



# YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

## UNAUDITED SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2019 FINANCIAL STATEMENTS ANNOUNCEMENT

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# YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

## UNAUDITED SECOND QUARTER AND HALF YEAR FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2019

### 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 June 2019

	2Q 2019	2Q 2018	% Change	1H 2019	1H 2018	% Change
	RMB'000	RMB'000	+ / (-)	RMB'000	RMB'000	+ / (-)
<b>Revenue</b>	4,088,958	9,663,111	(58)	7,711,904	16,851,067	(54)
<b>Cost of sales</b>	(2,050,404)	(5,832,216)	(65)	(4,127,393)	(9,015,732)	(54)
<b>Gross profit</b>	2,038,554	3,830,895	(47)	3,584,511	7,835,335	(54)
Other operating income and other gains	161,285	124,758	29	385,738	246,109	57
Fair value gain on investment properties	791,018	-	NM	791,018	-	NM
Selling expenses	(98,563)	(66,914)	47	(180,372)	(150,648)	20
Administrative expenses	(232,914)	(152,592)	53	(512,991)	(476,828)	8
Other operating expenses	(992)	(4,114)	(76)	(2,963)	(5,783)	(49)
Finance cost	(282,739)	(154,415)	83	(498,789)	(287,370)	74
Share of loss of associates	(4,270)	(208)	1953	(6,428)	(1,901)	238
Share of profit (loss) of joint ventures	4,819	26,475	(82)	(31,944)	138,449	NM
<b>Profit before income tax</b>	2,376,198	3,603,885	(34)	3,527,780	7,297,363	(52)
Income tax	(1,032,676)	(1,585,225)	(35)	(1,570,843)	(3,482,556)	(55)
<b>Profit for the period</b>	1,343,522	2,018,660	(33)	1,956,937	3,814,807	(49)
<b>Profit attributable to:</b>						
Owners of the Company	865,319	1,478,152	(41)	1,188,376	2,275,258	(48)
Non-controlling interests	478,203	540,508	(12)	768,561	1,539,549	(50)
	1,343,522	2,018,660	(33)	1,956,937	3,814,807	(49)

NM: Not meaningful



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

	2Q 2019	2Q 2018	1H 2019	1H 2018
	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Allowance for doubtful debts and bad debts written off	-	-	10	-
Depreciation expense	45,289	27,270	81,492	35,661
Fair value gain on investment properties	(791,018)	-	(791,018)	-
Fair value gain on financial asset at fair value through profit or loss	(71)	-	(143)	-
Finance cost	282,739	154,415	498,789	287,370
Interest income	(154,921)	(114,072)	(357,670)	(228,853)
Net loss (gain) on disposal of property, plant and equipment	230	42	304	(52)
Net gain on disposal of investment properties	(248)	(511)	(1,238)	(762)
Net foreign exchange loss (gain)	40,794	(96,677)	34,257	2,748
Adjustments for under (over) provision of tax in respect of prior years	18,314	(33,552)	18,827	(39,487)

## **Revenue and cost of sales**

Revenue of the Group in 2Q 2019 decreased by RMB5.574 billion to RMB4.089 billion from RMB9.663 billion in 2Q 2018 primarily attributable to the decrease in gross floor area (“GFA”) delivered to customers and partly offset by the increase in average selling price (“ASP”) per square metre (“sqm”) achieved by the Group in 2Q 2019 compared to 2Q 2018. Higher ASP per sqm achieved in 2Q 2019 was primarily due to a change in composition of product-mix. In 1H 2019, the Group reported a decrease of RMB9.139 billion in revenue to RMB7.712 billion from RMB16.851 billion in 1H 2018 mainly attributable to the decrease in GFA delivered to customers in 1H 2019 in-line with the Group’s delivery schedule over the same period in 2018.

