



# YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

## UNAUDITED THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2014 FINANCIAL STATEMENTS ANNOUNCEMENT

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# YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

## UNAUDITED THIRD QUARTER AND NINE MONTHS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2014

### PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 AND Q4), HALF YEAR AND FULL YEAR RESULTS

1(a) An income statement (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

#### Unaudited Consolidated Statements of Profit or Loss for the Period Ended 30 September 2014

	3Q 2014	3Q 2013	% Change	9M 2014	9M 2013	% Change
	RMB'000	RMB'000	+ / (-)	RMB'000	RMB'000	+ / (-)
<b>Revenue</b>	977,230	3,507,589	(72)	4,248,975	6,569,413	(35)
<b>Cost of sales</b>	(631,399)	(2,406,148)	(74)	(2,885,211)	(4,370,517)	(34)
<b>Gross profit</b>	345,831	1,101,441	(69)	1,363,764	2,198,896	(38)
Other operating income	20,854	12,685	64	160,897	39,909	303
Selling expenses	(67,726)	(53,300)	27	(171,157)	(145,783)	17
Administrative expenses	(102,168)	(42,325)	141	(345,793)	(376,516)	(8)
Other operating expenses	(1,442)	1,822	NM	(3,082)	(1,822)	69
Finance cost	(58,431)	(54,116)	8	(179,166)	(144,999)	24
Share of (loss) profit of jointly controlled entities	(4,421)	(1,318)	235	93,260	(5,212)	NM
<b>Profit before income tax</b>	132,497	964,889	(86)	918,723	1,564,473	(41)
Income tax	(87,102)	(398,836)	(78)	(456,840)	(753,980)	(39)
<b>Profit for the period</b>	45,395	566,053	(92)	461,883	810,493	(43)
<b>Profit attributable to:</b>						
Equity holders of the Company	8,404	306,716	(97)	289,214	380,458	(24)
Non-controlling interests	36,991	259,337	(86)	172,669	430,035	(60)
	45,395	566,053	(92)	461,883	810,493	(43)

NM: Not meaningful



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Profit before income tax was arrived at after (crediting) / charging the following:

	3Q 2014	3Q 2013	9M 2014	9M 2013
	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Recovery for doubtful debts and bad debts written off	-	-	-	(3)
Depreciation expense	7,391	8,387	23,035	27,424
Dividend income from held-for-trading investment	-	-	(119)	(90)
Fair value gain on investment property	(61,503)	-	(61,503)	-
Fair value loss (gain) on held-for-trading investment	686	(2,596)	(1,867)	(397)
Finance cost	58,431	54,116	179,166	144,999
Interest income	(14,267)	(10,632)	(42,456)	(28,273)
Net loss (gain) on disposal of property, plant and equipment	68	822	(161)	47
Net gain on disposal of investment properties	(270)	(229)	(871)	(898)
Net foreign exchange loss (gain)	61,390	(54,244)	(39,591)	59,058

## **Revenue and cost of sales**

The Group continued to achieve a commendable growth in its pre-sales of which, the total pre-sales amount grew by 24.3% or RMB2.304 billion to RMB11.770 billion as at 30 September 2014 from RMB9.466 billion as at 30 September 2013. These pre-sales are expected to be progressively recognised as revenue in the subsequent quarters.

Due to the relatively lower gross floor area ("GFA") delivered in 3Q 2014, the Group's revenue, net of business tax, was lower at RMB977 million in 3Q 2014 and RMB4.249 billion in 9M 2014 as compared with RMB3.508 billion in 3Q 2013 and RMB6.569 billion in 9M 2013 respectively. The lower GFA delivered in 3Q 2014 was in-line with the Group's lower projected delivery schedule for the quarter under review and also partly attributable to the tighter credit environment in the PRC and consequently slower disbursement of mortgage loans to our customers. The lower revenue streams were partly attributable to the lower average selling price ("ASP") per square metre ("sqm") in 3Q 2014 and 9M 2014 as compared to the corresponding periods last year due to the change in composition of product mix to include the inaugural delivery of Yanlord Riverbay (Phase 1) (仁恒滨河湾一期) in Chengdu from 2Q 2014.



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Cost of sales, which mainly included land, construction and capitalised borrowing costs, decreased in-line with the lower GFA delivered to RMB631 million in 3Q 2014 and RMB2.885 billion in 9M 2014 as compared with RMB2.406 billion in 3Q 2013 and RMB4.371 billion in 9M 2013 respectively.

Other contributors to the Group's revenue included the rental of investment properties as well as provision of property management services and other ancillary services.

## **Other operating income**

Other operating income, which mainly included government subsidies, interest income, fair value gain on investment property and net foreign exchange gain, grew by RMB8 million and RMB121 million to RMB21 million in 3Q 2014 and RMB161 million in 9M 2014 respectively over the same periods last year. RMB121 million increase in 9M 2014 was mainly due to the valuation gain arising from the reclassification of a commercial property of Yanlord Marina Centre - Section B (仁恒滨海中心 - B 标段) in Zhuhai to be an investment property in 3Q 2014, as well as the net foreign exchange gain arising mainly from the depreciation of the Company's US\$ denominated senior notes against its S\$ functional currency. Interest income also recorded a growth in 3Q 2014 and 9M 2014 over the corresponding periods last year, which further contributed to the increase in other operating income of the Group.

## **Selling expenses**

Selling expenses, which mainly included staff costs, advertising and promotion expenses, as well as intermediary agency fee, grew by RMB14 million to RMB68 million in 3Q 2014 and by RMB25 million to RMB171 million in 9M 2014 over the same periods last year mainly attributable to increase in advertising and promotion expenses as well as intermediary agency fee. Higher staff costs were another contributor to the increase in selling expenses in 9M 2014 as compared with 9M 2013. These increases in expenses were in-line with the Group's planning for launches of few new projects and new batches of its existing projects, as well as increasing numbers of sales locations.

