



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

UNAUDITED THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2018 FINANCIAL STATEMENTS ANNOUNCEMENT

TABLE OF CONTENT

<u>Item No.</u>	<u>Description</u>	<u>Page</u>
1(a)	Unaudited Consolidated Statements of Profit or Loss	2-5
1(b)(i)	Statements of Financial Position	6-8
1(b)(ii)	Aggregate Amount of Group's Borrowings and Debt Securities	9
1(c)	Unaudited Consolidated Statements of Cash Flows	10-13
1(d)	Unaudited Statements of Comprehensive Income	14-15
1(e)(i)	Unaudited Statements of Changes in Equity	16-25
1(e)(ii)(iii)(iv)(v)	Details of Any Changes in Company's Issued Share Capital	26-27
2&3	Audit Statement	28
4&5	Changes in Accounting Policies	28-29
6	Earnings per Share	30
7	Net Asset Value per Share	30
8	Review of Performance	31-34
9	Variance from Previous Forecast or Prospect Statement	34
10	Outlook and Prospects	35-36
11&12	Dividend	36
13	Interested Person Transactions Mandate	36
14	Confirmation of the Board of Directors	37
15	Undertakings under Rule 720(1)	37



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

UNAUDITED THIRD QUARTER AND NINE MONTHS FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

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 2018

	3Q 2018	3Q 2017	% Change	9M 2018	9M 2017	% Change
	RMB'000	RMB'000	+ / (-)	RMB'000	RMB'000	+ / (-)
Revenue	5,711,554	3,764,055	52	22,562,621	14,362,410	57
Cost of sales	(3,095,440)	(2,192,140)	41	(12,111,172)	(7,847,402)	54
Gross profit	2,616,114	1,571,915	66	10,451,449	6,515,008	60
Other operating income	313,514	193,156	62	559,623	365,990	53
Selling expenses	(94,380)	(72,859)	30	(245,028)	(221,982)	10
Administrative expenses	(213,908)	(174,672)	22	(690,736)	(546,467)	26
Other operating expenses	(4,090)	(2,996)	37	(9,873)	(8,879)	11
Finance cost	(190,984)	(178,564)	7	(478,354)	(447,224)	7
Share of loss of associates	(1,554)	(1,047)	48	(3,455)	(3,637)	(5)
Share of (loss) profit of joint ventures	(35,109)	146,728	NM	103,340	344,320	(70)
Profit before income tax	2,389,603	1,481,661	61	9,686,966	5,997,129	62
Income tax	(1,145,905)	(722,534)	59	(4,628,461)	(3,122,501)	48
Profit for the period	1,243,698	759,127	64	5,058,505	2,874,628	76
Profit attributable to:						
Owners of the Company	1,012,408	627,521	61	3,287,666	2,024,086	62
Non-controlling interests	231,290	131,606	76	1,770,839	850,542	108
	1,243,698	759,127	64	5,058,505	2,874,628	76

NM: Not meaningful



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

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

	3Q 2018	3Q 2017	9M 2018	9M 2017
	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Allowance for doubtful debts and bad debts written off	1,161	43	1,161	43
Depreciation expense	20,253	9,156	55,914	24,367
Fair value gain on financial asset at fair value through profit or loss	(63)	-	(63)	-
Finance cost	190,984	178,564	478,354	447,224
Interest income	(203,383)	(189,639)	(432,236)	(354,664)
Net gain on disposal of property, plant and equipment	(579)	(26)	(631)	(50)
Net gain on disposal of investment properties	(247)	(387)	(1,009)	(4,492)
Net foreign exchange (gain) loss	(109,674)	37,253	(106,926)	121,798

Revenue and cost of sales

Revenue of the Group increased by RMB1.947 billion to RMB5.712 billion in 3Q 2018 from RMB3.764 billion in 3Q 2017 and by RMB8.200 billion to RMB22.563 billion in 9M 2018 from RMB14.362 billion in 9M 2017, primarily attributable to the significant increases in gross floor area ("GFA") delivered to customers for the periods under review as compared with the respective periods last year. Higher average selling price ("ASP") per square metre ("sqm") also achieved in the current reporting periods due to a change in product mix composition including relatively higher-priced projects in current reporting periods as compared with the same periods in 2017.

Cost of sales, which mainly included land, construction and capitalised borrowing costs, increased in-line with the increase in GFA delivered in the current reporting periods, by RMB903 million to RMB3.095 billion in 3Q 2018 and by RMB4.264 billion to RMB12.111 billion in 9M 2018 from RMB2.192 billion in 3Q 2017 and RMB7.847 billion in 9M 2017 respectively.

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



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Other operating income

Other operating income included mainly net foreign exchange gain and interest income. Excluding the net foreign exchange effect in 3Q 2018 and 9M 2018, other operating income increased by 7.0% to RMB207 million in 3Q 2018 from RMB193 million in 3Q 2017 and by 23.7% to RMB453 million in 9M 2018 from RMB366 million in 9M 2017. The increases in other operating income were primarily due to the increase in interest income as a result of the increase in interest-bearing balances on non-trade amounts due from joint ventures and associates and other receivables at the current period end as compared with the preceding period end. In 3Q 2018 and 9M 2018, fair value gain on financial asset at fair value through profit or loss was derived from the change in fair value of investment in fund.

The net foreign exchange gain in 3Q 2018 and 9M 2018 arose mainly from quarter end conversion of foreign currency denominated monetary items against functional currency in certain entities of the Group and realised exchange difference arising from conversion of different monetary currencies in ordinary course of business.

Selling expenses

Selling expenses, which mainly included staff costs, advertising and promotion expenses, as well as intermediary agency fee, increased by RMB22 million to RMB94 million in 3Q 2018 and by RMB23 million to RMB245 million in 9M 2018 as compared with the same periods in 2017 respectively. The increases were mainly attributable to higher intermediary agency fee incurred and consumable goods for a new hotel in Sanya in current reporting periods over the same periods in 2017.

