



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

FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2016

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 the year ended 30 June 2016. These figures have not been audited.

	Group Year ended		% Changes
	30/06/2016 RMB'000 Unaudited	30/06/2015 RMB'000 Audited	
Revenue	602,212	444,864	35.4
Cost of sales			
- Cost of properties held for sale recognised as expenses and other costs	(528,169)	(363,176)	(45.4)
Gross profit	74,043	81,688	(9.4)
Other income and gains	31,040	23,849	30.2
Fair value adjustments on investment properties	14,343	26,720	(46.3)
Selling expenses	(21,815)	(33,661)	(35.2)
Administrative expenses	(96,819)	(100,010)	(3.2)
Other operating expenses	(9,051)	(16,750)	(46.0)
Operating loss	(8,259)	(18,164)	(54.5)
Finance costs	(1,708)	(1,844)	(7.4)
Loss before income tax	(9,967)	(20,008)	(50.2)
Income tax expense	(83,285)	(21,874)	280.7
Loss for the year	(93,252)	(41,882)	122.7
Other comprehensive income, net of tax Items that may be reclassified subsequently to profit or loss:			
Revaluation surplus upon transfer of owner-occupied properties to investment properties	10,446	-	N.M.
Deferred tax liabilities arising on revaluation of properties	(4,735)	-	N.M.
Exchange differences on translation of financial statements of foreign operations	288	(384)	175.0
Other comprehensive income for the year	5,999	(384)	1,662.2
Total comprehensive income for the year	(87,253)	(42,266)	106.4
Loss for the year attributable to:			
Owners of the Company	(81,739)	(26,819)	204.8
Non-controlling interests	(11,513)	(15,063)	(23.6)
	(93,252)	(41,882)	122.7

	Group		% Changes
	Year ended		
	30/06/2016 RMB'000 Unaudited	30/06/2015 RMB'000 Audited	
Total comprehensive income attributable to:			
Owners of the Company	(75,740)	(27,203)	178.4
Non-controlling interests	(11,513)	(15,063)	(23.6)
	(87,253)	(42,266)	106.4

N.M. – Not meaningful

The Group's loss before income tax is arrived at after charging/(crediting):

	Group	
	Year ended	
	30/06/2016 RMB'000 Unaudited	30/06/2015 RMB'000 Audited
Amortisation of land use rights	323	359
Depreciation of property, plant and equipment	6,746	9,520
Interest charges on financial liabilities carried at amortised cost	142,876	169,167
Less: amount capitalised in properties held under development	(141,168)	(167,323)
	1,708	1,844
Bank interest income from bank deposits	(880)	(1,194)
Write-down of properties held for sale to realisable value	28,869	-
Gain on disposals of property, plant and equipment	(1,470)	-
Impairment of accounts and other receivables	-	7,730

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	
	30/06/2016	30/06/2015	30/06/2016	30/06/2015
	RMB'000	RMB'000	RMB'000	RMB'000
	Unaudited	Audited	Unaudited	Audited
ASSETS AND LIABILITIES				
Non-current assets				
Interests in subsidiaries	-	-	134,381	134,381
Property, plant and equipment	69,721	72,646	-	-
Investment properties	535,607	397,737	-	-
Land use rights	10,668	13,710	-	-
Deferred tax assets	49,384	27,962	-	-
	665,380	512,055	134,381	134,381
Current assets				
Properties held for development	-	101,793	-	-
Properties held under development	1,380,839	1,566,987	-	-
Properties held for sale	1,872,160	1,692,739	-	-
Accounts receivable	6,377	-	-	-
Prepayments, deposits paid and other receivables	664,868	690,848	1,317	1,317
Tax recoverable	-	12,800	-	-
Due from subsidiaries	-	-	340,011	344,209
Cash and bank balances	198,352	296,317	-	-
	4,122,596	4,361,484	341,328	345,526
Current liabilities				
Accounts payable	346,733	420,324	-	-
Receipts in advance	1,272,462	1,080,853	-	-
Accruals, deposits received and other payables	409,681	292,217	7,859	8,387
Interest-bearing bank and other borrowings	785,246	806,620	-	-
Income tax payable	202,989	154,515	-	-
	3,017,111	2,754,529	7,859	8,387
Net current assets	1,105,485	1,606,955	333,469	337,139
Total assets less current liabilities	1,770,865	2,119,010	467,850	471,520
Non-current liabilities				
Interest-bearing bank and other borrowings	653,509	912,754	-	-
Deferred tax liabilities	125,352	126,999	-	-
	778,861	1,039,753	-	-
Net assets	992,004	1,079,257	467,850	471,520