## **Administrative expenses**

Administrative expenses mainly comprised of staff costs, utilities, entertainment expenses, professional fees, other taxes, rental, depreciation and net foreign exchange loss. Excluding net foreign exchange gain of RMB54 million in 3Q 2013 (included herewith as "administrative expenses") and net foreign exchange loss of RMB59 million in 9M 2013, administrative expenses grew by RMB6 million to RMB102 million in 3Q 2014 and by RMB28 million to RMB346 million in 9M 2014 as compared to the same periods last year principally due to higher staff costs to sustain the continuing growth of the Group.



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## **Finance cost**

Finance cost, net of capitalised interest, grew by RMB4 million and RMB34 million to RMB58 million in 3Q 2014 and RMB179 million in 9M 2014 respectively over the same periods last year mainly attributable to an increase in interest expense incurred on the Group's completed investment properties. In accordance with the Group's accounting policy, the finance cost used to finance the development of the Group's properties would be capitalised. Hence, the finance cost recorded in the statements of profit or loss for a given period may not be reflective of the Group's actual level of borrowings.

## **Share of (loss) profit of jointly controlled entities ("JCEs")**

Share of loss of JCEs was RMB4 million in 3Q 2014 as compared to RMB1 million in 3Q 2013. In 9M 2014, the Group recorded a commendable growth on its return from JCEs to post a RMB93 million share of profit, reversing a RMB5 million share of loss of JCEs in 9M 2013. This reversal was attributable to the continued growth in contribution from our Sino-Singapore Nanjing Eco Hi-tech Island (中新南京生态科技岛), an urban development project with a total GFA of approximately 15 square kilometres to be progressively completed in phases.

## **Income tax**

Income tax, which included statutory enterprise income tax, land appreciation tax and dividend withholding tax, decreased by RMB312 million and RMB297 million to RMB87 million in 3Q 2014 and RMB457 million in 9M 2014 respectively as compared to the corresponding periods last year. The decreases were in-line with the Group's lower revenue streams and profit before income tax in the current reporting periods as compared with the same periods last year.



# YANLORD LAND GROUP LIMITED

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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.

## Statements of Financial Position as at 30 September 2014

	GROUP		COMPANY	
	30.09.2014 RMB'000 (Unaudited)	31.12.2013 RMB'000 (Audited)	30.09.2014 RMB'000 (Unaudited)	31.12.2013 RMB'000 (Audited)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	896,147	757,334	-	-
Investment properties	9,020,721	8,764,770	-	-
Properties for development	9,689,860	9,960,451	-	-
Investments in subsidiaries	-	-	2,488,579	2,465,544
Investment in an associate	-	-	-	-
Investments in jointly controlled entities	693,746	600,486	-	-
Non-trade amount due from a non-controlling shareholder of a subsidiary	-	158,367	-	-
Intangible asset	613	613	-	-
Deferred tax assets	342,848	219,707	-	-
Derivative financial instruments	-	20,402	-	-
<b>Total non-current assets</b>	<b>20,643,935</b>	<b>20,482,130</b>	<b>2,488,579</b>	<b>2,465,544</b>
<b>Current assets</b>				
Inventories	41,372	40,830	-	-
Completed properties for sale	4,653,122	4,324,410	-	-
Properties under development for sale	35,348,152	28,640,895	-	-
Trade receivables	42,917	39,213	-	-
Other receivables and deposits	854,740	411,268	1	3
Non-trade amounts due from:				
Subsidiaries	-	-	13,028,492	12,785,666
Associate	366	354	-	-
Jointly controlled entities	-	230	-	-
Non-controlling shareholders of subsidiaries	503,192	376,380	-	-
Other related parties	568	551	-	-
Held-for-trading investment	13,076	11,056	-	-
Pledged bank deposits	30,476	29,643	-	-
Cash and cash equivalents	3,781,628	7,082,045	4,734	6,894
<b>Total current assets</b>	<b>45,269,609</b>	<b>40,956,875</b>	<b>13,033,227</b>	<b>12,792,563</b>
<b>Total assets</b>	<b>65,913,544</b>	<b>61,439,005</b>	<b>15,521,806</b>	<b>15,258,107</b>



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	GROUP		COMPANY	
	30.09.2014 RMB'000 (Unaudited)	31.12.2013 RMB'000 (Audited)	30.09.2014 RMB'000 (Unaudited)	31.12.2013 RMB'000 (Audited)
<b><u>EQUITY AND LIABILITIES</u></b>				
<b>Capital and reserves</b>				
Share capital	7,261,726	7,261,726	7,261,726	7,261,726
Reserves	10,718,977	10,667,853	(189,187)	(346,090)
Equity attributable to equity holders of the Company	17,980,703	17,929,579	7,072,539	6,915,636
Non-controlling interests	9,594,078	9,928,798	-	-
<b>Total capital and reserves</b>	<b>27,574,781</b>	<b>27,858,377</b>	<b>7,072,539</b>	<b>6,915,636</b>
<b>Non-current liabilities</b>				
Bank loans – due after one year	10,842,414	7,535,512	299,089	293,138
Senior notes	6,326,401	6,185,391	4,343,534	4,209,800
Derivative financial instruments	11,075	-	-	-
Deferred tax liabilities	1,350,544	1,363,647	-	-
Non-trade amount due to a non-controlling shareholder of subsidiaries	20,000	20,000	-	-
<b>Total non-current liabilities</b>	<b>18,550,434</b>	<b>15,104,550</b>	<b>4,642,623</b>	<b>4,502,938</b>
<b>Current liabilities</b>				
Bank loans – due within one year	1,805,310	3,262,391	-	-
Convertible notes	-	326,261	-	326,261
Trade payables	5,264,419	5,077,788	-	-
Other payables	10,387,758	6,608,820	50,004	107,009
Non-trade amounts due to:				
Subsidiary	-	-	3,736,162	3,249,140
Jointly controlled entity	589	-	-	-
Ultimate holding company	19,029	133,741	19,029	133,741
Directors	1,449	23,382	1,449	23,382
Non-controlling shareholders of subsidiaries	146,523	153,427	-	-
Other related parties	1,746	-	-	-
Income tax payable	2,161,506	2,890,268	-	-
<b>Total current liabilities</b>	<b>19,788,329</b>	<b>18,476,078</b>	<b>3,806,644</b>	<b>3,839,533</b>
<b>Total equity and liabilities</b>	<b>65,913,544</b>	<b>61,439,005</b>	<b>15,521,806</b>	<b>15,258,107</b>



