475	65,307	53,938
Exchange adjustments	697	(518)	1,362	(1,022)
Cash and cash equivalents at end of period	73,132	58,929	73,132	58,929

Note:

- The Q2 FY2018 and 1H FY2018 comparative figures have been restated to take into account the retrospective adjustment arising from the adoption of SFRS(I) 15 – Revenue Contracts With Customers as detailed in Paragraph 5 of this announcement.
- Included in increase in inventories for Q2 FY2019 of RMB12.5 million (Q2 FY2018: RMB23.8 million) and 1H FY2019 of RMB35.4 million (1H FY2018: RMB32.0 million) respectively, were towercranes and towercrane components and accessories that were self-constructed which were held for rental purposes and have been presented under operating activities in accordance with SFRS(I) 1-7 Statement of Cash Flows.

	Group	
	RMB'000	RMB'000
	30 Sep 2018	30 Sep 2017
Analysis of cash and cash equivalents		
Cash on hand	88	169
Bank balances	152,889	116,492
	152,977	116,661
Restricted bank balances	(79,845)	(57,732)
	73,132	58,929

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	Merger reserve	Statutory common reserve	Fair value reserve	Retained earnings	Exchange fluctuation reserve	Total attributable to equity holders of the Company	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Current year:									
Balance as at 1 Apr 2018	312,484	(26,769)	60,326	9,452	266,111	(836)	620,768	56,617	677,385
Impact of adoption of SFRS(I) 15 on previously reported reserves as at 1 Apr 2018	-	-	-	-	11,613	-	11,613	-	11,613
As Restated at 1 Apr 2018	312,484	(26,769)	60,326	9,452	277,724	(836)	632,381	56,617	688,998
Total comprehensive income for the period	-	-	-	-	8,038	3,842	11,880	284	12,164
Transfer to statutory common reserve	-	-	959	-	(959)	-	-	-	-
Balance as at 30 Jun 2018	312,484	(26,769)	61,285	9,452	284,803	3,006	644,261	56,901	701,162
Total comprehensive income for the period	-	-	-	-	13,587	4,126	17,713	421	18,134
Transfer to statutory common reserve	-	-	1,898	-	(1,898)	-	-	-	-
Dividends	-	-	-	-	(4,333)	-	(4,333)	-	(4,333)
Balance as at 30 Sep 2018	312,484	(26,769)	63,183	9,452	292,159	7,132	657,641	57,322	714,963

Group	Share capital	Merger reserve	Statutory common reserve	Fair value reserve	Retained earnings	Exchange fluctuation reserve	Total attributable to equity holders of the Company	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Current year:									
Balance as at 1 Apr 2017	312,484	(26,769)	59,251	14,392	250,948	6,740	617,046	60,499	677,545
Impact of adoption of SFRS(I) 15 on previously reported reserves as at 1 Apr 2017	-	-	-	-	4,593	-	4,593	-	4,593
As Restated at 1 Apr 2017	312,484	(26,769)	59,251	14,392	255,541	6,740	621,639	60,499	682,138
Total comprehensive income for the period	-	-	-	-	6,702	(1,524)	5,178	(195)	4,983
Transfer to statutory common reserve	-	-	392	-	(392)	-	-	-	-
Balance as at 30 Jun 2017	312,484	(26,769)	59,643	14,392	257,258	5,216	622,224	60,304	682,528
Impact of adoption of SFRS(I) 15 on previously reported reserves as at 30 Jun 2017	-	-	-	-	4,280	-	4,280	-	4,280
As Restated at 30 Jun 2017	312,484	(26,769)	59,643	14,392	261,538	5,216	626,504	60,304	686,808
Total comprehensive income for the period	-	-	-	-	15,898	(1,612)	14,286	(2,134)	12,152
Transfer to statutory common reserve	-	-	1,349	-	(1,349)	-	-	-	-
Dividends	-	-	-	-	(4,370)	-	(4,370)	-	(4,370)
Balance as at 30 Sep 2017	312,484	(26,769)	60,992	14,392	267,437	3,604	632,140	58,170	690,310
Impact of adoption of SFRS(I) 15 on previously reported reserves as at 30 Sep 2017	-	-	-	-	6,555	-	6,555	-	6,555
As Restated at 30 Sep 2017	312,484	(26,769)	60,992	14,392	273,992	3,604	638,695	58,170	696,865