Administrative expenses

Administrative expenses mainly comprised of staff costs, utilities, entertainment expenses, legal and professional fees, rental, depreciation, bank charges, loss caused by typhoon and net foreign exchange loss. Excluding the net foreign exchange effect of RMB3 million in 3Q 2018 and net foreign exchange loss of RMB37 million in 3Q 2017 and RMB122 million in 9M 2017, administrative expenses increased by 57.7% or RMB79 million to RMB217 million in 3Q 2018 from RMB137 million in 3Q 2017 and by 62.7% or RMB266 million to RMB691 million in 9M 2018 as compared to RMB425 million in 9M 2017 mainly due to increase in staff costs and professional fee to support the continuing growth of the Group's business including the opening of a new hotel in Sanya. The increase in administrative expense was also due to depreciation of the new hotel and loss caused by typhoon hitting Zhuhai in 2017.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Finance cost

Finance cost, net of capitalised interest, grew by RMB12 million to RMB191 million in 3Q 2018 from RMB179 million in 3Q 2017 and by RMB31 million to RMB478 million in 9M 2018 from RMB447 million in 9M 2017 mainly due to an increase in interest expenses incurred on the Group's completed properties for sale and for financing of investments in joint ventures. 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 joint ventures

The Group recorded share of loss of joint ventures of RMB35 million in 3Q 2018, while a share of profit of RMB147 million in 3Q 2017 arising mainly from the sharing of profit of Yanlord Perennial Investment (Singapore) Pte. Ltd. Share of profit decreased by RMB241 million to RMB103 million in 9M 2018 from RMB344 million in 9M 2017 mainly due to the decrease in sharing of profits of Yanlord Perennial Investment (Singapore) Pte. Ltd., Tangshan Nanhu Eco-City (唐山南湖生态城) project and Sino-Singapore Nanjing Eco Hi-tech Island (中新南京生态科技岛), an urban development project to be progressively completed in phases.

Income tax

Income tax, which included statutory enterprise income tax, land appreciation tax and dividend withholding tax, grew by RMB423 million to RMB1.146 billion in 3Q 2018 from RMB723 million in 3Q 2017 and by RMB1.506 billion to RMB4.628 billion in 9M 2018 from RMB3.123 billion in 9M 2017, in-line with the increases in profit before income tax in the current reporting periods over the same periods in last year.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

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 2018

	GROUP		COMPANY	
	30.09.2018 RMB'000 (Unaudited)	31.12.2017 RMB'000 (Restated) #	30.09.2018 RMB'000 (Unaudited)	31.12.2017 RMB'000 (Restated) #
ASSETS				
Non-current assets				
Property, plant and equipment	3,242,649	2,842,863	-	-
Investment properties	14,119,932	13,986,380	-	-
Properties for development	16,284,896	15,079,352	-	-
Investments in subsidiaries	-	-	3,528,402	3,390,836
Investments in associates	1,066,774	584,881	-	-
Investments in joint ventures	4,851,099	4,542,033	-	-
Other receivables and deposits	2,388,210	2,402,132	-	-
Non-trade amounts due from:				
Joint ventures	7,364,867	2,696,774	-	-
Non-controlling shareholders of subsidiaries	473,017	400,000	-	-
Other financial assets	175,923	2,990	-	-
Intangible asset	2,092	812	-	-
Deferred tax assets	459,216	445,184	-	-
Total non-current assets	50,428,675	42,983,401	3,528,402	3,390,836
Current assets				
Inventories	140,191	92,721	-	-
Completed properties for sale	6,427,002	8,487,306	-	-
Properties under development for sale	19,528,775	25,587,718	-	-
Trade receivables	33,092	26,298	-	-
Other receivables and deposits	4,140,579	3,923,692	1	4
Non-trade amounts due from:				
Subsidiaries	-	-	11,871,248	11,926,923
Associates	1,102,285	1,283,682	-	-
Joint ventures	5,033,004	2,849,514	-	-
Non-controlling shareholders of subsidiaries	2,448,545	2,336,464	-	-
Other related parties	790	584	-	-
Income tax prepayment	494,254	791,636	-	-



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	GROUP		COMPANY	
	30.09.2018 RMB'000 (Unaudited)	31.12.2017 RMB'000 (Restated) #	30.09.2018 RMB'000 (Unaudited)	31.12.2017 RMB'000 (Restated) #
Financial asset at fair value through profit or loss	10,261	-	-	-
Pledged bank deposits	30,912	40,029	-	-
Cash and cash equivalents	10,605,619	17,798,313	1,141	2,650
Total current assets	49,995,309	63,217,957	11,872,390	11,929,577
Total assets	100,423,984	106,201,358	15,400,792	15,320,413

EQUITY AND LIABILITIES

Capital, reserves and non-controlling interests

Share capital	7,261,726	7,261,726	7,261,726	7,261,726
Reserves	17,489,658	15,468,798	348,287	100,507
Equity attributable to owners of the Company	24,751,384	22,730,524	7,610,013	7,362,233
Non-controlling interests	7,523,795	9,972,287	-	-
Total equity	32,275,179	32,702,811	7,610,013	7,362,233

Non-current liabilities

Bank and other borrowings				
– due after one year	28,344,690	27,664,355	-	639,509
Senior notes	5,449,847	2,911,604	-	-
Deferred tax liabilities	2,723,380	2,607,761	-	-
Non-trade amounts due to:				
Joint venture	200,000	-	-	-
Non-controlling shareholders of subsidiaries	55,658	1,265,625	-	-
Put liability to acquire non-controlling interests	600,707	1,334,144	-	-
Deferred income	247,937	138,083	-	-
Total non-current liabilities	37,622,219	35,921,572	-	639,509

Current liabilities

Bank and other borrowings				
– due within one year	5,677,312	2,557,063	639,507	79,201
Trade payables	7,333,463	7,307,244	-	-
Other payables	1,281,893	1,362,367	-	3,667
Contract liabilities	9,033,848	20,689,297	-	-