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## 1(b)(ii) Aggregate amount of Group's borrowings and debt securities

	<b>GROUP</b>	
	<b>As at 30.09.2014</b>	<b>As at 31.12.2013</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	(Unaudited)	(Unaudited)
Amount repayable in one year or less, or on demand:-		
Secured	1,012,530	1,685,313
Unsecured	903,499	2,125,727
Sub-total 1	1,916,029	3,811,040
Amount repayable after one year:-		
Secured	7,082,093	6,143,142
Unsecured	10,086,722	7,577,761
Sub-total 2	17,168,815	13,720,903
Total debt	19,084,844	17,531,943

### Details of any collateral

Secured borrowings are generally secured by the borrowing companies' property, plant and equipment, investment properties, properties for development, properties under development for sale, completed properties for sale and bank deposits.





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## 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.

### Unaudited Consolidated Statements of Cash Flows for the Period Ended 30 September 2014

	3Q 2014	3Q 2013	9M 2014	9M 2013
	RMB'000	RMB'000	RMB'000	RMB'000
<b>Operating activities</b>				
Profit before income tax	132,497	964,889	918,723	1,564,473
Adjustments for:				
Recovery for doubtful debts and bad debts written off	-	-	-	(3)
Depreciation expense	7,391	8,387	23,035	27,424
Dividend income from held-for-trading investment	-	-	(119)	(90)
Fair value gain on investment property	(61,503)	-	(61,503)	-
Fair value loss (gain) on held-for-trading investment	686	(2,596)	(1,867)	(397)
Finance cost	58,431	54,116	179,166	144,999
Interest income	(14,267)	(10,632)	(42,456)	(28,273)
Net loss (gain) on disposal of property, plant and equipment	68	822	(161)	47
Net gain on disposal of investment properties	(270)	(229)	(871)	(898)
Share of loss (profit) of jointly controlled entities	4,421	1,318	(93,260)	5,212
Operating cash flows before movements in working capital	127,454	1,016,075	920,687	1,712,494
Properties for development	(783,541)	(907,534)	(3,264,449)	(1,680,588)
Inventories	3,996	(4,651)	(438)	(6,872)
Completed properties for sale	179,974	445,150	1,445,175	1,708,797
Properties under development for sale	(1,649,934)	872,669	(4,025,042)	(1,530,813)
Trade and other receivables and deposits	(76,230)	45,041	(400,408)	(118,783)
Trade and other payables	2,016,698	529,029	3,954,860	2,528,999
Cash (used in) generated from operations	(181,583)	1,995,779	(1,369,615)	2,613,234



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	<b>3Q 2014</b>	<b>3Q 2013</b>	<b>9M 2014</b>	<b>9M 2013</b>
	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>
Interest paid	(392,280)	(283,302)	(1,023,301)	(808,280)
Income tax paid	(139,342)	(345,874)	(1,321,847)	(1,247,822)
<b>Net cash (used in) from operating activities</b>	<b>(713,205)</b>	<b>1,366,603</b>	<b>(3,714,763)</b>	<b>557,132</b>
<b>Investing activities</b>				
Acquisition of a subsidiary	-	327	-	327
Investments in jointly controlled entities	-	-	-	(177,131)
Dividend received from held-for-trading investment	-	-	119	90
Interest received	9,291	6,269	39,700	19,538
Decrease (Increase) in pledged bank deposits	724	(192,159)	(833)	(206,789)
Proceeds on disposal of property, plant and equipment	353	7,366	1,095	8,788
Proceeds on disposal of investment properties	3,776	1,518	7,990	15,366
Purchase of property, plant and equipment	(51,825)	(17,013)	(165,006)	(58,028)
Investment properties	(68,511)	37,267	(144,191)	(43,477)
Repayment from (Advance to) an associate	-	18	(12)	(136)
Repayment from (Advance to) jointly controlled entities	-	216	230	(27)
(Advance to) Repayment from non-controlling shareholders of subsidiaries	(2,488)	(13,524)	45,241	(172,945)
<b>Net cash used in investing activities</b>	<b>(108,680)</b>	<b>(169,715)</b>	<b>(215,667)</b>	<b>(614,424)</b>
<b>Financing activities</b>				
Dividends paid	-	-	(125,097)	(181,363)
Dividends paid to non-controlling shareholders of subsidiaries	(210,645)	-	(571,032)	(374,000)



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	<b>3Q 2014</b>	<b>3Q 2013</b>	<b>9M 2014</b>	<b>9M 2013</b>
	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>
Net proceeds on issue of senior notes	-	-	1,966,685	1,969,864
Proceeds from bank loans	2,603,652	2,212,449	6,679,465	5,346,029
Repayment of bank loans	(2,564,479)	(1,897,695)	(4,868,704)	(4,478,370)
Redemption of convertible notes	(348,208)	-	(348,208)	-
Redemption of senior notes	8,011	-	(1,938,765)	-
Advance from jointly controlled entity	589	-	589	-
Advance from (Repayment to) directors	492	481	(519)	(29,942)
Repayment to ultimate holding company	(246,307)	(3,905)	(147,969)	(92,337)
(Repayment to) Advance from non-controlling shareholders of subsidiaries	-	(196,000)	379	(180,700)
(Repayment to) Advance from other related parties	(661)	-	1,746	-
Cash (withdrawal) injection from non-controlling shareholders of subsidiaries	-	(400,949)	55,537	(347,318)
<b>Net cash (used in) from financing activities</b>	<b>(757,556)</b>	<b>(285,619)</b>	<b>704,107</b>	<b>1,631,863</b>
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(1,579,441)</b>	<b>911,269</b>	<b>(3,226,323)</b>	<b>1,574,571</b>
Cash and cash equivalents at beginning of period	5,332,815	4,268,445	7,082,045	3,540,577
Effect of exchange rate changes on the balance of cash held in foreign currencies	28,254	26,482	(74,094)	91,048
<b>Cash and cash equivalents at end of period</b>	<b>3,781,628</b>	<b>5,206,196</b>	<b>3,781,628</b>	<b>5,206,196</b>