Company	Share capital	Fair value reserve	Retained earnings	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000
Current year:				
Balance as at 1 Apr 2018	312,484	9,452	133,732	455,668
Impact of adoption of SFRS(I) 15 on previously reported reserves as at 1 Apr 2018	-	-	(611)	(611)
As restated at 1 April 2018	312,484	9,452	133,121	455,057
Total comprehensive expense for the period	-	-	(668)	(668)
Balance as at 30 Jun 2018	312,484	9,452	132,453	454,389
Total comprehensive expense for the period	-	-	26	26
Dividends	-	-	(4,333)	(4,333)
Balance as at 30 Sep 2018	312,484	9,452	128,146	450,082

Company	Share capital	Fair value reserve	Retained earnings	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000
Previous year:				
Balance as at 1 Apr 2017	312,484	14,392	144,202	471,078
Impact of adoption of SFRS(I) 15 on previously reported reserves as at 1 Apr 2017	-	-	(242)	(242)
As restated at 1 April 2017	312,484	14,392	143,960	470,836
Total comprehensive income for the period	-	-	(1,663)	(1,663)
Balance as at 30 Jun 2017	312,484	14,392	142,539	469,415
Impact of adoption of SFRS(I) 15 on previously reported reserves as at 30 Jun 2017	-	-	(225)	(225)
As restated at 30 Jun 2017	312,484	14,392	142,314	469,190
Total comprehensive income for the period	-	-	(1,662)	(1,662)
Dividends	-	-	(4,370)	(4,370)
Balance as at 30 Sep 2017	312,484	14,392	136,507	463,383
Impact of adoption of SFRS(I) 15 on previously reported reserves as at 30 Sep 2017	-	-	(345)	(345)
As restated at 30 Sep 2017	312,484	14,392	136,162	463,038

- 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 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.**

There was no change 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 in Q2 FY2019 or Q2 FY2018.

There was no outstanding convertible, treasury share or subsidiary holdings as at 30 September 2018 (30 September 2017 – Nil).

- 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.**

	30 September 2018	31 March 2018
Total number of issued shares (excluding treasury shares)	88,749,997	88,749,997

- 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.**

There was no sale, transfer, cancellation and/or use of treasury shares as at 30 September 2018 (30 September 2017 – Nil).

- 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.**

There was no sale, transfer, cancellation and/or use of subsidiary holdings as at 30 September 2018 (30 September 2017 – Nil).

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

The figures have not been audited or 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 and the Company have adopted the same accounting policies and method of computation as the audited financial statements for the financial year ended 31 March 2018.

The Group has also adopted Singapore Financial Reporting Standards (International) ("SFRS(I)") that are relevant to its operations and effective for annual periods beginning on 1 April 2018. The adoption of the SFRS(I) did not result in substantial changes to the Group's accounting policies nor any significant impact on these financial statements except for those as disclosed in Paragraph 5.

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.

Adoption of SFRS(I) 15

SFRS(I) 15 Revenue Contracts with Customers

SFRS(I) 15 Revenue from Contracts with Customers establishes a framework for determining when and how to recognise revenue. The objective of the standard is to establish the principles that an entity shall apply to report useful information about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. It established a new five-step model that will apply to revenue arising from contracts with customers. Under SFRS(I) 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods and services to a customer.

The standard replaces FRS 11 Construction Contracts, FRS 18 Revenue, INT FRS 113 Customer Loyalty Programmes, INT FRS 115 Agreements for Construction of Real Estate, INT FRS 118 Transfer of Assets from Customers and INT FRS 31 Revenue - Barter Transactions involving Advertising Services. The new standard applies to contracts with customers. However, it does not apply to insurance contracts, financial instruments or lease contracts, which fall into the scope of other standards.

The standard clarify how to:

- Identify a performance obligation (the promise to transfer a good or a service to a customer) in a contract
- Determine whether a company is a principal (the provider of a good or service) or an agent (responsible for arranging for the good or service to be provided)
- Determine whether the revenue from granting a licence should be recognised at a point in time or over time.

The Group entered certain sales with seller undertaking provided to banks or financial institutions where the transfer of risks and rewards of ownership occur at a different time from the transfer of legal title or passing of possession. The Group previously recognised revenue and cost based on the flow of economic benefits to the Group. i.e. when the Group received the upfront payment and when the banks or financial institutions received the instalment payment progressively. The remains unpaid sum to banks or financial institution is regarded as deferred income and the cost incurred in the manufactured goods is regarded as deferred cost.