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	GROUP		COMPANY	
	30.09.2018	31.12.2017	30.09.2018	31.12.2017
	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Restated) [#]	(Unaudited)	(Restated) [#]
Non-trade amounts due to:				
Subsidiary	-	-	7,149,763	7,186,140
Associate	227,253	-	-	-
Joint venture	390	-	-	-
Directors	1,509	49,663	1,509	49,663
Non-controlling shareholders of subsidiaries	965,714	688,573	-	-
Other related parties	44,808	55,676	-	-
Income tax payable	5,226,959	4,867,092	-	-
Put liability to acquire non-controlling interests	733,437	-	-	-
Total current liabilities	30,526,586	37,576,975	7,790,779	7,318,671
Total equity and liabilities	100,423,984	106,201,358	15,400,792	15,320,413

[#] For details of the restatement, please refer to Notes 4 and 5 below.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

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

	GROUP	
	As at 30.09.2018	As at 31.12.2017
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Amount repayable in one year or less, or on demand:-		
Secured	2,119,548	1,958,600
Unsecured	3,877,764	598,463
Sub-total 1	5,997,312	2,557,063
Amount repayable after one year:-		
Secured	12,001,882	11,746,336
Unsecured	22,046,153	20,095,248
Sub-total 2	34,048,035	31,841,584
Total debt	40,045,347	34,398,647

Details of any collateral

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



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

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 2018

	3Q 2018	3Q 2017	9M 2018	9M 2017
	RMB'000	RMB'000	RMB'000	RMB'000
Operating activities				
Profit before income tax	2,389,603	1,481,661	9,686,966	5,997,129
Adjustments for:				
Allowance for doubtful debts and bad debts written off	1,161	43	1,161	43
Depreciation expense	20,253	9,156	55,914	24,367
Fair value gain on financial asset at fair value through profit or loss	(63)	-	(63)	-
Finance cost	190,984	178,564	478,354	447,224
Interest income	(203,383)	(189,639)	(432,236)	(354,664)
Net gain on disposal of property, plant and equipment	(579)	(26)	(631)	(50)
Net gain on disposal of investment properties	(247)	(387)	(1,009)	(4,492)
Share of loss of associates	1,554	1,047	3,455	3,637
Share of loss (profit) of joint ventures	35,109	(146,728)	(103,340)	(344,320)
Operating cash flows before movements in working capital	2,434,392	1,333,691	9,688,571	5,768,874
Properties for development	(825,825)	(5,350,229)	(1,778,023)	(18,980,255)
Inventories	(13,993)	(605)	(43,211)	(11,197)
Completed properties for sale	2,891,101	650,905	10,715,915	4,268,242
Properties under development for sale	(285,725)	(139,706)	(813,118)	(527,543)
Trade and other receivables and deposits	2,379,666	(469,292)	(291,885)	466,640
Trade and other payables	58,715	(95,808)	(563,780)	(1,332,872)
Contract liabilities	(2,502,061)	1,469,551	(11,655,449)	1,885,435
Cash generated from (used in) operations	4,136,270	(2,601,493)	5,259,020	(8,462,676)
Interest paid	(627,369)	(219,347)	(1,546,654)	(1,352,166)



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	3Q 2018	3Q 2017	9M 2018	9M 2017
	RMB'000	RMB'000	RMB'000	RMB'000
Income tax paid	(374,982)	(913,603)	(3,868,561)	(3,999,970)
Net cash from (used in) operating activities	3,133,919	(3,734,443)	(156,195)	(13,814,812)
Investing activities				
Acquisition of subsidiaries	203	(499,967)	(302,797)	(499,967)
Change of control from subsidiaries to joint ventures	-	(6,449)	-	(6,449)
Capital withdrawal from an associate	-	33,888	-	-
Investment in an associate	(450,000)	-	(450,000)	-
Investments in joint ventures	(75,107)	(2,394,336)	(225,257)	(2,994,336)
Interest received	194,807	167,137	328,830	278,840
Decrease (Increase) in pledged bank deposits	170	(136)	9,117	481,178
Proceeds on disposal of property, plant and equipment	1,073	45	1,925	2,046
Proceeds on disposal of investment properties	613	2,219	2,042	13,105
Proceeds on disposal of financial asset at fair value through profit or loss	1,570	-	1,570	-
Payment for property, plant and equipment	(227,899)	(225,716)	(455,939)	(638,389)
Payment for investment properties	(117,646)	(5,945)	(134,585)	(125,943)
Payment for intangible asset	-	-	(1,280)	(199)
Purchase of other financial assets	(172,933)	(2,990)	(172,933)	(2,990)
Purchase of financial asset at fair value through profit or loss	(1,000)	-	(1,000)	-
Advance to associates	(898,175)	(22,453)	(921,372)	(81,054)
Repayment from associates	1,128,000	-	1,172,220	-
Advance to joint ventures	(5,210,935)	(1,660,812)	(7,554,814)	(1,664,269)
Repayment from joint ventures	1,404,247	1,858,467	1,424,658	2,054,967
(Advance to) Repayment from non-controlling shareholders of subsidiaries	(171,012)	41,421	(200,029)	(721,760)
Advance to a related company	-	-	(167)	-
Net cash used in investing activities	(4,594,024)	(2,715,627)	(7,479,811)	(3,905,220)