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1(d) A statement of comprehensive income (for the issuer and Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

## Unaudited Group Statements of Comprehensive Income for the Period Ended 30 September 2014

	3Q 2014	3Q 2013	9M 2014	9M 2013
	RMB'000	RMB'000	RMB'000	RMB'000
<b>Profit for the period</b>	45,395	566,053	461,883	810,493
<b>Other comprehensive income</b>				
<b>(expense):</b>				
<u>Items that may be reclassified</u>				
<u>subsequently to profit or loss:</u>				
Currency translation difference	77,357	2,132	(99,570)	208,207
Cash flow hedge	(21,697)	4,182	(13,423)	(20,391)
<b>Other comprehensive income</b>				
<b>(expense) for the period</b>	55,660	6,314	(112,993)	187,816
<b>Total comprehensive income for</b>				
<b>the period</b>	101,055	572,367	348,890	998,309
<b>Total comprehensive income</b>				
<b>attributable to:</b>				
Equity holders of the Company	64,064	313,030	176,221	568,313
Non-controlling interests	36,991	259,337	172,669	429,996
	101,055	572,367	348,890	998,309



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## Unaudited Company Statements of Comprehensive Income for the Period Ended 30 September 2014

	3Q 2014	3Q 2013	9M 2014	9M 2013
	RMB'000	RMB'000	RMB'000	RMB'000
<b>(Loss) Profit for the period</b>	(187,794)	(70,958)	222,078	870,879
<b>Other comprehensive (expense) income:</b>				
<u>Items that may be reclassified subsequently to profit or loss:</u>				
Currency translation difference	(215,711)	27,350	59,922	(332,711)
<b>Other comprehensive (expense) income for the period</b>	(215,711)	27,350	59,922	(332,711)
<b>Total comprehensive (expense) income for the period</b>	(403,505)	(43,608)	282,000	538,168
<b>Total comprehensive (expense) income attributable to:</b>				
Equity holders of the Company	(403,505)	(43,608)	282,000	538,168
Non-controlling interests	-	-	-	-
	(403,505)	(43,608)	282,000	538,168



# YANLORD LAND GROUP LIMITED

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**1(e)(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.**

## Unaudited Group Statements of Changes in Equity for the Period Ended 30 September 2014

	Share capital	Currency translation reserve	Equity reserve	Statutory reserve	Merger deficit	Hedging reserve	Other reserve	Accumulated profits	Attributable to equity holders of the Company	Non-controlling interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Balance at 1 January 2014</b>	7,261,726	(110,114)	181,505	963,718	(1,834,019)	4,778	(337,230)	11,799,215	17,929,579	9,928,798	27,858,377
Total comprehensive income for the period:											
Profit for the period	-	-	-	-	-	-	-	266,001	266,001	92,302	358,303
Other comprehensive expense for the period	-	(147,438)	-	-	-	8,137	-	-	(139,301)	-	(139,301)
<b>Total</b>	<b>-</b>	<b>(147,438)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,137</b>	<b>-</b>	<b>266,001</b>	<b>126,700</b>	<b>92,302</b>	<b>219,002</b>
Transactions with owners, recognised directly in equity:											
Dividend declared to non-controlling shareholders	-	-	-	-	-	-	-	-	-	(352,281)	(352,281)
Appropriations	-	-	-	16,609	-	-	-	(16,609)	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,609</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(16,609)</b>	<b>-</b>	<b>(352,281)</b>	<b>(352,281)</b>
<b>Balance at 31 March 2014</b>	<b>7,261,726</b>	<b>(257,552)</b>	<b>181,505</b>	<b>980,327</b>	<b>(1,834,019)</b>	<b>12,915</b>	<b>(337,230)</b>	<b>12,048,607</b>	<b>18,056,279</b>	<b>9,668,819</b>	<b>27,725,098</b>



# YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	Share capital	Currency translation reserve	Equity reserve	Statutory reserve	Merger deficit	Hedging reserve	Other reserve	Accumulated profits	Attributable to equity holders of the Company	Non-controlling interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Total comprehensive income for the period:											
Profit for the period	-	-	-	-	-	-	-	14,809	14,809	43,376	58,185
Other comprehensive expense for the period	-	(29,489)	-	-	-	137	-	-	(29,352)	-	(29,352)
<b>Total</b>	<b>-</b>	<b>(29,489)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>137</b>	<b>-</b>	<b>14,809</b>	<b>(14,543)</b>	<b>43,376</b>	<b>28,833</b>
Transactions with owners, recognised directly in equity:											
Capital injection by non-controlling shareholders											
	-	-	-	-	-	-	-	-	-	55,537	55,537
Dividends											
	-	-	-	-	-	-	-	(125,097)	(125,097)	-	(125,097)
Dividend declared to non-controlling shareholders											
	-	-	-	-	-	-	-	-	-	(210,645)	(210,645)
Appropriations											
	-	-	-	39,492	-	-	-	(39,492)	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39,492</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(164,589)</b>	<b>(125,097)</b>	<b>(155,108)</b>	<b>(280,205)</b>
<b>Balance at 30 June 2014</b>	<b>7,261,726</b>	<b>(287,041)</b>	<b>181,505</b>	<b>1,019,819</b>	<b>(1,834,019)</b>	<b>13,052</b>	<b>(337,230)</b>	<b>11,898,827</b>	<b>17,916,639</b>	<b>9,557,087</b>	<b>27,473,726</b>