	Group		Company	
	30/06/2016 RMB'000 Unaudited	30/06/2015 RMB'000 Audited	30/06/2016 RMB'000 Unaudited	30/06/2015 RMB'000 Audited
EQUITY				
Equity attributable to owners of the Company				
Share capital	133,882	133,882	133,882	133,882
Reserves	561,448	637,188	333,968	337,638
	695,330	771,070	467,850	471,520
Non-controlling interests	296,674	308,187	-	-
Total equity	992,004	1,079,257	467,850	471,520

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

Amount repayable in one year or less, or on demand

As at 30/06/2016		As at 30/06/2015	
Secured RMB'000	Unsecured RMB'000	Secured RMB'000	Unsecured RMB'000
444,000	341,246	399,000	407,620

Amount repayable after one year

As at 30/06/2016		As at 30/06/2015	
Secured RMB'000	Unsecured RMB'000	Secured RMB'000	Unsecured RMB'000
619,508	34,001	826,000	86,754

Details of any collateral

As at 30 June 2016, the Group's interest-bearing bank and other borrowings of RMB538 million and other borrowings of RMB526 million were secured by the pledge of the Group's properties held under development, properties held for sale and investment properties of RMB423,105,000, RMB822,797,000 and RMB240,242,000 (2015: RMB654,144,000, RMB1,028,850,000 and RMB14,919,000), respectively.

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	
	Year ended	
	30/06/2016	30/06/2015
	RMB'000	RMB'000
	Unaudited	Audited
Cash flows from operating activities		
Loss before income tax	(9,967)	(20,008)
Adjustments for:		
Amortisation of land use rights	323	359
Depreciation of property, plant and equipment	6,746	9,520
Fair value adjustments on investment properties	(14,343)	(26,720)
Interest expense	1,708	1,844
Interest income	(880)	(1,194)
Gain on disposals of property, plant and equipment	(1,470)	-
Impairment loss of accounts and other receivables	-	7,730
Write down of properties held for sales	28,869	-
Operating profit/(loss) before working capital changes	10,986	(28,469)
Increase in properties held for development	-	(7,787)
Increase in properties held under development	(407,505)	(510,205)
Decrease in properties held for sale	522,638	341,425
Increase in accounts receivable	(6,377)	-
Decrease/(Increase) in prepayments, deposits paid and other receivables	25,980	(28,122)
(Decrease)/Increase in accounts payable	(73,591)	169,566
Increase in receipts in advance	191,609	36,320
Increase in accruals, deposits received and other payables	117,464	25,716
Cash generated from/(used in) operations	381,204	(1,556)
Income taxes paid	(49,815)	(41,625)
Interest received	880	1,194
Net cash generated from/(used in) operating activities	332,269	(41,987)
Cash flows from investing activities		
Decrease/(Increase) in restricted bank deposits	101,909	(1,108)
Purchases of property, plant and equipment	(9,646)	(17,338)
Proceeds from disposals of property, plant and equipment	2,619	-
Net cash generated from/(used in) investing activities	94,882	(18,446)
Cash flows from financing activities		
Interest paid	(142,876)	(169,167)
Capital injection by non-controlling interests	-	2,500
Dividend paid	-	(6,940)
Proceeds from bank and other borrowings	482,933	1,131,080
Repayments of bank and other borrowings	(763,552)	(891,493)
Net cash (used in)/generated from financing activities	(423,495)	65,980