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	3Q 2018	3Q 2017	9M 2018	9M 2017
	RMB'000	RMB'000	RMB'000	RMB'000
Financing activities				
Dividends paid	-	-	(630,453)	(415,855)
Dividends paid to non-controlling shareholders of subsidiaries	-	(138,139)	(967,009)	(213,578)
Net proceeds on issue of senior notes	-	-	2,178,613	3,085,026
Proceeds from bank and other borrowings	2,520,064	7,916,537	5,941,384	23,928,331
Repayment of bank and other borrowings	(1,064,822)	(879,796)	(2,477,538)	(5,873,357)
Purchase of treasury shares	-	(22,461)	-	(63,022)
Redemption of senior notes	-	-	-	(1,974,600)
Advance from joint ventures	71	850	200,390	1,054
Advance from (Repayment to) directors	592	(42,765)	(49,202)	(42,506)
Advance from ultimate holding company	-	341,030	-	341,030
Repayment to ultimate holding company	-	(263,246)	-	(935,176)
Advance from non-controlling shareholders of subsidiaries	40,835	-	339,220	1,228,483
Repayment to non-controlling shareholders of subsidiaries	-	(180,323)	(1,332,859)	(1,066,356)
Repayment to other related parties	(13,081)	(3,263)	(9,859)	(12,024)
Capital injection from a non-controlling shareholder of a subsidiary	-	-	4,900	-
Capital withdrawal by non-controlling shareholders of subsidiaries	(273,725)	(120,000)	(721,156)	(222,113)
Acquisition of non-controlling interest in subsidiaries	(858,807)	(721)	(1,904,691)	(1,412,840)
Disposal of partial interest in a subsidiary	-	-	-	12,000
Net cash from financing activities	351,127	6,607,703	571,740	16,364,497



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	3Q 2018	3Q 2017	9M 2018	9M 2017
	RMB'000	RMB'000	RMB'000	RMB'000
Net (decrease) increase in cash and cash equivalents	(1,108,978)	157,633	(7,064,266)	(1,355,535)
Cash and cash equivalents at beginning of period	11,807,398	16,090,208	17,798,313	17,583,383
Effect of exchange rate changes on the balances of cash held in foreign currencies	(92,801)	169,067	(128,428)	189,060
Cash and cash equivalents at end of period	10,605,619	16,416,908	10,605,619	16,416,908



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

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 2018

	3Q 2018	3Q 2017	9M 2018	9M 2017
	RMB'000	RMB'000	RMB'000	RMB'000
Profit for the period	1,243,698	759,127	5,058,505	2,874,628
Other comprehensive (expense) income:				
<u>Item that will not be reclassified subsequently to profit or loss:</u>				
Share of other comprehensive income of a joint venture	30	-	5,618	-
<u>Items that may be reclassified subsequently to profit or loss:</u>				
Currency translation difference	(533,509)	192,933	(774,324)	323,062
Share of other comprehensive income of a joint venture	679	-	1,142	-
Other comprehensive (expense) income for the period, net of tax	(532,800)	192,933	(767,564)	323,062
Total comprehensive income for the period	710,898	952,060	4,290,941	3,197,690
Total comprehensive income attributable to:				
Owners of the Company	479,818	820,454	2,520,197	2,347,148
Non-controlling interests	231,080	131,606	1,770,744	850,542
	710,898	952,060	4,290,941	3,197,690



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Unaudited Company Statements of Comprehensive Income for the Period Ended 30 September 2018

	3Q 2018	3Q 2017	9M 2018	9M 2017
	RMB'000	RMB'000	RMB'000	RMB'000
Profit for the period	10,716	12,598	653,949	594,938
Other comprehensive income (expense):				
<u>Items that may be reclassified subsequently to</u>				
<u>profit or loss:</u>				
Currency translation difference	291,402	(32,700)	224,284	136,617
Other comprehensive income (expense) for				
the period, net of tax	291,402	(32,700)	224,284	136,617
Total comprehensive income (expense)				
for the period	302,118	(20,102)	878,233	731,555
Total comprehensive income (expense)				
attributable to:				
Owners of the Company	302,118	(20,102)	878,233	731,555
Non-controlling interests	-	-	-	-
	302,118	(20,102)	878,233	731,555



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

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 2018

	Share capital	Treasury shares	Currency translation reserve	Statutory reserve	Merger deficit	Other reserve	Accumulated profits	Attributable to owners 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
Balance at 1 January 2018	7,261,726	(132,309)	(194,903)	1,503,873	(1,834,019)	(3,285,564)	19,411,720	22,730,524	9,972,287	32,702,811
Total comprehensive income for the period:										
Profit for the period	-	-	-	-	-	-	797,106	797,106	999,041	1,796,147
Other comprehensive income for the period	-	-	350,064	-	-	(2,558)	5,568	353,074	-	353,074
Total	-	-	350,064	-	-	(2,558)	802,674	1,150,180	999,041	2,149,221
Transactions with owners, recognised directly in equity:										
Capital injection from a non-controlling shareholder	-	-	-	-	-	-	-	-	4,900	4,900
Capital withdrawal by a non-controlling shareholder	-	-	-	-	-	-	-	-	(272,186)	(272,186)
Dividends declared to a non-controlling shareholder	-	-	-	-	-	-	-	-	(265,847)	(265,847)
Appropriations	-	-	-	31,237	-	-	(31,237)	-	-	-
Total	-	-	-	31,237	-	-	(31,237)	-	(533,133)	(533,133)
Balance at 31 March 2018	7,261,726	(132,309)	155,161	1,535,110	(1,834,019)	(3,288,122)	20,183,157	23,880,704	10,438,195	34,318,899



仁恒
YANLORD

YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	Share capital	Treasury shares	Currency translation reserve	Statutory reserve	Merger deficit	Other reserve	Accumulated profits	Attributable to owners 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
Total comprehensive income for the period:										
Profit for the period	-	-	-	-	-	-	1,478,152	1,478,152	540,508	2,018,660
Other comprehensive expense for the period	-	-	(590,994)	-	-	3,021	20	(587,953)	115	(587,838)
Total	-	-	(590,994)	-	-	3,021	1,478,172	890,199	540,623	1,430,822
Transactions with owners, recognised directly in equity:										
Change of interest in subsidiaries	-	-	-	193,181	-	(85,628)	-	107,553	(1,153,437)	(1,045,884)
Capital withdrawal by non-controlling shareholders	-	-	-	-	-	-	-	-	(175,245)	(175,245)
Dividends	-	-	-	-	-	-	(630,453)	(630,453)	-	(630,453)
Dividends declared to non-controlling shareholders	-	-	-	-	-	-	-	-	(860,440)	(860,440)
Appropriations	-	-	-	24,126	-	-	(24,126)	-	-	-
Total	-	-	-	217,307	-	(85,628)	(654,579)	(522,900)	(2,189,122)	(2,712,022)
Balance at 30 June 2018	7,261,726	(132,309)	(435,833)	1,752,417	(1,834,019)	(3,370,729)	21,006,750	24,248,003	8,789,696	33,037,699