The new standard provides clarification on recognition criteria for certain revenue elements, resulting in restatements to revenue, cost of sales and the tax implications, respectively. With the adoption of SFRS(I) 15, the Group had fully recognised the carrying amount of the deferred revenue and deferred cost in the balance sheet to retained earnings (net of tax) retrospectively.

Summary of financial impact

The adoption of SFRS(I) 15 has been accounted for retrospectively and the restatement of comparative financial statements are as follows:

Group statement of profit or loss and other comprehensive income for the financial period second quarter FY2018 and first half FY2018.

	Group (Second Quarter FY2018)			Group (First Half FY2018)		
	3 months ended 30 Sep 2017			6 months ended 30 Sep 2017		
	As previously reported	Adoption of FRS115	As restated	As previously reported	Adoption of FRS115	As restated
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	173,148	9,236	182,384	326,313	8,920	335,233
Cost of sales	(114,176)	(6,420)	(120,596)	(222,707)	(6,491)	(229,198)
Taxation	(4,552)	(541)	(5,093)	(5,818)	(467)	(6,285)

Statement of financial position as at 31 March 2018.

The Group and the Company

	Group			Company		
	31 Mar 2018			31 Mar 2018		
	As previously reported	Adoption of SFRS(I) 15	As restated	As previously reported	Adoption of SFRS(I) 15	As restated
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Deferred costs (Non-current assets)	16,354	(16,354)	-	-	-	-
Deferred tax assets (Non-current assets)	15,877	(2,157)	13,720	-	-	-
Deferred costs (Current assets)	14,382	(14,382)	-	-	-	-
Reserves	308,284	11,613	319,897	143,184	(611)	142,573
Deferred income (Non-current liabilities)	23,934	(23,934)	-	-	-	-
Deferred tax liabilities (Non-current liabilities)	20,821	611	21,432	7,067	611	7,678
Deferred income (Current liabilities)	21,183	(21,183)	-	-	-	-

Statement of cash flows for the Group for the financial period second quarter FY2018 and first half FY2018.

	Group (Second Quarter FY2018)			Group (First Half FY2018)		
	3 months ended 30 Sep 2017			6 months ended 30 Sep 2017		
	As previously reported	Adoption of SFRS(I) 15	As restated	As previously reported	Adoption of SFRS(I) 15	As restated
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Cash flows from operating activities						
Profit before taxation	19,323	2,816	22,139	28,059	2,429	30,488
Increase in deferred costs	(6,419)	6,419	-	(6,491)	6,491	-
Increase in deferred income	9,235	(9,235)	-	8,920	(8,920)	-

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 (Second Quarter)		Group (First Half)	
	RMB'000		RMB'000	
	3 months ended 30 Sep 2018 (Q2 FY2019)	3 months ended 30 Sep 2017 (Q2 FY2018)	6 months ended 30 Sep 2018 (1H FY2019)	6 months ended 30 Sep 2017 (1H FY2018)
		<i>Restated</i>		<i>Restated</i>
Earnings of the Group, after deducting any provision for preference dividends (in RMB'000):	13,587	18,173	21,625	24,562
Weighted average no. of shares used in computation of basic earning per shares	88,749,997	88,749,997	88,749,997	88,749,997
Earnings per share (in cents RMB)				
(a) Based on weighted average number of ordinary shares on issue	15.31	20.48	24.37	27.68
(b) On a fully diluted basis	15.31	20.48	24.37	27.68

The basic and diluted earnings per ordinary share of the Group is computed based on the Group's profit after taxation attributable to equity holders of the Company on the existing number of ordinary shares in issue of 88,749,997 at the end of the reporting periods.

There is no difference between the basic and diluted earnings per share.