Cost of sales, which mainly included land, construction and capitalised borrowing costs, decreased in-line with the decrease in GFA delivered in the current reporting periods, by RMB3.782 billion to RMB2.050 billion in 2Q 2019 from RMB5.832 billion in 2Q 2018 and by RMB4.888 billion to RMB4.127 billion in 1H 2019 from RMB9.016 billion in 1H 2018.

Other contributors to the Group’s revenue mainly included rental of investment properties, income



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from hotel operations as well as provision of property management services and other ancillary services.

## **Other operating income and other gains**

Other operating income and other gains included mainly interest income, net gain on disposal of investment properties and government subsidies. Excluding the net foreign exchange loss of RMB7 million in 2Q 2019, other operating income and other gains increased by 34.5% to RMB168 million in 2Q 2019 from RMB125 million in 2Q 2018 and increased by 56.7% to RMB386 million in 1H 2019 from RMB246 million in 1H 2018. The interest income in current reporting periods generated mainly from interest-bearing bank deposits as well as non-trade amounts due from joint ventures, associates and other parties.

## **Fair value gain on investment properties**

Fair value gain on investment properties recognised in 2Q 2019 as well as in 1H 2019 of RMB791 million was mainly attributable to the gain recognised from revaluation of the Group's investment properties namely, Smriti Curtilage (耦前別墅) in Suzhou and Yanlord Riverside Plaza (Phase 1) (仁恒海河广场一期) in Tianjin.

## **Selling expenses**

Selling expenses, which mainly included staff costs, advertising and promotion expenses, as well as intermediary agency fee, increased by 47.3% and 19.7% to RMB99 million in 2Q 2019 and RMB180 million in 1H 2019 respectively, compared to RMB67 million in 2Q 2018 and RMB151 million in 1H 2018 respectively. The increase was mainly due to the increase in staff costs, intermediary agency fee and advertising and promotion expenses incurred in current periods compared to the corresponding periods in 2018.

## **Administrative expenses**

Administrative expenses mainly comprised of staff costs, utilities, entertainment expenses, legal and professional fees, depreciation, bank charges and net foreign exchange loss. Excluding the net foreign exchange effect recorded for the periods under review, administrative expenses decreased by 20.3% or RMB51 million to RMB199 million in 2Q 2019 from RMB249 million in 2Q 2018 mainly due to absence of the loss caused by the typhoon hitting Zhuhai in 2Q 2018 and increased by 1.0% or RMB5 million to RMB479 million in 1H 2019 from RMB474 million in 1H 2018 mainly due to the increase in staff costs to support the continuing growth of the Group's business in 1H 2019. The above-mentioned net foreign exchange effect included a net foreign



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exchange loss of RMB34 million in 2Q 2019 as well as in 1H 2019, a net foreign exchange gain of RMB97 million recognised in 2Q 2018 and a net foreign exchange loss of RMB3 million reported in 1H 2018. The net foreign exchange loss of RMB34 million reported in 2Q 2019 and 1H 2019 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.

## **Finance cost**

Finance cost, net of capitalised interest, increased by 83.1% or RMB128 million to RMB283 million in 2Q 2019 from RMB154 million in 2Q 2018 and grew by 73.6% or RMB211 million to RMB499 million in 1H 2019 from RMB287 million in 1H 2018. The increase of finance cost in current periods was mainly due to an increase in interest expenses for financing of investments in joint ventures and associates. 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 profit (loss) of joint ventures**

The Group recorded a share of profit of joint ventures of RMB5 million in 2Q 2019 mainly from sharing of profit of Sino-Singapore Nanjing Eco Hi-tech Island (中新南京生态科技岛) during the quarter and a share of loss of joint ventures of RMB32 million in 1H 2019 mainly attributable to higher operating expenses and finance cost incurred by the joint ventures in 1H 2019, compared with the share of profit of joint ventures of RMB26 million recorded in 2Q 2018 and RMB138 million recorded in 1H 2018 arising mainly from the 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).