仁恒
YANLORD

YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	Share capital	Treasury shares	Currency translation reserve	Statutory reserve	Merger deficit	Other reserve	Accumulated profits	Attributable to owners 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
Total comprehensive income for the period:										
Profit for the period	-	-	-	-	-	-	1,012,408	1,012,408	231,290	1,243,698
Other comprehensive expense for the period	-	-	(533,299)	-	-	679	30	(532,590)	(210)	(532,800)
Total	-	-	(533,299)	-	-	679	1,012,438	479,818	231,080	710,898
Transactions with owners, recognised directly in equity:										
Change of interest in subsidiaries	-	-	-	76,000	-	(52,437)	-	23,563	(878,667)	(855,104)
Capital withdrawal by non-controlling shareholders	-	-	-	-	-	-	-	-	(273,725)	(273,725)
Non-controlling interest arising from acquisition of subsidiaries	-	-	-	-	-	-	-	-	(2,589)	(2,589)
Dividend declared to non-controlling shareholders	-	-	-	-	-	-	-	-	(342,000)	(342,000)
Appropriations	-	-	-	20,825	-	-	(20,825)	-	-	-
Total	-	-	-	96,825	-	(52,437)	(20,825)	23,563	(1,496,981)	(1,473,418)
Balance at 30 September 2018	7,261,726	(132,309)	(969,132)	1,849,242	(1,834,019)	(3,422,487)	21,998,363	24,751,384	7,523,795	32,275,179



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Unaudited Group Statements of Changes in Equity for the Period Ended 30 September 2017

	Share capital	Treasury shares	Currency translation reserve	Statutory reserve	Merger deficit	Other reserve	Accumulated profits	Attributable to owners 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
Balance at 1 January 2017	7,261,726	(47,006)	(689,689)	1,403,010	(1,834,019)	(1,758,997)	16,711,769	21,046,794	8,962,762	30,009,556
Total comprehensive income for the period:										
Profit for the period	-	-	-	-	-	-	934,114	934,114	533,627	1,467,741
Other comprehensive expense for the period	-	-	(33,646)	-	-	-	-	(33,646)	-	(33,646)
Total	-	-	(33,646)	-	-	-	934,114	900,468	533,627	1,434,095
Transactions with owners, recognised directly in equity:										
Change of interest in subsidiaries	-	-	-	-	-	(1,466,356)	-	(1,466,356)	(103,783)	(1,570,139)
Dividends declared to non-controlling shareholders	-	-	-	-	-	-	-	-	(37,091)	(37,091)
Repurchase of shares	-	(40,561)	-	-	-	-	-	(40,561)	-	(40,561)
Appropriations	-	-	-	38,913	-	-	(38,913)	-	-	-
Total	-	(40,561)	-	38,913	-	(1,466,356)	(38,913)	(1,506,917)	(140,874)	(1,647,791)
Balance at 31 March 2017	7,261,726	(87,567)	(723,335)	1,441,923	(1,834,019)	(3,225,353)	17,606,970	20,440,345	9,355,515	29,795,860



仁恒
YANLORD

YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	Share capital	Treasury shares	Currency translation reserve	Statutory reserve	Merger deficit	Other reserve	Accumulated profits	Attributable to owners 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
Total comprehensive income for the period:										
Profit for the period	-	-	-	-	-	-	462,451	462,451	185,309	647,760
Other comprehensive income for the period	-	-	163,775	-	-	-	-	163,775	-	163,775
Total	-	-	163,775	-	-	-	462,451	626,226	185,309	811,535
Transactions with owners, recognised directly in equity:										
Capital withdrawal by a non-controlling shareholder										
	-	-	-	-	-	-	-	-	(102,113)	(102,113)
Dividends	-	-	-	-	-	-	(415,855)	(415,855)	-	(415,855)
Appropriations	-	-	-	31,724	-	-	(31,724)	-	-	-
Total	-	-	-	31,724	-	-	(447,579)	(415,855)	(102,113)	(517,968)
Balance at 30 June 2017	7,261,726	(87,567)	(559,560)	1,473,647	(1,834,019)	(3,225,353)	17,621,842	20,650,716	9,438,711	30,089,427



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	Share capital	Treasury shares	Currency translation reserve	Statutory reserve	Merger deficit	Other reserve	Accumulated profits	Attributable to owners 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
Total comprehensive income for the period:										
Profit for the period	-	-	-	-	-	-	627,521	627,521	131,606	759,127
Other comprehensive income for the period	-	-	192,933	-	-	-	-	192,933	-	192,933
Total	-	-	192,933	-	-	-	627,521	820,454	131,606	952,060
Transactions with owners, recognised directly in equity:										
Change of interest in subsidiaries	-	-	-	229	-	(63,921)	-	(63,692)	(19,529)	(83,221)
Capital withdrawal by non-controlling shareholders	-	-	-	-	-	-	-	-	(1,120,000)	(1,120,000)
Non-controlling interest arising from acquisition of a subsidiary	-	-	-	-	-	-	-	-	31,945	31,945
Dividends declared to non-controlling shareholders	-	-	-	-	-	-	-	-	(138,139)	(138,139)
Repurchase of shares	-	(22,461)	-	-	-	-	-	(22,461)	-	(22,461)
Appropriations	-	-	-	22,176	-	-	(22,176)	-	-	-
Total	-	(22,461)	-	22,405	-	(63,921)	(22,176)	(86,153)	(1,245,723)	(1,331,876)
Balance at 30 September 2017	7,261,726	(110,028)	(366,627)	1,496,052	(1,834,019)	(3,289,274)	18,227,187	21,385,017	8,324,594	29,709,611