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 Sep 2018	31 Mar 2018	30 Sep 2018	31 Mar 2018
		<i>Restated</i>		<i>Restated</i>
Net asset value per ordinary share (RMB cents)	741.00	712.54	507.13	512.74

Net asset value per share for the Group and the Company for 30 September 2018 and 31 March 2018 has been computed based on shareholders' equity as at the respective dates and the number of shares of 88,749,997 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**
- (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 INCOME STATEMENT OF THE GROUP

Second Quarter FY2019 ("Q2 FY2019") vs Second Quarter FY2018 ("Q2 FY2018")

Revenue

Group revenue increased by 13.8% to RMB207.5 million in Q2 FY2019 as compared to RMB182.4 million in Q2 FY2018. The increase in revenue was mainly from higher sales of towercranes by RM33.4 million from RMB125.3 million in Q2 FY2018 to RMB158.7 million in Q2 FY2019. It was mainly driven by the demand for large and mega size towercranes in Singapore and the demand for medium size towercranes in the PRC amidst adoption of the Prefabricated Prefinished Volumetric Construction "PPVC" method and the prefabricated construction method respectively.

The increase in revenue from sales of towercranes was partially offset by lower rental & service income and sales of components of RMB7.7 million and RMB0.6 million respectively in Q2 FY2019 as compared to Q2 FY2018. Decrease in rental & service income was mainly due to decrease in Hong Kong and Macau operations as a result of weaker demand.

Revenue in Asia (outside the PRC) rose by 37.1% to RMB88.0 million in Q2 FY2019 as compared to RMB64.1 million in Q2 FY2018. Sales in PRC and the Middle East reported higher by RMB3.1 million and RMB4.3 million respectively in Q2 FY2019 as compared to Q2 FY2018. The increase was offset by the decrease in the USA & Europe which was down by RMB6.1 million.

Overall, the PRC and Asia (outside the PRC) sales contributed to 46.2% and 42.4% respectively of the Group revenue.

Gross profit and gross profit margin

Despite the increase in revenue, gross profit decreased by 9.8% to RMB55.8 million in Q2 FY2019 from RMB61.8 million in Q2 FY2018 amidst keen price competition resulting in lower margins from sales of towercranes, coupled with higher steel material cost. A provision for inventory obsolescence on certain components and accessories of RMB4.5 million was made in Q2 FY2019 as part of the Group's products rationalization exercise to discontinue certain towercranes model with low market demand.

Accordingly, average gross profit margin decreased to 26.9% in Q2 FY2019 from 33.9% in Q2 FY2018.

Other income

Other income increased slightly by RMB0.2 million to RMB1.4 million in Q2 FY2019 as compared to RMB1.2 million in Q2 FY2018 was mainly due to sub-rental of premises income from Hong Kong of RMB0.8 million. The increase was partly offset by lower interest income of RMB0.4 million.

Operating expenses

Total operating expenses increased by 1.2% to RMB41.4 million in Q2 FY2019 as compared to RMB40.9 million in Q2 FY2018.

Distribution costs increased significantly by 45.1% to RMB19.4 million in Q2 FY2019 as compared to RMB13.3 million in Q2 FY2018 mainly due to higher freight and transportation and higher premises rental in Hong Kong. Transportation and freight cost increased is in line with higher sales. Apart from this, the increase was also due to higher sales to Southern China which incurred higher freight and transportation expenses.

Administrative expenses increased 8.2% to RMB21.0 million in Q2 FY2019 as compared to RMB19.4 million in Q2 FY2018 mainly due to higher staff cost and higher product certification fee.

Other operating expenses reported a credit balance of RMB3.2 million in Q2 FY2019 from a debit balance of RMB3.7 million in Q2 FY2018. The credit balance in Q2 FY2019 was mainly from exchange gain of RMB3.3 million whilst it reported an exchange loss of RMB1.1 million in Q2 FY2018. Provision for doubtful debts of RMB2.2 million was made in Q2 FY2018 for a Beijing construction company which was long outstanding for more than three years. There was no provision for doubtful debts made for Q2 FY2019.

The exchange gain arose mainly from:

- a) the strengthening of Singapore Dollars ("SGD") and Hong Kong Dollars ("HKD") against Chinese Yuan ("RMB") due to net RMB liabilities in the Singapore subsidiary's book and Hong Kong subsidiary's book; and
- b) the strengthening of HKD against RMB and SGD due to net HKD assets in the Company's book and the Singapore subsidiary's book; and
- c) the strengthening of USD against SGD due to net USD assets in the Singapore subsidiary's book.

In line with the lower average borrowing, finance costs decreased 6.0% to RMB4.2 million in Q2 FY2019 as compared to RMB4.5 million in Q2 FY2018.