	Group	
	Year ended	
	30/06/2016	30/06/2015
	RMB'000	RMB'000
	Unaudited	Audited
Net increase in cash and cash equivalents	3,656	5,547
Effect on foreign exchange translation	288	(384)
Cash and cash equivalents at beginning of year	101,927	96,764
Cash and cash equivalents at end of year (note)	105,871	101,927
Note:		
Cash and bank balances	198,352	296,317
Less: Restricted bank deposits	(92,481)	(194,390)
Analysis of balances of cash and cash equivalents	105,871	101,927

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	Dividend Proposed* RMB'000	Retained earnings * RMB'000	Non-controlling Interests RMB'000	Total RMB'000
At 30 June 2014 and 1 July 2014 (Audited)	133,882	302,585	20,720	4,582	93,892	3,234	6,940	239,378	320,750	1,125,963
Dividend paid	-	-	-	-	-	-	(6,940)	-	-	(6,940)
Capital contribution by non-controlling equity holders of a subsidiary	-	-	-	-	-	-	-	-	2,500	2,500
Transactions with owners	-	-	-	-	-	-	(6,940)	-	2,500	(4,440)
Loss for the year	-	-	-	-	-	-	-	(26,819)	(15,063)	(41,882)
Other comprehensive income										
- Exchange differences on translation of financial statements of foreign operations	-	-	-	-	-	(384)	-	-	-	(384)
Total comprehensive income for the year	-	-	-	-	-	(384)	-	(26,819)	(15,063)	(42,266)
At 30 June 2015 and 1 July 2015 (Audited)	133,882	302,585	20,720	4,582	93,892	2,850	-	212,559	308,187	1,079,257
Loss for the year	-	-	-	-	-	-	-	(81,739)	(11,513)	(93,252)
Other comprehensive income										
- Revaluation surplus upon transfer of owner-occupied properties to investment properties	-	-	-	10,446	-	-	-	-	-	10,446
- Deferred tax liabilities arising on revaluation of properties	-	-	-	(4,735)	-	-	-	-	-	(4,735)
- Exchange differences on translation of financial statements of foreign operations	-	-	-	-	-	288	-	-	-	288
Total comprehensive income for the year	-	-	-	5,711	-	288	-	(81,739)	(11,513)	(87,253)
At 30 June 2016 (Unaudited)	133,882	302,585	20,720	10,293	93,892	3,138	-	130,820	296,674	992,004

* These reserve accounts comprise the consolidated reserves of approximately RMB561,448,000 (FY2014: RMB637,188,000) in the Group's statement of financial position.

Company	Share capital	Share premium**	Contributed surplus**	Dividend proposed**	Retained earnings/ (accumulated losses)**	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 30 June 2014 and 1 July 2014 (Audited)	133,882	304,474	35,064	6,940	3,215	483,575
Dividend paid	-	-	-	(6,940)	-	(6,940)
Loss for the year and total comprehensive income for the year	-	-	-	-	(5,115)	(5,115)
At 30 June 2015 (Audited)	133,882	304,474	35,064	-	(1,900)	471,520
Loss for the year and total comprehensive income for the year	-	-	-	-	(3,670)	(3,670)
At 30 June 2016 (Unaudited)	133,882	304,474	35,064	-	(5,570)	467,850

** These reserve accounts comprise the Company's reserves of approximately RMB333,968,000 (FY2015: RMB337,638,000) 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 also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.

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 June 2015 and 30 June 2016.

On 29 July 2015, the Company completed a share consolidation of 10 existing issued ordinary shares into 1 ordinary share.

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	
	30/06/2016	30/06/2015	30/06/2016	30/06/2015
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

The Company had on 29 July 2015 completed the share consolidation of 10 existing ordinary shares into 1 ordinary share. The number of ordinary shares was adjusted retrospectively for all periods presented.