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Unaudited Company Statements of Changes in Equity for the Period Ended 30 September 2018

	Share capital RMB'000	Treasury shares RMB'000	Currency translation reserve RMB'000	Accumulated profits RMB'000	Total RMB'000
Balance at 1 January 2018	7,261,726	(132,309)	(123,755)	356,571	7,362,233
Total comprehensive expense for the period:					
Loss for the period	-	-	-	(23,078)	(23,078)
Other comprehensive expense for the period	-	-	(125,397)	-	(125,397)
Total	-	-	(125,397)	(23,078)	(148,475)
Balance at 31 March 2018	7,261,726	(132,309)	(249,152)	333,493	7,213,758
Total comprehensive income for the period:					
Profit for the period	-	-	-	666,311	666,311
Other comprehensive income for the period	-	-	58,279	-	58,279
Total	-	-	58,279	666,311	724,590
Dividends, representing total transaction with owners, recognised directly in equity	-	-	-	(630,453)	(630,453)
Balance at 30 June 2018	7,261,726	(132,309)	(190,873)	369,351	7,307,895



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	Share capital RMB'000	Treasury shares RMB'000	Currency translation reserve RMB'000	Accumulated profits RMB'000	Total RMB'000
Total comprehensive income for the period:					
Profit for the period	-	-	-	10,716	10,716
Other comprehensive income for the period	-	-	291,402	-	291,402
Total	-	-	291,402	10,716	302,118
Balance at 30 September 2018	7,261,726	(132,309)	100,529	380,067	7,610,013



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Unaudited Company Statements of Changes in Equity for the Period Ended 30 September 2017

	Share capital RMB'000	Treasury shares RMB'000	Currency translation reserve RMB'000	Accumulated profits RMB'000	Total RMB'000
Balance at 1 January 2017	7,261,726	(47,006)	(246,993)	210,588	7,178,315
Total comprehensive expense for the period:					
Loss for the period	-	-	-	(12,585)	(12,585)
Other comprehensive income for the period	-	-	204,357	-	204,357
Total	-	-	204,357	(12,585)	191,772
Repurchase of shares, representing total transaction with owners, recognised directly in equity	-	(40,561)	-	-	(40,561)
Balance at 31 March 2017	7,261,726	(87,567)	(42,636)	198,003	7,329,526
Total comprehensive income for the period:					
Profit for the period	-	-	-	594,925	594,925
Other comprehensive expense for the period	-	-	(35,040)	-	(35,040)
Total	-	-	(35,040)	594,925	559,885
Dividends, representing total transaction with owners, recognised directly in equity	-	-	-	(415,855)	(415,855)
Balance at 30 June 2017	7,261,726	(87,567)	(77,676)	377,073	7,473,556



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	Share capital RMB'000	Treasury shares RMB'000	Currency translation reserve RMB'000	Accumulated profits RMB'000	Total RMB'000
Total comprehensive expense for the period:					
Profit for the period	-	-	-	12,598	12,598
Other comprehensive expense for the period	-	-	(32,700)	-	(32,700)
Total	-	-	(32,700)	12,598	(20,102)
Repurchase of shares, representing total transaction with owners, recognised directly in equity	-	(22,461)	-	-	(22,461)
Balance at 30 September 2017	7,261,726	(110,028)	(110,376)	389,671	7,430,993



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Share Capital

	Number of ordinary shares (including treasury shares)	Share capital (net of expenses) RMB'000
As at 1 July 2018 and 30 September 2018	1,948,736,476	7,261,726

Treasury Shares

During the period from 1 July 2018 to 30 September 2018, the Company did not repurchase any treasury shares (1 July 2017 to 30 September 2017: 2,624,800 shares). Treasury shares are presented as a component within equity attributable to owners of the Company.

The number of shares held as treasury shares against the total number of issued shares excluding treasury shares of the Company, as at the end of 30 September 2018 and as at the end of 30 September 2017 were as follows:

	Number of treasury shares	RMB'000
As at 1 July 2017	12,164,200	87,567
Repurchase of shares	2,624,800	22,461
As at 30 September 2017	14,789,000	110,028



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	Number of treasury shares	RMB'000
As at 1 July 2018 and 30 September 2018	17,201,100	132,309
		Percentage of aggregate number of treasury shares held against the total number of ordinary shares (excluding treasury shares)
	Number of ordinary shares (excluding treasury shares)	
As at 30 September 2017	1,933,947,476	0.8%
As at 30 September 2018	1,931,535,376	0.9%

Subsidiary Holdings

There was no subsidiary holdings as at 30 September 2018 and 30 September 2017.

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.

	30.09.2018	31.12.2017
Total number of issued shares	1,948,736,476	1,948,736,476
Total number of treasury shares	(17,201,100)	(17,201,100)
Total number of issued shares (excluding treasury shares)	1,931,535,376	1,931,535,376

1(e)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

1(e)(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.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

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 2018 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.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

In December 2017, the Accounting Standards Council ("ASC") issued the SFRS(I), which is identical to the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The Group's financial statements for the financial year ending 31 December 2018 will be prepared in accordance with SFRS(I) issued by the ASC.