Taxation

Income tax expense decreased to RMB3.8 million in Q2 FY2019 as compared to RMB5.1 million in Q2 FY2018 in line with lower profit for the financial period.

Profit before taxation and Net profit attributable to equity holders of the Company

The Group recorded a profit before taxation of RMB15.8 million in Q2 FY2019 as compared to RMB22.1 million in Q2 FY2018 was mainly due to lower gross profit and higher operating expenses.

Net profit attributable to equity holders of the Company decreased 25.2% to RMB13.6 million in Q2 FY2019 from RMB18.2 million in Q2 FY2018. This was mainly due to lower net profit for the period.

First Half FY2019 ("1H FY2019") vs First Half FY2018 ("1H FY2018")**Revenue**

Group revenue increased by 15.7% to RMB388.0 million in 1H FY2019 as compared to RMB335.2 million in 1H FY2018. The increase in revenue was mainly from higher sales of towercranes by RM61.0 million from RMB232.4 million in 1H FY2018 to RMB293.4 million in 1H FY2019. It was mainly driven by the demand for large and mega size towercranes in Singapore and the demand for medium size towercranes in the PRC amidst adoption of the Prefabricated Prefinished Volumetric Construction "PPVC" method and the prefabricated construction method respectively. Sales to Middle East had also increased with more units being delivered.

The increase in revenue from sales of towercranes was partially offset by lower rental & service income and sales of components of RMB2.9 million and RMB5.5 million respectively in 1H FY2019 as compared to 1H FY2018. Decrease in rental & service income was mainly due to decrease in Hong Kong and Macau operations as a result of weaker demand.

Sales in PRC reported higher by RMB39.9 million to RMB203.7 million in 1H FY2019 as compared to RMB163.8 million in 1H FY2018. Revenue in Middle East & Others and Asia (outside the PRC) has also increased by RMB19.6 million and RMB4.1 million respectively. The increase was offset by the decrease in the USA & Europe which was down by RMB10.9 million.

With the improvement in the PRC sales, it formed the bulk of the Group's sales at 52.5% in 1H FY2019.

Gross profit and gross profit margin

Despite the increase in revenue, gross profit decreased by 6.8% to RMB98.8 million in 1H FY2019 from RMB106.0 million in 1H FY2018 amidst keen price competition resulting in lower margins from sales of towercranes, coupled with higher steel material cost. A provision for inventory obsolescence for certain components and accessories of RMB4.5 million was made in 1H FY2019 as part of the Group's products rationalization exercise to discontinue certain towercranes model with low market demand.

Accordingly, average gross profit margin decreased to 25.5% in 1H FY2019 from 31.6% in 1H FY2018.

Other income

Other income increased by RMB1.6 million to RMB3.2 million in 1H FY2019 as compared to RMB1.6 million in 1H FY2018 was mainly due to sub-rental of premises income from Hong Kong of RMB1.7 million and compensation income from sub-contractors resulted from non-conformance in quality for goods delivered of RMB0.6 million. The increase was partly offset by lower interest income of RMB0.6 million.

Operating expenses

Total operating expenses increased 1.0% to RMB77.9 million in 1H FY2019 as compared to RMB77.2 million in 1H FY2018.

Distribution costs increased 35.1% to RMB34.7 million in 1H FY2019 as compared to RMB25.6 million in 1H FY2018 mainly due to higher freight and transportation and higher premises rental in Hong Kong. Transportation and freight cost increased is in line with higher sales. Apart from this, the increase was also due to higher sales to Southern China which incurred higher freight and transportation expenses. Higher premises rental in Hong Kong incurred arising from the double rental cost both for new and old warehouse and office during the transitional period of relocation in first quarter of the financial year.

Administrative expenses increased 2.6% to RMB39.8 million in 1H FY2019 as compared to RMB38.8 million in 1H FY2018 largely due to higher staff cost, partly offset by lower depreciation.

Other operating expenses reported a credit balance of RMB5.2 million in 1H FY2019 from a debit balance of RMB4.6 million in 1H FY2018. The credit balance in 1H FY2019 was mainly from exchange gain of RMB5.5 million whilst it reported an exchange loss of RMB1.5 million in 1H FY2018. Provision for doubtful debts of RMB2.2 million was made in 1H FY2018 for a Beijing construction company which was long outstanding for more than three years. There was no provision for doubtful debts made for 1H FY2019.