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

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 has adopted the same accounting policies and methods of computation as stated in the audited financial statements for the year ended 30 June 2015, except for the adoption for the new and amended International Financial Reporting Standards (IFRSs) which become effective on 1 July 2015. The adoption of these new and amended IFRSs did not give rise to significant change to the financial statements.

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.

Not applicable

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	
	Year ended	
	30/06/2016	30/06/2015
		(Restated)
Losses per ordinary share		
(a) Basic (RMB dollar)	(1.18)	(0.39)
(b) Fully diluted (RMB dollar)	N/A	N/A

Note:

The calculation of basic losses per ordinary share is based on the loss for the year attributable to owner of the Company of approximately RMB81,739,000 (FY2015: RMB26,819,000) and the ordinary shares of 69,400,000 (FY2015: ordinary shares of 69,400,000) in issue during the year.

The Company had on 29 July 2015 completed the share consolidation of 10 existing ordinary shares into 1 ordinary share. The weighted average number of ordinary shares was adjusted retrospectively for all periods presented.

Diluted earnings per ordinary share for the year ended 30 June 2016 and 30 June 2015 was not presented as there was no potential dilution of the Group'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	
	30/06/2016	30/06/2015 (Restated)*	30/06/2016	30/06/2015 (Restated)*
Net asset value per ordinary share based on issued share capital at the end of the period: (RMB dollars)	10.02	11.11	6.74	6.79

Note:

* After the completion of share consolidation on 29 July 2015, the net asset value per share ordinary share of the Group and the Company at the end of 30 June 2015 has been restated based on 69,400,000 ordinary shares post share consolidation.

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 the year ended 30 June 2016 ("FY2016") was mainly derived from the sale of Xilang Project, namely Ming Yue Shui An (明月水岸), Huadu Project (Phases I and II), namely Shan Qing Shui Xiu (山清水秀) in Guangzhou City, Phase II of Aqua Lake Project, namely Aqua Lake Grand City (绿湖豪城) in Nanchang City and Hou De Zai Wu (厚德载物) in Tonghua City.

The Group's revenue amounted to RMB602.2 million for FY2016 which was RMB157.3 million higher compared to RMB444.9 million in FY2015.

The increase in revenue was mainly attributed to the commencement of handover of the residential units of the Group's Hou De Zai Wu project during the year.

Cost of sales

The Group recorded cost of sales of RMB528.2 million for FY2016 which was RMB165.0 million higher compared to RMB363.2 million in FY2015. The increase in cost of sales was in line with the increase in revenue. The Group also incurred impairment of net realisable value of the held for sale car parking lots at Aqua Lake Project amounting to RMB28.9 million.

Gross profit

The Group recorded a gross profit of RMB74.0 million for FY2016 which was RMB7.7 million lower compared to RMB81.7 million in FY2015. The decrease in gross profit was mainly due to the Group incurred impairment of fair value of the held for sale car parking lots at Aqua Lake Project amounting to RMB28.9 million.

Gross profit margin decreased to 12.3% in FY2016 from 18.4% in FY2015. The drop in gross profit margin was mainly due to the sales of residential units of the Hou De Zai Wu project which commanded lower gross profit margins than the Group's projects in Guangzhou; and

also the impairment of net realisable value of the held for sale car park lots at Aqua Lake Grand City,

Other income and gains

The Group recorded other income and gains of RMB31.0 million for FY2016 which was RMB7.2 million higher compared to RMB23.8 million in FY2015. The increase was due to the increased ticket sales income of Batai Mountain National Park of RMB10.1 million (FY2015: RMB2.8 million) for the year.

Fair value adjustments on investment properties

The Group recorded a gain of RMB14.3 million arising from fair value adjustments on the Group's investment properties in FY2016 compared to RMB26.7 million in FY2015 based on the valuation carried out by Jones Lang LaSalle Corporate Appraisal and Advisory Limited on 21 August 2016. The gain was mainly due to the slightly increase in fair value of investment properties resulted from higher rental prices as experienced in certain cities of the PRC and the transfer of properties held for development to investment properties during the year.