The Group has applied the same accounting policies and methods of computation in the unaudited financial statements for the current reporting period as those of the audited financial statements for the year ended 31 December 2017, except for the adoption of new / revised SFRS(I) applicable for the financial period beginning 1 January 2018 as follows:

SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International)

SFRS(I) 9 Financial Instruments

SFRS(I) 15 Revenue from Contracts with Customers

The financial effects of the adoption of the new SFRS(I) are summarized in Note 5 below.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

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

The adoption of the new SFRS(I) for the Group's financial statements for the financial year ending 31 December 2018 as explained in Note 4 above is applied retrospectively to financial statements for FY 2017 and accordingly, the comparative financial statements were restated. The effects of the change on the Group's financial information are as follows:

	GROUP
	RMB'000
Increase / (Decrease) in:	
<u>Consolidated Statement of Financial Position</u>	
<u>as at 31 December 2017</u>	
Other payables	(20,689,297)
Contract liabilities	<u>20,689,297</u>

The above restatement arose due to the initial application of SFRS(I) 15 *Revenue from Contracts with Customers*, and pertains to the reclassification of contract liabilities in relation to advances received from customers from other payables.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

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 owners of the Company after deducting any provision for preference dividends.

	GROUP		GROUP	
	3Q 2018 (Unaudited)	3Q 2017 (Unaudited)	9M 2018 (Unaudited)	9M 2017 (Unaudited)
EPS based on Group's profit attributable to owners of the Company:				
(i) On the weighted average				
number of shares (RMB)	52.41 cents	32.41 cents	170.21 cents	104.46 cents
- Weighted average				
number of shares	1,931,535,376	1,936,358,272	1,931,535,376	1,937,707,262
(ii) On a fully diluted basis				
(RMB)	52.41 cents	32.41 cents	170.21 cents	104.46 cents
- Adjusted weighted average number of shares				
shares	1,931,535,376	1,936,358,272	1,931,535,376	1,937,707,262

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	
	30.09.2018 (Unaudited)	31.12.2017 (Unaudited)	30.09.2018 (Unaudited)	31.12.2017 (Unaudited)
Net asset value per share based on issued share capital at the end of the period / year (RMB)				
	12.81	11.77	3.94	3.81



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

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 2018 vs. 3Q 2017

Driven by the significant increase in GFA delivered and the higher ASP per sqm achieved as mentioned above in Note 1(a), the Group reported a 51.7% or RMB1.947 billion growth in its revenue to RMB5.712 billion in 3Q 2018 from RMB3.764 billion in 3Q 2017. The Group continued to deliver new project in 3Q 2018 namely, Four Seasons Gardens (Phase 1) (四季花园一期) in Nantong which accounted for 13.7% to the Group's 3Q 2018 gross revenue on sales of properties. Revenue generated from existing projects was mainly contributed by Oasis New Island Gardens (Phase 2) (绿洲新岛花园二期) in Nanjing, Yanlord Western Gardens (仁恒西郊雅苑) in Shanghai and Sanya Hai Tang Bay - Land Parcel 9 (三亚海棠湾 9 号地块), which collectively represented 56.4% of the Group's gross revenue from sales of properties in 3Q 2018.

Gross profit recorded a commendable growth of 66.4% or RMB1.044 billion to RMB2.616 billion in 3Q 2018 from RMB1.572 billion in 3Q 2017. Gross profit margin was higher at 45.8% in 3Q 2018 as compared to 41.8% in 3Q 2017 primarily due to the change in composition of product mix delivered in the period.

In-line with the increase in gross profit reported in 3Q 2018, profit before income tax increased by 61.3% or RMB908 million to RMB2.390 billion in 3Q 2018 from RMB1.482 billion in 3Q 2017, while profit before income tax margin grew by 2.4 percentage points to 41.8% in 3Q 2018 from 39.4% in 3Q 2017.

Consequently, the Group's profit for the period increased to RMB1.244 billion in 3Q 2018 from RMB759 million in 3Q 2017, which represented an increase of 63.8% or RMB485 million. Profit for the period margin reported a growth of 1.6 percentage points to 21.8% in 3Q 2018 as compared with 20.2% in 3Q 2017.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

9M 2018 vs. 9M 2017

Revenue of the Group rose 57.1% or RMB8.200 billion to RMB22.563 billion in 9M 2018 from RMB14.362 billion in 9M 2017 underscored by the significant increase in GFA delivered to customers and the higher ASP per sqm achieved in 9M 2018. Revenue in 9M 2018 was mainly generated from Yanlord on the Park (仁恒世纪公寓) in Shanghai, Tianjin Jinnan Land (Phase 3) (景新花园三期), Yanlord Western Gardens (仁恒西郊雅苑) in Shanghai and Oasis New Island Gardens (Phase 3) (绿洲新岛花园三期) in Nanjing, which represented 26.2%, 16.8%, 12.1% and 11.8% of the Group's gross revenue on sales of properties in 9M 2018.

In-line with the increase in revenue, gross profit reported a commendable growth of 60.4% or RMB3.936 billion to RMB10.451 billion in 9M 2018 as compared to RMB6.515 billion in 9M 2017. Gross profit margin grew by 0.9 percentage point to 46.3% in 9M 2018 from 45.4% in 9M 2017.

As such, profit before income tax grew considerably by 61.5% or RMB3.690 billion to RMB9.687 billion in 9M 2018 from RMB5.997 billion in 9M 2017, and profit before income tax margin increased by 1.1 percentage point to 42.9% in 9M 2018 from 41.8% in 9M 2017.

Profit for the period also reported a significant growth of 76.0% or RMB2.184 billion to RMB5.059 billion in 9M 2018 as compared to RMB2.875 billion in 9M 2017, while profit for the period margin reported an increase of 2.4 percentage points to 22.4% in 9M 2018 from 20.0% in 9M 2017.

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

Non-current assets

Non-trade amounts due from joint ventures

Non-trade amounts due from joint ventures increased to RMB7.365 billion as at 30 September 2018 from RMB2.697 billion as at 31 December 2017 mainly due to increase in long term shareholder's loan to the joint venture projects.

