



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

3RD QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 MARCH 2019

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

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

Group Statement of Comprehensive Income for period ended 31 March 2019. These figures have not been audited.

	Group 3 months ended			Group 9 months ended		
	31/3/2019 RMB'000 Unaudited	31/3/2018 RMB'000 Unaudited	% Changes	31/3/2019 RMB'000 Unaudited	31/3/2018 RMB'000 Unaudited	% Changes
Revenue	6,673	557,892	(98.8)	912,110	816,686	11.7
Cost of sales	(5,017)	(504,530)	(99.0)	(624,643)	(715,251)	(12.7)
Gross profit	1,656	53,362	(96.9)	287,467	101,435	183.4
Other income and gains	9,977	9,439	5.7	30,483	28,224	8.0
Selling expenses	(10,513)	(5,532)	90.0	(42,254)	(31,683)	33.4
Administrative expenses	(16,970)	(17,423)	(2.6)	(46,979)	(65,520)	(28.3)
Other operating expenses	(4,275)	(3,881)	10.2	(20,736)	(11,089)	87.0
Operating (loss)/ profit	(20,125)	35,965	N.M	207,981	21,367	873.4
Finance costs	(568)	-	N.M	(1,704)	-	N.M
(Loss)/ profit before income tax	(20,693)	35,965	N.M	206,277	21,367	865.4
Income tax expense	(503)	(6,862)	(92.7)	(48,728)	(9,837)	395.4
(Loss)/ profit for the period	(21,196)	29,103	N.M	157,549	11,530	1,266.4
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	(102)	125	N.M	(1,429)	251	N.M
Total comprehensive income for the period	(21,298)	29,228	N.M	156,120	11,781	1,225.2
(Loss)/ profit attributable to:						
Owners of the Company	(22,916)	28,197	N.M	158,215	(2,348)	N.M
Non-controlling interests	1,720	906	89.8	(666)	13,878	N.M
	(21,196)	29,103	N.M	157,549	11,530	1,266.4
Total comprehensive income attributable to:						
Owners of the Company	(23,018)	28,322	N.M	156,786	(2,097)	N.M
Non-controlling interests	1,720	906	89.8	(666)	13,878	N.M
	(21,298)	29,228	N.M	156,120	11,781	1,225.2

* 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	
	31/3/2019 RMB'000 Unaudited	30/6/2018 RMB'000 Audited	31/3/2019 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	106,434	107,299	-	-
Investment properties	586,800	586,800	-	-
Land use rights	10,208	10,094	-	-
Prepayment	120,000	85,000	-	-
Loan receivables	18,800	18,800	-	-
Deferred tax assets	34,065	34,065	-	-
	876,307	842,058	134,381	134,381
Current assets				
Properties held under development	1,613,642	1,708,654	-	-
Properties held for sale	1,452,306	1,378,865	-	-
Accounts receivable	33,785	35,721	-	-
Prepayments, deposits paid and other receivables	699,048	752,032	1,425	1,406
Due from customers for contract work	22,444	22,444	-	-
Loan receivable	6,405	6,152	-	-
Due from subsidiaries	-	-	332,984	335,699
Cash and bank balances	140,769	180,310	-	-
	3,968,399	4,084,178	334,409	337,105
Current liabilities				
Accounts payable	611,091	654,664	-	-
Receipts in advance	1,307,350	1,310,959	-	-
Accruals, deposits received and other payables	796,472	951,950	9,014	9,888
Interest-bearing bank and other borrowings	176,027	268,244	-	-
Income tax payable	210,143	197,515	-	-
	3,101,083	3,383,332	9,014	9,888
Net current assets	867,316	700,846	325,395	327,217
Total assets less current liabilities	1,743,623	1,542,904	459,776	461,598
Non-current liabilities				
Interest-bearing bank and other borrowings	585,578	490,979	-	-
Deferred tax liabilities	139,876	139,876	-	-
	725,454	630,855	-	-
Net assets	1,018,169	912,049	459,776	461,598
EQUITY				
Equity attributable to owners of the Company				
Share capital	133,882	133,882	133,882	133,882
Reserves	636,879	487,938	325,894	327,716
	770,761	621,820	459,776	461,598
Non-controlling interests	247,408	290,229	-	-
Total equity	1,018,169	912,049	459,776	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 31/3/2019		As at 30/06/2018	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
149,340	26,687	244,504	23,740