## **Income tax**

Income tax, which included statutory enterprise income tax, land appreciation tax and dividend withholding tax, decreased by RMB553 million to RMB1.033 billion in 2Q 2019 from RMB1.585 billion in 2Q 2018 and decreased by RMB1.912 billion to RMB1.571 billion in 1H 2019 from RMB3.483 billion in 1H 2018, in-line with the decreases in gross profit and profit before income tax in the current reporting periods over the same periods in 2018.



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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 June 2019

	GROUP		COMPANY	
	30.06.2019 RMB'000 (Unaudited)	31.12.2018 RMB'000 (Audited)	30.06.2019 RMB'000 (Unaudited)	31.12.2018 RMB'000 (Audited)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	3,135,840	3,177,663	-	-
Investment properties	15,292,880	14,567,640	-	-
Right-of-use assets	77,750	-	-	-
Properties for development	5,742,432	16,940,162	-	-
Investments in subsidiaries	-	-	13,752,641	13,523,060
Investments in associates	1,883,889	1,418,593	-	-
Investments in joint ventures	6,539,734	5,897,162	-	-
Other receivables and deposits	2,355,185	3,114,118	-	-
Non-trade amounts due from:				
Associate	454,801	-	-	-
Joint ventures	5,949,464	5,914,815	-	-
Non-controlling shareholders of subsidiaries	633,672	400,000	-	-
Other financial assets	175,923	175,923	-	-
Intangible assets	812	2,092	-	-
Deferred tax assets	450,614	472,281	-	-
<b>Total non-current assets</b>	<b>42,692,996</b>	<b>52,080,449</b>	<b>13,752,641</b>	<b>13,523,060</b>
<b>Current assets</b>				
Inventories	112,155	117,027	-	-
Completed properties for sale	5,723,112	5,957,456	-	-
Properties under development for sale	22,284,627	21,124,992	-	-
Trade receivables	50,046	48,183	-	-
Other receivables and deposits	2,582,110	1,853,358	4	1
Non-trade amounts due from:				
Subsidiaries	-	-	2,288,941	1,794,247
Associates	1,347,007	1,201,290	-	-
Joint ventures	10,713,525	9,833,539	-	-
Non-controlling shareholders of subsidiaries	5,425,336	3,247,508	-	-



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	GROUP		COMPANY	
	30.06.2019 RMB'000 (Unaudited)	31.12.2018 RMB'000 (Audited)	30.06.2019 RMB'000 (Unaudited)	31.12.2018 RMB'000 (Audited)
Other related party	792	788	-	-
Income tax prepayment	452,715	567,767	-	-
Financial asset at fair value through profit or loss	11,743	-	-	-
Pledged bank deposits	736,731	331,048	-	-
Cash and cash equivalents	16,939,965	10,317,374	2,349	9,404
Total current assets	66,379,864	54,600,330	2,291,294	1,803,652
<b>Total assets</b>	<b>109,072,860</b>	<b>106,680,779</b>	<b>16,043,935</b>	<b>15,326,712</b>

## **EQUITY AND LIABILITIES**

### **Capital, reserves and non-controlling interests**

Share capital	7,261,726	7,261,726	7,261,726	7,261,726
Reserves	18,256,496	17,768,378	375,022	264,747
Equity attributable to owners of the Company	25,518,222	25,030,104	7,636,748	7,526,473
Non-controlling interests	8,577,971	7,848,514	-	-
Total equity	34,096,193	32,878,618	7,636,748	7,526,473

### **Non-current liabilities**

Bank and other borrowings				
– due after one year	20,952,949	27,998,178	-	-
Senior notes	5,455,618	5,440,228	-	-
Lease liabilities	56,984	-	-	-
Deferred tax liabilities	3,124,297	2,831,594	-	-
Non-trade amount due to:				
Joint ventures	820,279	805,377	-	-
Deferred income	428,697	335,702	-	-
Total non-current liabilities	30,838,824	37,411,079	-	-

### **Current liabilities**

Bank and other borrowings				
– due within one year	12,545,963	8,293,294	-	639,509
Lease liabilities	25,265	-	-	-