Selling expenses

The Group recorded selling expenses of RMB21.8 million for FY2016 which was RMB11.9 million lower compared to RMB33.7 million in FY2015. The decrease was mainly due to fewer advertising and promotional activities, lower salaries and allowances, and rental expenses during the year.

The decrease in salary was due to recruitment of less temporary sales staff during the year as compared to the previous financial years when the Group's Xilang and Huadu Projects were first launched in previous year. The decrease in rental and building management expenses was due to fewer showrooms being leased for promotion activities during the year.

Administrative expenses

The Group recorded administrative expenses of RMB96.8 million for FY2016 which was RMB3.2 million lower compared to RMB100.0 million in FY2015. The decrease was mainly due to the net effect of (i) decrease in salaries and wages as a result of the one-off severance payment to the retrenched employees as part of the Group's staff rationalization exercise conducted in last year; and (ii) lower entertainment, office and travelling expenses due to the implementation of cost controls policy.

Other operating expenses

The Group recorded other operating expenses of RMB9.1 million for FY2016 which was RMB7.7 million lower compared to RMB16.8 million in FY2015. The amount mainly represented the direct expenses such as staff cost, repair and maintenance, etc, amounting to RMB8.5 million (FY2015: RMB9.1 million) in relation to the Batai Mountain National Park. Last year's balance also included the provision for impairment of other receivables of RMB7.7 million of which no such item was noted in the current year.

Finance costs

The Group recorded finance costs of RMB1.7 million for FY2016 which was RMB0.1 million lower compared to RMB1.8 million in FY2015. The decrease was mainly due to the decrease in other borrowings which were used for working capital purpose during this year. Finance costs for borrowings which were used for project financing were capitalized to the project accordingly.

Income tax expense

The Group recorded income tax expense of RMB83.3 million for FY2016 which was RMB61.4 million higher compared to RMB21.9 million in FY2015. The amount mainly represented the net effect of PRC enterprise income tax of RMB26.7 million, land appreciation tax of RMB84.4 million and deferred tax assets of RMB27.8 million provided for the year.

Increase in income tax expense was mainly due to provision of land appreciation tax ("LAT") on the appreciation value upon the deemed sales of relocation properties for Ming Yue Shui An project and Aqua Lake Grand City project amounted to RMB66.6 million and RMB13 million respectively, under the LAT Implementation Rules of the PRC.

Loss for the year

The Group recorded a loss of RMB93.3 million for FY2016 which was RMB51.4 million higher compared to RMB41.9 million in FY2015. The loss was mainly due to provision of LAT on appreciation value upon the deemed sales of relocation properties for Ming Yue Shui An project and Aqua Lake Grand City project as mentioned above.

Cash flows analysis

For FY2016, the Group recorded RMB332.3 million of cash inflow from operating activities which was mainly attributable to the decrease in properties held for sales and increase in receipt in advance from the customers.

Net cash inflow from investing activities in FY2016 of RMB94.9 million was mainly due to decrease in restricted bank deposits.

Net cash outflow from financing activities in FY2016 of RMB423.5 million was mainly due to repayments of bank and other borrowings.

As a result, the Group has a cash and cash equivalent of RMB105.9 million.

(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 June 2016**Non-current assets**

As at 30 June 2016, the Group's non-current assets stood at RMB665.4 million, representing an increase of RMB153.3 million compared to RMB512.1 million as at 30 June 2015. The increase was mainly attributable to an increase in investment properties of RMB137.9 million.

The increase in investment properties was mainly due to (i) transfer from owner-occupied properties of RMB6.6 million and properties held for development of RMB106.5 million and (ii) fair value adjustments as per valuation carried out by Jones Lang LaSalle Corporate Appraisal and Advisory Limited on the Group's investment properties.