Amount repayable after one year

As at 31/3/2019		As at 30/06/2018	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
585,578	-	490,979	-

Details of any collateral

As at 31 March 2019, the Group's interest-bearing bank borrowings of RMB734.9 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 9 months ended	
	31/3/2019 RMB'000 Unaudited	31/3/2018 RMB'000 Unaudited	31/3/2019 RMB'000 Unaudited	31/3/2018 RMB'000 Unaudited
Cash flows from operating activities				
(Loss)/ profit before income tax	(20,693)	35,965	206,277	21,367
Adjustments for:				
Interest income	(96)	(166)	(2,227)	(979)
Amortisation of land use rights	69	71	213	215
Depreciation of property, plant and equipment	442	2,381	4,698	7,209
Operating (loss) / profit before working capital changes	(20,278)	38,251	208,961	27,812
(Increase)/ decrease in properties held under development	(41,987)	(31,844)	148,028	(312,676)
(Increase)/ decrease in properties held for sale	(2,338)	398,957	(73,441)	581,511
Decrease in accounts receivable	15,839	-	1,936	72
(Increase)/ decrease in prepayments, deposits paid and other receivables	(37,656)	(132,705)	52,984	(116,833)
Increase/ (decrease) in account payables	84	(37,907)	(43,573)	(123,762)
Increase/ (decrease) in receipts in advance	167,146	(292,040)	(3,609)	124,965
(Increase)/ decrease in accruals, deposits received and other payables	30,824	(49,472)	(155,431)	(75,166)
Cash generated from/ (used in) operations	111,634	(106,760)	135,855	105,923
Income taxes refunded/ paid	-	1,633	(36,147)	18,245
Interest received	96	166	1,974	979
<i>Net cash generated from/ (used in) operating activities</i>	111,730	(104,961)	101,682	125,147
Cash flows from investing activities				
Increase in deposit paid	-	-	(35,000)	-
Purchase of non-controlling interest	(50,000)	-	(50,000)	-
Purchase of property, plant and equipment	(75)	(2,922)	(4,160)	(6,761)
<i>Net cash used in investing activities</i>	(50,075)	(2,922)	(89,160)	(6,761)
Cash flows from financing activities				
Proceeds from bank and other borrowings	8,000	200,000	108,880	279,840
Repayments of bank and other borrowings	(65,629)	(52,191)	(106,498)	(650,058)
Interest paid	(16,101)	(7,214)	(53,016)	(19,505)
<i>Net cash (used in) / generated from financing activities</i>	(73,730)	140,595	(50,634)	(389,723)
Net (decrease) / increase in cash and cash equivalents	(12,075)	32,712	(38,112)	(271,337)
Effect on foreign exchange translation	(102)	125	(1,429)	251
Cash and cash equivalents at beginning of period	133,987	104,767	161,351	408,690
Cash and cash equivalents at end of period	121,810	137,604	121,810	137,604

Note:

	Group 3 months ended		Group 9 months ended	
	31/3/2019 RMB'000 Unaudited	31/3/2018 RMB'000 Unaudited	31/3/2019 RMB'000 Unaudited	31/3/2018 RMB'000 Unaudited
Cash and bank balances	140,769	252,345	140,769	252,345
Less: Restricted bank deposits	(18,959)	(114,741)	(18,959)	(114,741)
Cash and cash equivalents for the purpose of statement of cash flows	121,810	137,604	121,810	137,604