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# YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	Share capital	Currency translation reserve	Equity reserve	Statutory reserve	Merger deficit	Hedging reserve	Other reserve	Accumulated profits	Attributable to equity holders of the Company	Non-controlling interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Total comprehensive income for the period:											
Profit for the period	-	-	-	-	-	-	-	8,404	8,404	36,991	45,395
Other comprehensive income for the period	-	77,357	-	-	-	(21,697)	-	-	55,660	-	55,660
<b>Total</b>	<b>-</b>	<b>77,357</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(21,697)</b>	<b>-</b>	<b>8,404</b>	<b>64,064</b>	<b>36,991</b>	<b>101,055</b>
Transfer on redemption of convertible notes due 2014, representing total transaction with owners, recognised directly in equity	-	-	(181,505)	-	-	-	-	181,505	-	-	-
<b>Balance at 30 September 2014</b>	<b>7,261,726</b>	<b>(209,684)</b>	<b>-</b>	<b>1,019,819</b>	<b>(1,834,019)</b>	<b>(8,645)</b>	<b>(337,230)</b>	<b>12,088,736</b>	<b>17,980,703</b>	<b>9,594,078</b>	<b>27,574,781</b>





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# YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

## Unaudited Group Statements of Changes in Equity for the Period Ended 30 September 2013

	Share capital	Currency translation reserve	Equity reserve	Statutory reserve	Merger deficit	Hedging reserve	Other reserve	Accumulated profits	Attributable to equity holders of the Company	Non-controlling interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Balance at 1 January 2013</b>	7,261,726	(412,772)	181,505	781,973	(1,834,019)	-	(337,230)	10,688,570	16,329,753	10,353,503	26,683,256
Total comprehensive income for the period:											
Profit for the period	-	-	-	-	-	-	-	67,305	67,305	98,490	165,795
Other comprehensive income for the period	-	75,914	-	-	-	-	-	-	75,914	(39)	75,875
<b>Total</b>	<b>-</b>	<b>75,914</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>67,305</b>	<b>143,219</b>	<b>98,451</b>	<b>241,670</b>
Transactions with owners, recognised directly in equity:											
Capital injection by non-controlling shareholders	-	-	-	-	-	-	-	-	-	53,631	53,631
Dividend declared to a non-controlling shareholder	-	-	-	-	-	-	-	-	-	(356,000)	(356,000)
Appropriations	-	-	-	65,312	-	-	-	(65,312)	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>65,312</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(65,312)</b>	<b>-</b>	<b>(302,369)</b>	<b>(302,369)</b>
<b>Balance at 31 March 2013</b>	<b>7,261,726</b>	<b>(336,858)</b>	<b>181,505</b>	<b>847,285</b>	<b>(1,834,019)</b>	<b>-</b>	<b>(337,230)</b>	<b>10,690,563</b>	<b>16,472,972</b>	<b>10,149,585</b>	<b>26,622,557</b>



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# YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	Share capital	Currency translation reserve	Equity reserve	Statutory reserve	Merger deficit	Hedging reserve	Other reserve	Accumulated profits	Attributable to equity holders of the Company	Non-controlling interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	6,437	6,437	72,208	78,645
Other comprehensive income for the period	-	130,200	-	-	-	(24,573)	-	-	105,627	-	105,627
<b>Total</b>	<b>-</b>	<b>130,200</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(24,573)</b>	<b>-</b>	<b>6,437</b>	<b>112,064</b>	<b>72,208</b>	<b>184,272</b>
Transactions with owners, recognised directly in equity											
Dividends	-	-	-	-	-	-	-	(181,363)	(181,363)	-	(181,363)
Dividend declared to a non-controlling shareholder	-	-	-	-	-	-	-	-	-	(18,000)	(18,000)
Appropriations	-	-	-	(1,144)	-	-	-	1,144	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,144)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(180,219)</b>	<b>(181,363)</b>	<b>(18,000)</b>	<b>(199,363)</b>
<b>Balance at 30 June 2013</b>	<b>7,261,726</b>	<b>(206,658)</b>	<b>181,505</b>	<b>846,141</b>	<b>(1,834,019)</b>	<b>(24,573)</b>	<b>(337,230)</b>	<b>10,516,781</b>	<b>16,403,673</b>	<b>10,203,793</b>	<b>26,607,466</b>



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# YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	Share capital	Currency translation reserve	Equity reserve	Statutory reserve	Merger deficit	Hedging reserve	Other reserve	Accumulated profits	Attributable to equity holders of the Company	Non-controlling interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	306,716	306,716	259,337	566,053
Other comprehensive income for the period	-	2,132	-	-	-	4,182	-	-	6,314	-	6,314
<b>Total</b>	<b>-</b>	<b>2,132</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,182</b>	<b>-</b>	<b>306,716</b>	<b>313,030</b>	<b>259,337</b>	<b>572,367</b>
Transactions with owners, recognised directly in equity											
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	400	400
Return of non-controlling shareholder's share of reserves	-	-	-	-	-	-	-	-	-	(336,121)	(336,121)
Appropriations	-	-	-	441	-	-	-	(441)	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>441</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(441)</b>	<b>-</b>	<b>(335,721)</b>	<b>(335,721)</b>
<b>Balance at 30 September 2013</b>	<b>7,261,726</b>	<b>(204,526)</b>	<b>181,505</b>	<b>846,582</b>	<b>(1,834,019)</b>	<b>(20,391)</b>	<b>(337,230)</b>	<b>10,823,056</b>	<b>16,716,703</b>	<b>10,127,409</b>	<b>26,844,112</b>



# YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

## Unaudited Company Statements of Changes in Equity for the Period Ended 30 September 2014

	Share capital RMB'000	Currency translation reserve RMB'000	Equity reserve RMB'000	Accumulated (losses) profits RMB'000	Total RMB'000
<b>Balance at 1 January 2014</b>	7,261,726	(289,082)	181,505	(238,513)	6,915,636
Total comprehensive income for the period:					
Profit for the period	-	-	-	41,773	41,773
Other comprehensive income for the period	-	219,315	-	-	219,315
<b>Total</b>	<b>-</b>	<b>219,315</b>	<b>-</b>	<b>41,773</b>	<b>261,088</b>
<b>Balance at 31 March 2014</b>	<b>7,261,726</b>	<b>(69,767)</b>	<b>181,505</b>	<b>(196,740)</b>	<b>7,176,724</b>
Total comprehensive income for the period:					
Profit for the period	-	-	-	368,099	368,099
Other comprehensive income for the period	-	56,318	-	-	56,318
<b>Total</b>	<b>-</b>	<b>56,318</b>	<b>-</b>	<b>368,099</b>	<b>424,417</b>
Dividends, representing total transaction with owners, recognised directly in equity	-	-	-	(125,097)	(125,097)
<b>Balance at 30 June 2014</b>	<b>7,261,726</b>	<b>(13,449)</b>	<b>181,505</b>	<b>46,262</b>	<b>7,476,044</b>
Total comprehensive expense for the period:					
Loss for the period	-	-	-	(187,794)	(187,794)
Other comprehensive expense for the period	-	(215,711)	-	-	(215,711)
<b>Total</b>	<b>-</b>	<b>(215,711)</b>	<b>-</b>	<b>(187,794)</b>	<b>(403,505)</b>
Transfer on redemption of convertible notes due 2014, representing total transaction with owners, recognised directly in equity	-	-	(181,505)	181,505	-
<b>Balance at 30 September 2014</b>	<b>7,261,726</b>	<b>(229,160)</b>	<b>-</b>	<b>39,973</b>	<b>7,072,539</b>



# YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

## Unaudited Company Statements of Changes in Equity for the Period Ended 30 September 2013

	Share capital RMB'000	Currency translation reserve RMB'000	Equity reserve RMB'000	Accumulated (losses) profits RMB'000	Total RMB'000
<b>Balance at 1 January 2013</b>	7,261,726	162,137	181,505	(723,305)	6,882,063
Total comprehensive expense for the period:					
Loss for the period	-	-	-	(210,015)	(210,015)
Other comprehensive expense for the period	-	(119,187)	-	-	(119,187)
<b>Total</b>	<b>-</b>	<b>(119,187)</b>	<b>-</b>	<b>(210,015)</b>	<b>(329,202)</b>
<b>Balance at 31 March 2013</b>	<b>7,261,726</b>	<b>42,950</b>	<b>181,505</b>	<b>(933,320)</b>	<b>6,552,861</b>
Total comprehensive income for the period:					
Profit for the period	-	-	-	1,151,852	1,151,852
Other comprehensive expense for the period	-	(240,874)	-	-	(240,874)
<b>Total</b>	<b>-</b>	<b>(240,874)</b>	<b>-</b>	<b>1,151,852</b>	<b>910,978</b>
Dividends, representing total transaction with owners, recognised directly in equity	-	-	-	(181,363)	(181,363)
<b>Balance at 30 June 2013</b>	<b>7,261,726</b>	<b>(197,924)</b>	<b>181,505</b>	<b>37,169</b>	<b>7,282,476</b>
Total comprehensive expense for the period:					
Loss for the period	-	-	-	(70,958)	(70,958)
Other comprehensive income for the period	-	27,350	-	-	27,350
<b>Total</b>	<b>-</b>	<b>27,350</b>	<b>-</b>	<b>(70,958)</b>	<b>(43,608)</b>
<b>Balance at 30 September 2013</b>	<b>7,261,726</b>	<b>(170,574)</b>	<b>181,505</b>	<b>(33,789)</b>	<b>7,238,868</b>



# YANLORD LAND GROUP LIMITED

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**1(e)(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.**

## Share Capital

As at 30 September 2014, the issued and fully paid-up share capital of the Company, net of expenses, was RMB7.262 billion (30 June 2014: RMB7.262 billion). Details of the Company's issued ordinary shares at the end of the relevant financial periods were as follows:

	Number of ordinary shares	
	'000	RMB'000
As at 31 December 2013	1,948,736	7,261,726
As at 1 July 2014 and 30 September 2014	1,948,736	7,261,726

## Convertible Notes Due 2014

The Company had in July 2009 issued S\$375 million convertible notes due 2014 ("Notes 2014" and each, a "Note 2014") at a conversion price of S\$2.6208 per share. With effect from 1 June 2010, the conversion price was adjusted from S\$2.6208 to S\$2.59 per share and with effect from 6 June 2011, from S\$2.59 to S\$2.56 per share. With effect from 16 May 2013, the conversion price was further adjusted from S\$2.56 to S\$2.52 per share and with effect from 6 June 2014, from S\$2.52 to S\$2.49 per share.

In July 2012, the holders of S\$305 million outstanding Notes 2014 exercised their put options. In July 2014, the Company had fully redeemed the remaining S\$70 million outstanding Notes 2014 in accordance with the terms set out in the Trust Deed dated 13 July 2009. No Note 2014 was converted into ordinary shares during the financial period and outstanding for conversion into ordinary shares as at the end of the current financial period.



# YANLORD LAND GROUP LIMITED

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Based on the conversion price of S\$2.52 per share and assuming the remaining S\$70 million outstanding Notes 2014 as at 30 September 2013 are fully converted, the number of new ordinary shares to be issued would be approximately 27,777,777 shares as at 30 September 2013.

## Treasury Shares

The Company did not hold any treasury shares as at 30 September 2014 and 30 September 2013.

**1(e)(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.**

Please refer to Note 1(e)(ii).

**1(e)(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 for the third quarter and nine months ended 30 September 2014 have neither been audited nor reviewed by the auditors.

**3. Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of a matter)**

Not applicable.