Other financial assets

Other financial assets increased to RMB176 million as at 30 September 2018 from RMB3 million as at 31 December 2017 mainly due to investment in equity instruments.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Current assets

Non-trade amounts due from joint ventures

Non-trade amounts due from joint ventures increased by RMB2.183 billion to RMB5.033 billion as at 30 September 2018 from RMB2.850 billion as at 31 December 2017 mainly due to increase in shareholder's loan to the joint venture projects.

Financial asset at fair value through profit or loss

Financial asset at fair value through profit or loss of approximately RMB10 million as at 30 September 2018 pertain to investment in fund.

Non-current liabilities

Senior notes

Senior notes increased by RMB2.538 billion to RMB5.450 billion as at 30 September 2018 as compared to RMB2.912 billion as at 31 December 2017 mainly due to the issuance of US\$350 million 6.75% senior notes due 2023 in April 2018 by a wholly-owned subsidiary of the Company. Transaction costs that related to the issuance were included in the carrying amount of the senior notes and amortised over the period of the senior notes using the effective interest method.

Non-trade amount due to a joint venture

Non-trade amount due to a joint venture of RMB200 million as at 30 September 2018 is advance from a joint venture.

Non-trade amounts due to non-controlling shareholders of subsidiaries

Non-trade amounts due to non-controlling shareholders of subsidiaries decreased to RMB56 million as at 30 September 2018 from RMB1.266 billion as at 31 December 2017 mainly due to transfer of amounts due within one year to current liabilities.

Current liabilities

Non-trade amount due to an associate

Non-trade amount due to an associate of RMB227 million as at 30 September 2018 is the dividend payable to an associate.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Non-trade amount due to a joint venture

Non-trade amount due to a joint venture of RMB0.4 million as at 30 September 2018 is advance from a joint venture.

Put liability to acquire non-controlling interest

Put liability to acquire non-controlling interest as at 30 September 2018 was RMB733 million, which represented a potential contractual liability incurred in 2016 for the Group to purchase the equity interest from a non-controlling shareholder of a subsidiary, if so demanded in future. As the earliest date for the non-controlling shareholder to exercise the non-cancellable right to put back its shares to the Group are expected within one year, the liability was transferred from non-current liabilities to current liabilities.

STATEMENTS OF CASH FLOWS

Net cash from (used in) operating activities

The Group recorded net cash from operating activities of RMB3.134 billion in 3Q 2018 and net cash used in operating activities of RMB156 million in 9M 2018 as compared to net cash used in operating activities of RMB3.734 billion in 3Q 2017 and RMB13.815 billion in 9M 2017 respectively. The net cash inflow in 3Q 2018 was mainly due to decrease in landbank payments over the same period last year.

Net drawdown from bank and other borrowings

Net drawdown from bank and other borrowings decreased by RMB5.581 billion to RMB1.455 billion in 3Q 2018 from RMB7.037 billion in 3Q 2017 and decreased by RMB14.591 billion to RMB3.464 billion from RMB18.055 billion in 9M 2017, which is in-line with the decrease in fund used in operating activities.

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.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

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

The People's Republic of China ("PRC") real estate sector grew steadily in 9M 2018 with total investment in residential development rising 14.0% to RMB6.281 trillion based on data compiled by the National Bureau of Statistics ("NBS") on 19 October 2018. Buoyed by healthy demand for residential properties, prices for primary commodity housing within the top 70 cities rose approximately 8.9% in September 2018 based on NBS dated 20 October 2018.

COMPANY OUTLOOK

The Group continues to witness steadfast buyer demand for its high-quality residential developments. As at 30 September 2018, the Group has received advances for pre-sale properties (recorded as "Other payables" and "Contract liabilities" in the statements of financial position), amounting to RMB9.034 billion, with an accumulated pre-sale amount of RMB11.315 billion.

The Group will continue to deliver projects in accordance with its delivery schedule. This would include launching new projects and new batches of existing projects in 4Q 2018 namely, Yanlord Riverbay (Phase 3) (仁恒滨河湾三期) in Chengdu, Hangzhou Intelligent City Project - Commercial Land Parcels (Phase 1) (杭州传化科技城项目 - 国际商贸园一期) in Hangzhou, Yanlord Phoenix Hill (Phase 1) (凤凰山居一期) and Yanlord Taoyuan Gardens (桃园世纪华庭) in Nanjing, New Tang's Mansion (浅棠平江) in Suzhou, Yiwan Gardens (依湾花园), Yanlord Majestic Mansion (仁恒海和院) and The Mansion In Park (Phase 1) (仁恒公园世纪一期) in Tianjin and Wuhan Metropolis Project (武汉大都会项目).

Subsequent to the end of the period, Yanlord launched the first batch of villas at its Yanlord Phoenix Hill (Phase 1) (凤凰山居一期) in Nanjing in October 2018. Opening to healthy responses from the market, approximately 88% of the 80 villas launched were sold within two hours of the opening garnering approximately RMB541 million in contracted pre-sales.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

Outlook

Volatilities in the global financial markets coupled with policy headwinds arising from austerity measures introduced by the PRC central government may serve to slow the rapid growth of new land tender prices and help to maintain a stable and sustainable development of the property sector over the longer term. The PRC economy grew steadily in 3Q 2018 rising 6.5% based on data released by the NBS on 20 October 2018. In view of the healthy economic development and the rising aspirations of home upgraders, Yanlord, with its high quality landbank and strong brand recognition, is well poised to tap the continued demand growth for quality residential developments in the PRC. To better mitigate against volatilities in the global economy and the continual tightness in administrative policy measures in the PRC, the Group will continue to maintain its healthy cash position and prudent financial policies to ensure the sustainable growth and development of the Group.

Barring any significant deterioration in the global economy and any other unforeseen circumstances like price cuts in major cities, 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.

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.



YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

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 2018 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

15. Undertakings under Rule 720(1)

The Company hereby confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the SGX-ST Listing Manual.

ON BEHALF OF THE BOARD

Zhong Sheng Jian
Chairman and Chief Executive Officer
13 November 2018