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	-	-	-	-	-	-	(2,348)	13,878	11,530
Other comprehensive income									
- Exchange differences on translation of financial statements of foreign operations	-	-	-	-	-	251	-	-	251
Total comprehensive income for the period	-	-	-	-	-	251	(2,348)	13,878	11,781
At 31 March 2018 (Unaudited)	133,882	302,585	20,720	10,293	93,892	2,650	100,739	311,142	975,903
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	-	-	-	-	-	-	158,215	(666)	157,549
Other comprehensive income									
- Exchange differences on translation of financial statements of foreign operations	-	-	-	-	-	(1,429)	-	-	(1,429)
Total comprehensive income for the period	-	-	-	-	-	(1,429)	158,215	(666)	156,120
Purchase of non-controlling interest	-	-	-	-	-	-	(7,845)	(42,155)	(50,000)
Transfer to statutory reserve	-	-	-	-	3,337	-	(3,337)	-	-
At 31 March 2019 (Unaudited)	133,882	302,585	20,720	10,293	97,229	2,635	203,417	247,408	1,018,169

* These reserve accounts comprise the consolidated reserves of approximately RMB636,879,000 (3QFY2018: RMB530,879,000) 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 year and total comprehensive income for the year	-	-	-	(2,003)	(2,003)
At 31 March 2018 (Unaudited)	133,882	304,474	35,064	(11,889)	461,531
At 30 June 2018 and 1 July 2018 (Audited)	133,882	304,474	35,064	(11,822)	461,598
Loss for the year and total comprehensive income for the year	-	-	-	(1,822)	(1,822)
At 31 March 2019 (Unaudited)	133,882	304,474	35,064	(13,644)	459,776

** These reserve accounts comprise the Company's reserves of approximately RMB325,894,000 (3QFY2018: RMB327,549,000) in the Company's statement of financial position.

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding year.

There were no shares held as treasury shares and the Company does not have any share that may be issued on conversion of any outstanding convertibles as at 31 March 2019.

There were no subsidiary holdings as at 31 March 2019.

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	
	31/3/2019	30/06/2018	31/3/2019	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.

Except as stated in Paragraph 5, 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 for financial periods beginning on or after 1 January 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		9 months ended	
	31/3/2019	31/3/2018	31/3/2019	31/3/2018
	Unaudited	Unaudited	Unaudited	Unaudited
(Losses)/ earnings per share				
(a) Basic (RMB dollars)	(0.33)	0.41	2.28	(0.03)
(b) Fully diluted (RMB dollars)	N/A	N/A	N/A	N/A

Note:

The calculation of basic loss per ordinary share is based on the loss for the three months ended 31 March 2019 ("3QFY2019") attributable to owner of the Company of approximately RMB22,916,000 and earnings per ordinary share is based on the profit for nine months ended 31 March 2019 ("9MFY2019") and RMB158,215,000, respectively (3QFY2018: profit of RMB28,197,000 and 9MFY2018: loss of RMB2,348,000) and on weighted average number of shares of 69,400,000 (3QFY2018 and 9MFY2018: 69,400,000) ordinary shares in issue during the said periods.

Diluted loss per share for the period ended 31 March 2019 and diluted earnings per share for the period ended 31 March 2018 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	
	31/3/2019	30/06/2018	31/3/2019	30/06/2018
Net asset value per ordinary share based on issued share capital at the end of the period: (RMB dollars)	11.11	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 9MFY2019, 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), Aqua Lake Grand City (绿湖豪城) and Hou De Zai Wu (厚德载物).

The Group recorded a revenue of RMB6.7 million in 3QFY2019, which was RMB551.2 million lower compared to RMB557.9 million in 3QFY2018. The decrease in 3QFY2019 revenue was mainly due to a significant lower number of units handed over to buyers. During the 3QFY2019, only 40 carpark units under Ming Yue Shui An were handed over to buyers compared to 202 residential units in 3QFY2018. Due to delay of interior renovation works in Shan Qing Shui Xiu, there were no residential units handed over during the period

For 9MFY2019, the Group's revenue was RMB912.1 million which was RMB95.4 million higher compared to RMB816.7 million in 9MFY2018. The increase in revenue was attributed to the significant number of residential units of Shan Qing Shui Xiu, Ming Yue Shui An, Aqua Lake Grand City and Hou De Zai Wu handed over in 9MFY2019.