# YANLORD LAND GROUP LIMITED

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#### 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 applied the same accounting policies and methods of computation in the unaudited financial statements for the current financial period as those of the audited financial statements for the year ended 31 December 2013, as well as all the applicable Singapore Financial Reporting Standards ("FRSs") which became effective for the financial year beginning on or after 1 January 2014.

#### 5. If there are any changes in the accounting policies and methods of computations, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Please refer to Note 4 and the audited financial statements for the year ended 31 December 2013 for more information.

#### 6. Earnings per ordinary share (EPS) of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, based on profit after tax and non-controlling interests attributable to the equity holders of the Company after deducting any provision for preference dividends.

	GROUP		GROUP	
	3Q 2014 (Unaudited)	3Q 2013 (Unaudited)	9M 2014 (Unaudited)	9M 2013 (Unaudited)
<b>EPS based on Group's profit attributable to equity holders of the Company:</b>				
<b>(i) On the weighted average</b>				
number of shares (RMB)	0.43 cents	15.74 cents	14.84 cents	19.52 cents
<b>- Weighted average number of shares ('000)</b>				
	1,948,736	1,948,736	1,948,736	1,948,736
<b>(ii) On a fully diluted basis (RMB)</b>				
<b>- Adjusted weighted average</b>				
number of shares ('000)	1,948,736	1,976,514	1,948,736	1,976,300





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**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:-**

**(i) current financial period reported on; and**

**(ii) immediately preceding financial year**

	GROUP		COMPANY	
	30.09.2014 (Unaudited)	31.12.2013 (Unaudited)	30.09.2014 (Unaudited)	31.12.2013 (Unaudited)
<b>Net asset value per share based on issued share capital at the end of the period / year (RMB)</b>	9.23	9.20	3.63	3.55

**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**

### **3Q 2014 vs. 3Q 2013**

Revenue in 3Q 2014 was lower at RMB977 million compared to RMB3.508 billion in 3Q 2013 due to lower GFA delivered and ASP per sqm achieved for the period as mentioned above in Note 1(a). The major contributors to the 3Q 2014 revenue mainly included Yanlord Riverbay (Phase 1) (仁恒滨河湾一期) in Chengdu, Yanlord Lakeview Bay – Land Parcel A2 (仁恒双湖湾 – A2 地块) in Suzhou, Yanlord Sunland Gardens (Phase 1) (仁恒森兰雅苑一期) in Shanghai and Yanlord Riverside Gardens (Phase 1) (仁恒河滨花园一期) in Tianjin, which represented 51.3%, 15.1%, 10.9% and 9.8% respectively to the gross revenue of the Group on sales of properties in 3Q 2014.

Hence, gross profit decreased to RMB346 million in 3Q 2014 from RMB1.101 billion in 3Q 2013. Gross profit margin reported at 35.4% in 3Q 2014 as compared to 31.4% in 3Q 2013.

Profit before income tax was lower at RMB132 million in 3Q 2014 as compared to RMB965 million in 3Q 2013 primarily due to lower revenue stream and higher net foreign exchange loss partly offset by the fair value gain on investment property in 3Q 2014 over the same period last year as mentioned above in Note 1(a). Thus, profit before income tax margin in 3Q 2014



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decreased to 13.6% from 27.5% in 3Q 2013.

Profit for the period and the margin decreased to RMB45 million and 4.6% in 3Q 2014 from RMB566 million and 16.1% in 3Q 2013 respectively due to the reasons mentioned above.

## **9M 2014 vs. 9M 2013**

Revenue of the Group in 9M 2014 decreased to RMB4.249 billion from RMB6.569 billion in 9M 2013 primarily due to the relatively lower GFA delivered and Group ASP achieved in 3Q 2014 as compared to the same period last year. Despite the lower Group ASP per sqm in 9M 2014 arising from the inaugural delivery of Yanlord Riverbay (Phase 1) (仁恒滨河湾一期) in Chengdu in current reporting period, ASP per sqm in 9M 2014 on each of the following mentioned five existing developments continued to record growth over the same period in 2013. Revenue in 9M 2014 mainly generated from the inaugural delivery of Yanlord Riverbay (Phase 1) (仁恒滨河湾一期) in Chengdu as well as five existing projects namely, Yanlord Sunland Gardens (Phase 1) (仁恒森兰雅苑一期) and Bayside Gardens (御澜湾苑) in Shanghai, Yanlord Lakeview Bay – Land Parcels A2 and A6 (仁恒双湖湾 – A2 及 A6 地块) in Suzhou, Yanlord Riverside Gardens (Phase 1) (仁恒河滨花园一期) in Tianjin, and Yanlord New City Gardens (Phase 2 – Section 2) (仁恒星园二期二段) in Zhuhai, which accounted for 26.4%, 20.3%, 10.0%, 15.4%, 13.5% and 4.0% respectively to the Group's gross revenue from the sales of properties in 9M 2014.

Gross profit therefore decreased in-line with the revenue stream to RMB1.364 billion in 9M 2014 from RMB2.199 billion in 9M 2013. Gross profit decreased slightly by 1.4 percentage points to 32.1% in 9M 2014 as compared to 9M 2013.

Profit before income tax was lower at RMB919 million in 9M 2014 as compared to RMB1.564 billion in 9M 2013 mainly attributable to the lower revenue as a result of decreased GFA delivered to customers partly offset by the increase in net foreign exchange gain, fair value gain on investment property and interest income in current reporting period as compared with the same period last year. Profit before income tax margin saw a decrease to 21.6% in 9M 2014 from 23.8% in 9M 2013.

Hence, profit for the period and the margin decreased by RMB349 million and 1.4 percentage points to RMB462 million and 10.9% in 9M 2014 respectively over the corresponding period in 2013.



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- b) any material factors that affected the cash flows, working capital, assets or liabilities of the Group during the current financial period reported on.

## STATEMENTS OF FINANCIAL POSITION

### Other payables

Other payables, which mainly included advances received from customers, increased by 57.2% or RMB3.779 billion to RMB10.388 billion as at 30 September 2014 from RMB6.609 billion as at 31 December 2013 mainly due to an increase in pre-sales proceeds received from customers.