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	GROUP		COMPANY	
	30.06.2019	31.12.2018	30.06.2019	31.12.2018
	RMB'000	RMB'000	RMB'000	RMB'000
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Trade payables	8,642,030	8,246,981	-	-
Other payables	3,636,598	1,453,353	-	3,837
Contract liabilities	9,856,528	9,857,831	-	-
Non-trade amounts due to:				
Subsidiary	-	-	8,351,053	7,100,578
Associates	621,903	257,596	-	-
Joint ventures	1,726,165	674,391	-	-
Directors	56,134	56,315	56,134	56,315
Non-controlling shareholders of subsidiaries	548,189	705,139	-	-
Other related parties	36,310	44,808	-	-
Income tax payable	5,122,025	5,480,641	-	-
Put liability to acquire non-controlling interests	1,320,733	1,320,733	-	-
Total current liabilities	44,137,843	36,391,082	8,407,187	7,800,239
<b>Total equity and liabilities</b>	<b>109,072,860</b>	<b>106,680,779</b>	<b>16,043,935</b>	<b>15,326,712</b>





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

	<b>GROUP</b>	
	<b>As at 30.06.2019</b>	<b>As at 31.12.2018</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	(Unaudited)	(Unaudited)
Amount repayable in one year or less, or on demand:-		
Secured	9,121,207	4,144,658
Unsecured	3,624,254	4,552,134
Sub-total 1	12,745,461	8,696,792
Amount repayable after one year:-		
Secured	11,732,278	12,148,502
Unsecured	14,676,289	21,289,904
Sub-total 2	26,408,567	33,438,406
Total debt	39,154,028	42,135,198

### 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, completed properties for sale and pledged 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 June 2019

	2Q 2019	2Q 2018	1H 2019	1H 2018
	RMB'000	RMB'000	RMB'000	RMB'000
<b>Operating activities</b>				
Profit before income tax	2,376,198	3,603,885	3,527,780	7,297,363
Adjustments for:				
Allowance for doubtful debts and bad debts written off	-	-	10	-
Depreciation expense	45,289	27,270	81,492	35,661
Fair value gain on investment properties	(791,018)	-	(791,018)	-
Fair value gain on financial asset at fair value through profit or loss	(71)	-	(143)	-
Finance cost	282,739	154,415	498,789	287,370
Interest income	(154,921)	(114,072)	(357,670)	(228,853)
Net loss (gain) on disposal of property, plant and equipment	230	42	304	(52)
Net gain on disposal of investment properties	(248)	(511)	(1,238)	(762)
Payable written off	-	-	(6,523)	-
Share of loss of associates	4,270	208	6,428	1,901
Share of (profit) loss of joint ventures	(4,819)	(26,475)	31,944	(138,449)
Gain on change of control from subsidiaries to joint ventures	(266)	-	(266)	-
Gain on disposal of a subsidiary	(51)	-	(51)	-
Operating cash flows before movements in working capital	1,757,332	3,644,762	2,989,838	7,254,179
Properties for development	(1,452,270)	(801,736)	(1,878,670)	(952,198)
Inventories	(9,098)	(13,274)	593	(29,218)
Completed properties for sale	922,578	5,003,672	1,610,730	7,824,814
Properties under development for sale	(49,662)	(19,579)	(73,958)	(527,393)
Trade and other receivables and deposits	(829,885)	(3,501,890)	(1,104,738)	(2,671,551)
Trade and other payables	3,408,137	788,543	3,253,903	(622,495)