Cost of sales

The Group's cost of sales in 3QFY2019 of RMB5.0 million was RMB499.5 million lower compared to RMB504.5 million in 3QFY2018. This lower cost of sales was in tandem with lower sales achieved for 3QFY2019.

For 9MFY2019, the Group's cost of sales of RMB624.6 million was RMB90.6 million lower compared to RM715.3 million in 9MFY2018. The higher cost of sales was in tandem with the higher revenue of the Group attained for 9MFY2019.

Gross profit

The Group's gross profit in 3QFY2019 of RMB1.7 million was RMB51.7 million lower compared to RMB53.4 million in 3QFY2018. This was due to lower sales achieved for 3QFY2019.

For 9MFY2019, the Group's gross profit of RMB287.5 million was RMB186.1 million higher compared to RMB101.4 million in 9MFY2018.

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 3QFY2019, the Group recorded other income and gains of RMB9.9 million, which was RMB0.5 million higher compared to RMB9.4 million in 3QFY2018.

For 9MFY2019, the Group's other income and gains of RMB30.5 million was RMB2.3 million higher compared to RMB28.2 million in 9MFY2018.

The increase in 9MFY2019 was mainly due to increase in ticket sales income of Batai Mountain National Park where it recorded a higher RMB 2.0 million ticket sales compared to same period last year. 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.

Selling expenses

The Group recorded selling expenses of RMB10.5 million in 3QFY2019, which was RMB5.0 million higher compared to RMB5.5 million in 3QFY2018.

For 9MFY2019, the Group's selling expenses were RMB42.3 million which were RMB10.6 million higher compared to RMB31.7 million in 9MFY2018.

The increase was mainly attributable to the sales commission to agents and sales promotion to accelerate the sales of Shan Qing Shui Xiu. Part of the sales commission incurred in second quarter of 2019 were recognized in 3QFY2019 as the sales commission was being negotiated during the second quarter. The overall increase in selling expense was in line with the increase in revenue

Administrative expenses

The Group recorded administrative expenses of RMB17.0 million in 3QFY2019, which were RMB0.4 million lower compared to RMB17.4 million in 3QFY2018.

For 9MFY2019, the Group's administrative expenses of RMB47.0 million were RMB18.5 million lower compared to RMB65.5 million in 9MFY2018.

Due to the effective cost control policies, the Group was able to reduce staff cost and travelling expenses in the 9MFY2019. Further, a surcharge for overdue payment of RMB6.1 million was recorded in the same period last year. The surcharge was a one-off payment to a construction contractor and no such item was recorded in 9MFY2019

Other operating expenses

The Group recorded other operating expenses of RMB4.3 million in 3QFY2019, which were RMB0.4 million higher compared to RMB3.9 million in 3QFY2018.

For 9MFY2019, the Group's other operating expenses of RMB20.7 million were RMB9.6 million higher compared to RMB11.1 million in 9MFY2018.

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 RMB11.1 million and RMB7.2 million, respectively.

Finance costs

The Group recorded finance costs of RMB1.7 million in 9MFY2019 (9MFY2018: Nil). The increase in finance costs was mainly due to an increase in other borrowing for general operating purpose. The finance costs were not capitalised for properties held under development.

Income tax expense

The Group recorded income tax expense of RMB0.5 million in 3QFY2019, which was RMB6.4 million lower compared to RMB6.9 million in 3QFY2018.

For 9MFY2019, the Group recorded income tax expense of RMB48.7 million which was RMB38.9 million higher compared to RMB9.8 million in 9MFY2018. The amount mainly represented the provision of land appreciation tax and enterprise income tax during the period.