## STATEMENTS OF CASH FLOWS

### Net cash used in operating activities

Compared to net cash inflow of RMB1.367 billion in 3Q 2013 and RMB557 million in 9M 2013, the Group reported net cash used in operating activities of RMB713 million in 3Q 2014 and RMB3.715 billion in 9M 2014 respectively. The increases in cash outflows were primarily attributable to increases in construction cost payments on various projects and landbank payments on Oasis New Island Gardens (绿洲新岛花园) (formerly known as Nanjing Eco Hi-tech Island - Land Parcel G73 (南京生态科技岛 - G73 地块)) in Nanjing and the newly acquired land parcel in 2Q 2014 namely, Suzhou Gao Xin Land (苏州高新地块).

### Net bank loan drawdown

In accordance with the funding requirement of the Group's operating activities in current reporting periods, the Group recorded net bank loan drawdown of RMB39 million in 3Q 2014 and RMB1.811 billion in 9M 2014 as compared with RMB315 million in 3Q 2013 and RMB868 million in 9M 2013 respectively.

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

No forecast or prospect statement for the current financial period has been previously disclosed to shareholders.



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## 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

### INDUSTRY OUTLOOK

To better encourage home ownership in the PRC, the PRC central bank has in recent months released various credit easing measures including relaxation of bank reserve ratio requirements as well as the easing of the eligibility criteria for first-home mortgages, allowing buyers who have fully repaid mortgages to enjoy lower downpayments and mortgage rates, with first-home status. These liquidity measures coupled with the expressed statement to local banks to support the reasonable financing needs of developers are expected to further support end-user housing demand and contribute to the sustainable development of the PRC real estate sector.

In addition to the easing of liquidity measures, buyer sentiments in the PRC were further buoyed by the progressive relaxation of austerity measures introduced by the central government since 2010 to cool the property sector in various cities across the PRC.

### COMPANY OUTLOOK

The Group continues to witness steadfast buyer demand for its high-quality residential developments. As at 30 September 2014, the Group has received advances for pre-sale properties (recorded as "Other payables" in the statements of financial position), amounting to RMB9.610 billion, with an accumulated pre-sale amount of RMB11.770 billion.

The Group will continue to launch new projects and new batches of its existing projects in 4Q 2014 namely, Yanlord Rosemite (仁恒峦山美地花园) in Shenzhen, Yanlord Sunland Gardens (Phase 2) (仁恒森兰雅苑二期), Yanlord Eastern Gardens (仁恒东邑雅苑) in Shanghai, Yanlord Lakeview Bay - Land Parcel A4 (仁恒双湖湾 - A4 地块) in Suzhou, Tangshan Nanhu Eco-City - Land Parcel A19 (唐山南湖生态城 - A19 地块), Yanlord Riverside Gardens (Phase 2) (仁恒河滨花园二期) in Tianjin and Tianjin Jinnan Land (Phase 1) (景新花园一期) as well as Yanlord Marina Centre - Section B (仁恒滨海中心 - B 标段) and Yanlord Marina Peninsula Gardens - Land Parcel SB (仁恒滨海半岛花园 - SB 地块) in Zhuhai. On 8 November 2014, the Group launched the inaugural batches of apartments at Oasis New Island Gardens (Phase 1) (绿洲新岛花园一期) in Nanjing and Yanlord Western Gardens (仁恒西郊雅苑) in Shanghai. Yanlord



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sold approximately 92.2% of the 460 apartment units launched on the opening day of Oasis New Island Gardens (Phase 1) (绿洲新岛花园一期) in Nanjing, deriving approximately RMB1.381 billion of pre-sales. Yanlord Western Gardens (仁恒西郊雅苑) in Shanghai similarly garnered approximately RMB599 million in pre-sales for the 104 apartment units sold during the day of launch.

## Outlook

Normalization of the PRC real estate sector following the relaxation of regulatory policies and the liquidity easing measures may still be some time away as banks work out the details of their revised policies towards real estate lending and cooling measures implemented in first-tier cities such as Beijing and Shanghai continue to be in force. As such, near term volatilities in the PRC real estate sector is expected to continue to exist. To better mitigate against these uncertainties, the Group believes that its prudent financial policies coupled with its cash position will serve to better drive its sustained development. Led by an experienced and dedicated management team with extensive industry knowledge of the PRC real estate sector, the Group will continue to focus on its business strategies and comparative advantages in the development of quality residential apartments in prime locations within high growth PRC cities. This will best allow for the sustainable growth of the Group's core business segments and to capitalise on the long term growth prospects of the PRC real estate sector.

Barring any further significant deterioration in the global economy and any other unforeseen circumstances, the Board of Directors is confident of the Group's performance relative to the industry trend for the next reporting period and the next 12 months based on the number of pre-sale units to-date, expected delivery schedules and on-schedule construction works in progress.

## **11. Dividend**

- (a) Any dividend declared for the current financial period reported on? Nil.
- (b) Any dividend declared for the corresponding period of the immediately preceding financial year? Nil.
- (c) Date payable: Not applicable.
- (d) Books closure date: Not applicable.



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

No dividend has been declared or recommended for the period under review.

## 13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions (“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.

The Group does not have a shareholders' general mandate for IPTs.

## 14. Confirmation of the Board of Directors (“Board”)

We refer to the requirement under Rule 705(5) of the SGX-ST Listing Manual.

We, Zhong Sheng Jian and Chan Yiu Ling, directors of the Company, hereby confirm on behalf of the Board that, to the best of our knowledge, nothing has come to the attention of the Board, which may render the unaudited third quarter and nine months financial results of the Group for the period ended 30 September 2014 to be false or misleading in any material aspects.

ON BEHALF OF THE BOARD

Zhong Sheng Jian  
Chairman and Chief Executive Officer

Chan Yiu Ling  
Director

ON BEHALF OF THE BOARD

Zhong Sheng Jian  
Chairman and Chief Executive Officer  
12 November 2014