The exchange gain arose mainly from:

- a) the strengthening of Singapore Dollars ("SGD") and Hong Kong Dollars ("HKD") against Chinese Yuan ("RMB") due to net RMB liabilities in the Singapore subsidiary's book and Hong Kong subsidiary's book; and
- b) the strengthening of HKD against RMB and SGD due to net HKD assets in the Company's book and the Singapore subsidiary's book; and
- c) the strengthening of USD against SGD due to net USD assets in the Singapore subsidiary's book.

Finance costs increased 6.2% to RMB8.6 million in 1H FY2019 as compared to RMB8.1 million in 1H FY2018 due mainly to higher effective interest rate.

Taxation

Income tax expense for 1H FY2019 was comparable to 1H FY2018 reported at RMB6.1 million and RMB6.3 million respectively despite profit before taxation for 1H FY2019 was lower. This is mainly due to losses from one of the China subsidiary.

Profit before taxation and Net profit attributable to equity holders of the Company

The Group reported a lower profit before taxation of RMB24.0 million in 1H FY2019 as compared to RMB30.5 million in 1H FY2018 was mainly due to lower gross profit and higher operating expenses.

Net profit attributable to equity holders of the Company decreased to RMB21.6 million in 1H FY2019 as compared to RMB24.6 million in 1H FY2018. This was mainly due to lower net profit for the period, partly offset by higher losses attributable to non-controlling interest.

REVIEW OF FINANCIAL POSITION OF THE GROUP

Non-current Assets

Non-current assets increased by RMB18.1 million to RMB545.4 million as at 30 September 2018 arises from net additions in property, plant and equipment mainly due to increase in rental fleet.

Deferred tax assets also increased by RMB2.6 million. Deferred tax assets arose mainly from provisions and elimination of unrealised profits in intragroup sales.

Current Assets

Current assets increased by RMB34.1 million to RMB953.0 million as at 30 September 2018 mainly due to higher inventory, higher cash and cash equivalent and higher amount owing by related parties. This was partly offset by lower trade and other receivables.

Inventories increased by RMB21.3 million for delivery due in the third quarter FY2019.

Amount owing by related parties increased by RMB9.5 million to RMB80.7 million as at 30 September 2018 due to higher sales over repayments from related parties.

Trade and other receivables decreased by RMB19.5 million to RMB373.2 million as at 30 September 2018 due to higher collections over sales.

Non-current Liabilities

Non-current liabilities increased by RMB0.5 million to RMB53.1 million as at 30 September 2018 as compared to RMB52.6 million as at 31 March 2018 mainly due to increase in deferred tax liabilities, partly offset by lower trade and other payables.

Current Liabilities

Current liabilities increased by RM25.7 million to RMB730.4 million as at 30 September 2018 as compared to RMB704.7 million as at 31 March 2018 mainly due to increase in trade and other payables, amount owing to related parties, amount owing to a corporate shareholder of a subsidiary and higher tax payable. The increase was partly offset by lower borrowings.

Trade and other payables increased by RMB41.5 million mainly due to higher purchases made during the period and higher advances from customers.

Amount owing to related parties and amount owing to a corporate shareholder increased by RMB1.6 million and RMB2.4 million respectively due to higher transactions over repayments during the period.

Total Equity

As at 30 September 2018, the Group's total equity amounted to RMB715.0 million. The increase was mainly due to total comprehensive income of RMB30.3 million for 1H FY2019.

REVIEW OF CASH FLOW STATEMENT

Q2 FY2019 vs Q2 FY2018

The Group reported a net decrease in cash and cash equivalents amounting to RMB4.7 million in Q2 FY2019 mainly due to:

- a) Net cash generated from operating activities in Q2 FY2019 of RMB28.9 million resulted mainly from operating profit before working capital changes, increase in operating payables and decrease in operating receivables, partly offset by increase in inventories, interest and taxes paid;
- b) Net cash used in investing activities of RMB0.3 million mainly from purchase of machineries and office equipment during the period, partly offset by interest received; and
- c) Net cash used in financing activities of RMB33.2 million mainly from net repayment of bank borrowings and finance lease creditors, repayment to related parties and dividend paid to shareholders of the company, partly offset by lower restricted bank balances.