Loss for the period

The Group recorded a net loss of RMB 21.2 million for 3QFY2019, compared to a net profit of RMB29.1 million for 3QFY2018. The net loss for 3QFY2019 was mainly due to nil residential units handed over to buyers.

Net profit attributable to owners of the Company of RMB158.2 million was recorded for 9MFY2019, compared to a net loss attributable to owners of the Company of RMB2.3 million for 9MFY2018. 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 March 2019

Current assets

As at 31 March 2019, the Group's current assets of RMB3,968.4 million, representing a slight decrease of RMB115.8 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 RMB95.0 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 RMB73.4 million; (iii) decrease in prepayment, deposit and other receivables of RMB53.0 million; (iv) decrease in cash and bank balances of RMB39.5 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 March 2019, the Group had non-current assets of RMB876.3 million, representing an increase of RMB34.2 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 materialises.

Current liabilities

As at 31 March 2019, the Group's current liabilities stood at RMB3,101.1 million, representing a decrease of RMB282.2 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 and other payables by RMB155.5 million as a result of settlement of accrued construction costs; and (ii) decrease in interest-bearing bank and other borrowing of RMB92.2 million as part of the short-term loans were renewed and reclassified as long-term loans.

Non-current liabilities

As at 31 March 2019, the Group's non-current liabilities stood at RMB725.5 million, representing an increase of RMB94.6 million, compared to RMB630.9 million as at 30 June 2018. The increase in balance was due to the net effect of new bank loans and other borrowings of RMB108.9 million and repayment of the bank and other borrowings of RMB14.6 million.

Total equity

As at 31 March 2019, the Group's equity stood at RMB1,018.2 million, representing an increase of RMB106.1 million, compared to RMB912.0 million as at 30 June 2018. This was due mainly to the profit for the period under review.

During the 3QFY2019, the Group acquired a further 46% equity interest in its 51% owned subsidiary, Tonghua Litong Real Estate Development Co., Limited ("Tonghua Litong"), from the non-controlling shareholder for a total cash consideration of RMB50 million. The consideration was determined after arm's length negotiations between the Company and the non-controlling shareholder on a willing-buyer and willing-seller basis, taking into account the book value of Tonghua Litong as per its unaudited accounts as at 11 March 2019. A loss on acquisition of non-controlling interest of RMB7.8 million was incurred. Upon completion of the above acquisition, the Group's effective interest in Tonghua Litong has increased to 94.44%.

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 to SGX-ST via SGXNet by the Company on 8 May 2019.

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 tightening regulatory controls imposed by the central and local governments on the real estate market in China remained in place. The trade war between China and the U.S. is unlikely to be settled soon and it will have a major impact on the Chinese Economy.

The Group continues to maintain a prudent approach in its activities and fine tuning its business development strategy when appropriate. Its focus on property development projects remains in Guangdong, while accelerating 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 March 2019 are as follows:

	Shan Qing Shui Xiu (山清水秀)	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	984	713	1,419	3,936
Total units handed over to buyers as of 31 March 2019	1,206	910	472	784	1,535
Percentage of handed over	67%	93%	66%	55%	39%
Pre-sale units not handed over to buyers as at 31 March 2019					
- Residential unit(s)	463	-	1	8	1,437
- Carpark unit(s)	23	-	-	-	-
Pre-sale value received not handed over to buyers as at 31 March 2019	RMB435.5 million	Nil	RMB2.1 million	RMB3.5 million	RMB806.4 million

Note: The Group's Aqua Lake Grand City Project has recorded 99.8% of the residential units handed over to buyers and thus, it will not be reflected in the above table.

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 third quarter results ended 31 March 2019 as the Group wishes to conserve 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 3QFY2019 and 9MFY2019 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 officers under Rule 720(1).

BY ORDER OF THE BOARD

Lin Yeju
Non-Executive Chairman

15 May 2019