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	2Q 2019	2Q 2018	1H 2019	1H 2018
	RMB'000	RMB'000	RMB'000	RMB'000
Contract liabilities	780,649	(5,066,160)	(1,303)	(9,153,388)
Cash generated from operations	4,527,781	34,338	4,796,395	1,122,750
Interest paid	(446,567)	(433,551)	(1,115,466)	(919,285)
Income tax paid	(883,679)	(2,236,126)	(1,498,006)	(3,493,579)
Net cash from (used in) operating activities	3,197,535	(2,635,339)	2,182,923	(3,290,114)
<b>Investing activities</b>				
Acquisition of subsidiaries	(25,000)	-	(40,000)	(303,000)
Change of control from subsidiaries to joint ventures	(20,995)	-	(20,995)	-
Investment in an associate	-	-	(150,000)	-
Capital injection by an associate	-	25,281	-	-
Investments in joint ventures	(138,447)	(150,150)	(562,858)	(150,150)
Interest received	243,602	86,228	368,246	134,023
Decrease (Increase) in pledged bank deposits	24,320	(266)	(405,683)	8,947
Proceeds on disposal of property, plant and equipment	189	114	253	852
Proceeds on disposal of investment properties	477	953	2,381	1,429
Proceeds on disposal of financial asset at fair value through profit or loss	1,050	-	2,000	-
Payment for property, plant and equipment	(14,521)	(148,049)	(52,735)	(228,040)
Payment for investment properties	(6,470)	(3,380)	(10,148)	(16,939)
Payment for intangible asset	-	-	-	(1,280)
Purchase of financial asset at fair value through profit or loss	(1,600)	-	(13,600)	-
Advance to associates	-	-	(363,170)	(23,197)
Repayment from associates	112,395	44,220	270,418	44,220
Advance to joint ventures	(960,317)	(1,899,419)	(2,171,745)	(2,343,879)
Repayment from joint ventures	3,397,557	16,096	4,246,596	20,411
Advance to non-controlling shareholders of subsidiaries	(1,648,192)	(8,649)	(2,369,344)	(29,017)
Advance to other related party	-	-	-	(167)
Net cash from (used in) investing activities	964,048	(2,037,021)	(1,270,384)	(2,885,787)



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	2Q 2019	2Q 2018	1H 2019	1H 2018
	RMB'000	RMB'000	RMB'000	RMB'000
<b>Financing activities</b>				
Dividends paid	(652,033)	(630,453)	(652,033)	(630,453)
Dividends paid to non-controlling shareholders of subsidiaries	(4,401)	(786,317)	(4,401)	(967,009)
Net proceeds on issue of senior notes	-	2,178,613	-	2,178,613
Proceeds from bank and other borrowings	7,349,231	2,221,320	10,714,405	3,421,320
Repayment of bank and other borrowings	(3,127,142)	(1,019,216)	(5,079,737)	(1,412,716)
Repayment of lease liabilities	(5,908)	-	(12,163)	-
Advance from associates	338,000	-	362,685	-
Advance from joint ventures	916,562	99,188	582,374	200,319
Repayment to directors	(535)	(1,059)	(981)	(49,794)
Advance from non-controlling shareholders of subsidiaries	-	312,391	3,311	321,330
Repayment to non-controlling shareholders of subsidiaries	(321,718)	(830,804)	(230,250)	(1,355,804)
(Repayment to) Advance from other related parties	(8,498)	13,890	(8,498)	3,222
Capital injection from a non-controlling shareholder of a subsidiary	-	-	-	4,900
Capital withdrawal by non-controlling shareholders of subsidiaries	-	(175,245)	(34,000)	(447,431)
Acquisition of non-controlling interest in subsidiaries	-	(1,045,884)	-	(1,045,884)
Disposal of a subsidiary	8,013	-	7,963	-
<b>Net cash from financing activities</b>	<b>4,491,571</b>	<b>336,424</b>	<b>5,648,675</b>	<b>220,613</b>
Net increase (decrease) in cash and cash equivalents	8,653,154	(4,335,936)	6,561,214	(5,955,288)
Cash and cash equivalents at beginning of period	8,198,027	16,235,460	10,317,374	17,798,313
Effect of exchange rate changes on the balances of cash held in foreign currencies	88,784	(92,126)	61,377	(35,627)
<b>Cash and cash equivalents at end of period</b>	<b>16,939,965</b>	<b>11,807,398</b>	<b>16,939,965</b>	<b>11,807,398</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 June 2019