Current assets

As at 30 June 2016, the Group's current assets stood at RMB4,122.6 million, representing an decrease of RMB238.9 million compared to RMB4,361.5 million as at 30 June 2015. The decrease was mainly attributable to (i) decrease in properties held for development of RMB101.8 million as a result of the reclassification to the investment properties; (ii) an increase in properties held for sale by RMB179.4 million which was partially offset by the decrease in property held under development by RMB186.1 million. The increase in property held for sales and decrease in property held under development was due to the completion of Hou De Zai Wu (厚德载物) during the period and as a result, the project was reclassified as "property held under development" from "property held for sale"; and (iii) decrease in cash and bank balances of RMB98.0 million for daily operation during the year.

Current liabilities

As at 30 June 2016, the Group's current liabilities stood at RMB3,017.1 million, representing an increase of RMB262.6 million, compared to RMB2,754.5 million as at 30 June 2015.

This was mainly due to the net effect of i) a decrease in accounts payable by RMB73.6 million due to the Group's contractors and suppliers; ii) an increase in accruals, deposits received and other payables due to the increase in receipt in advance from the customers and (iii) an increase in tax payable by RMB48.5 million.

Non-current liabilities

As at 30 June 2016, the Group's non-current liabilities stood at RMB778.9 million, representing a decrease of RMB260.9 million, compared to RMB1,039.8 million as at 30 June 2015. This was mainly due to the decrease in bank and other borrowings by RMB259.2 million as a result of reclassification to current loans during the year.

Total equity

As at 30 June 2016, the Group's equity stood at RMB992.0 million, representing a decrease of RMB87.3 million, compared to RMB1,079.3 million as at 30 June 2015. This was mainly due to the loss for the year.

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

The FY2016 results are in line with the profit warning announcement announced by the Company on 24 August 2016.

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 markets. As such the Group will monitor the market closely and will continue to implement formulated strategies that mitigate against any possible headwinds.

The Group will concentrate its property development in the first tier cities, including Guangzhou, while also speed up to destock our inventory of projects in the second tier cities. Meanwhile, the Group will continue to seek for new opportunities in the real estate sector, including health care related property projects.

The Group is on schedule for its construction work in progress. Details of the occupancy and take-up rates of the Group's major existing projects which had obtained pre-sale certificates as at 30 June 2016 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 units of residential for sales	1,791	1,005	431	404	605	1,481
Total units handed over to buyers as of 30 June 2016	305	967	431	373	330	376
Percentage of handed over	17%	96%	100%	92%	55%	25%
Pre-sale units not handed over to buyers as at 30 June 2016						
- Residential unit	366	11	-	26	211	159
- Carpark	-	-	22	52	-	-
- Hotel	-	1	-	-	-	-
Pre-sale value not handed over to buyers as at 30 June 2016	RMB289.4 million	RMB306.6 million	RMB13.0 million	RMB109.2 million	RMB412.6 million	RMB50.4 million

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared or recommended for the full year results ended 30 June 2016.

13. Update on use of Placement Proceeds

The Board refers to the net proceeds of RMB43,432,000 raised from the placement of 39 million ordinary shares on 27 December 2013. As at 30 June 2016, the Group had used all the proceeds for its property development.

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.

Properties development is the only business segment of the Group. No geographical segment analysis was presented as the Group's revenue was derived in the PRC. Accordingly, no separate business and geographical segment information was prepared.

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.

Not applicable.

16. A breakdown of sales.

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.

	Group	
	Year ended	
	30/06/2016	30/06/2015
	RMB'000	RMB'000
Total annual dividend		
- Interim	-	-
- Final	-	-
Total	-	-

18. 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 any IPT mandate.

19. 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).

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any during the year
Lin Yeju	45	Spouse of Chen Jianfeng, Substantial Shareholder.	Non-Executive Chairman of the Company – 2016 Executive Director of Nanchang Changhao Real Estate Consultancy Co. Ltd., a wholly-owned subsidiary of the Company - 2008	Madam Lin Yeju was appointed as Non-Executive Director and Chairman of the Board of the Company on 5 February 2015

20. 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

29 August 2016