1H FY2019 vs 1H FY2018

The Group reported a net increase in cash and cash equivalents amounting to RMB6.5 million in 1H FY2019 mainly due to:

- a) Net cash generated from operating activities in 1H FY2019 of RMB51.1 million resulted mainly from operating profit before working capital changes, increase in operating payables and decrease in operating receivables, partly offset by increase in inventories, interest and taxes paid;
- b) Net cash generated from investing activities of RMB0.2 million mainly from proceeds from disposal of property, plant and equipment in conjunction with the shifting of the Group's Hong Kong office and warehouse and interest received, partly offset by purchases of machinery and office equipment; and
- c) Net cash used in financing activities of RMB44.8 million mainly from net repayment of bank borrowings and finance lease creditors, higher restricted bank balances, repayment to related parties and dividend paid to shareholders of the Company.

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

NA.

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.

China's economy slowed to 6.5 percent year-on-year in the third quarter of 2018 marking the weakest growth since the global financial crisis, amidst the country's trade war with the U.S. which puts pressure on growth. Recent economic data have also pointed to weakening domestic demand with softness across factory activity to infrastructure investment and consumer spending, as a years-long crackdown on riskier lending and debt has pushed up companies' borrowing cost.

The construction sector in China is seeing an increase in the adoption of prefabricated construction method that will likely drive the demand of bigger size towercranes. Demand for towercranes in other overseas markets is mixed with markets such as Singapore, Taiwan and Middle East likely to see a better demand in the replacement market whereas market like Hong Kong remains challenging. However, the Group remains cautious in view of the keen price competition as well as the rising material and business cost.

The Group is currently looking into consolidating its Beijing's manufacturing plant to Fushun as part of the Group's effort to streamline its operations and to improve overall management and cost efficiency.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No dividend has been declared or recommended for the Q2 FY2019.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No dividend has been declared or recommended for the Q2 FY2018.

(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. If the Group has obtained a general mandate from the shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) 6 months ended 30 Sep 2018 (1H FY2019) RMB'000	Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) 6 months ended 30 Sep 2018 (1H FY2019) RMB'000
Sales to related parties		
China Nuclear Huaxing Tat Hong Machinery Construction Co., Ltd. (中核华兴达丰机械租赁有限公司)	-	7,760
Jiangsu Hengxingmao Financial Leasing Co., Ltd. (江苏恒兴茂融资租赁有限公司)	-	16,941
Jiangsu Zhongjian Tat Hong Equipment Rental Co., Ltd. (江苏中建达丰机械租赁有限公司)	-	5,539
Beijing Weiteng Special Purpose Auto Co., Ltd. (北京威腾专用汽车有限责任公司)	1,963	-
Liaoning Yongmao Hydraulic Machinery Co., Ltd. (辽宁永茂液压机械有限公司)	936	-
Purchases from related parties		
Beijing Weiteng Special Purpose Auto Co., Ltd. (北京威腾专用汽车有限责任公司)	-	1,085

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Revenue information based on geographical location of customers is as follows:

Revenue	PRC RMB'000	Asia (outside the PRC) RMB'000	USA & Europe RMB'000	Middle East & Others RMB'000	Consolidated RMB'000
FY2019					
- Q2	95,856	87,971	3,681	20,032	207,540
- 1H	203,705	129,924	5,304	49,076	388,009
FY2018 - Restated					
- Q2	92,718	64,146	9,743	15,777	182,384
- 1H	163,772	125,779	16,211	29,471	335,233

- 15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

See Paragraph 8.

- 16. A breakdown of sales and profit after taxation**

Not applicable.

- 17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-**

Not applicable.

- 18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13). If there are no such persons, the issuer must make an appropriate negative statement.**

Not applicable.

- 19. Confirmation of Undertakings of Directors and Executive Officers Pursuant to Rule 720(1) of the Listing Manual**

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual.

- 20. Negative Assurance Confirmation on Second Quarter Financial Results Pursuant to Rule 705(5) of the Listing Manual**

We, the Executive Directors of Yongmao Holdings 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 interim unaudited financial statements for the three months ended 30 September 2018 to be false or misleading in any material aspect.

Sun Zhao Lin
Executive Director

Tian Ruo Nan
Executive Director

BY ORDER OF THE BOARD

Tian Ruo Nan
Chief Executive Officer
12 November 2018