	2Q 2019	2Q 2018	1H 2019	1H 2018
	RMB'000	RMB'000	RMB'000	RMB'000
<b>Profit for the period</b>	1,343,522	2,018,660	1,956,937	3,814,807
<b>Other comprehensive expense:</b>				
<u>Items that will not be reclassified subsequently to profit or loss:</u>				
Currency translation difference	591,477	24,452	481,393	(79,969)
Share of other comprehensive income of a joint venture	47	20	(31)	5,588
<u>Items that may be reclassified subsequently to profit or loss:</u>				
Currency translation difference	(856,503)	(615,331)	(526,697)	(160,846)
Share of other comprehensive income of a joint venture	130	3,021	1,857	463
<b>Other comprehensive expense for the period, net of tax</b>	(264,849)	(587,838)	(43,478)	(234,764)
<b>Total comprehensive income for the period</b>	<b>1,078,673</b>	<b>1,430,822</b>	<b>1,913,459</b>	<b>3,580,043</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	600,470	890,199	1,144,898	2,040,379
Non-controlling interests	478,203	540,623	768,561	1,539,664
	<b>1,078,673</b>	<b>1,430,822</b>	<b>1,913,459</b>	<b>3,580,043</b>



# YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

## Unaudited Company Statements of Comprehensive Income for the Period Ended 30 June 2019

	2Q 2019	2Q 2018	1H 2019	1H 2018
	RMB'000	RMB'000	RMB'000	RMB'000
<b>Profit for the period</b>	681,151	666,311	658,810	643,233
<b>Other comprehensive income (expense):</b>				
<u>Items that may be reclassified subsequently to</u>				
<u>profit or loss:</u>				
Currency translation difference	167,113	58,279	103,498	(67,118)
<b>Other comprehensive income (expense) for</b>				
<b>the period, net of tax</b>	167,113	58,279	103,498	(67,118)
<b>Total comprehensive income for the</b>				
<b>period</b>	848,264	724,590	762,308	576,115
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	848,264	724,590	762,308	576,115
Non-controlling interests	-	-	-	-
	848,264	724,590	762,308	576,115



# 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 June 2019

	Share capital	Treasury shares	Currency translation reserve	Statutory reserve	Merger deficit	Other reserve	Accumulated profits	Equity 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
<b>Balance at 1 January 2019 as previously reported</b>	7,261,726	(132,309)	(945,687)	2,011,120	(1,834,019)	(3,428,371)	22,097,644	25,030,104	7,848,514	32,878,618
Effect of adoption of SFRS(I) 16 <sup>#</sup>	-	-	-	-	-	-	(3,376)	(3,376)	(426)	(3,802)
<b>Balance at 1 January 2019 as restated</b>	7,261,726	(132,309)	(945,687)	2,011,120	(1,834,019)	(3,428,371)	22,094,268	25,026,728	7,848,088	32,874,816
Total comprehensive income for the period:										
Profit for the period	-	-	-	-	-	-	323,057	323,057	290,358	613,415
Other comprehensive income for the period	-	-	219,722	-	-	1,727	(78)	221,371	-	221,371
<b>Total</b>	-	-	219,722	-	-	1,727	322,979	544,428	290,358	834,786
Transactions with owners, recognised directly in equity:										
Capital withdrawal by a non-controlling shareholder	-	-	-	-	-	-	-	-	(34,000)	(34,000)
Disposal of a subsidiary	-	-	-	-	-	-	-	-	(50)	(50)
<b>Total</b>	-	-	-	-	-	-	-	-	(34,050)	(34,050)
<b>Balance at 31 March 2019</b>	7,261,726	(132,309)	(725,965)	2,011,120	(1,834,019)	(3,426,644)	22,417,247	25,571,156	8,104,396	33,675,552

<sup>#</sup> Please refer to Note 4 and 5.



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# YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

	Share capital	Treasury shares	Currency translation reserve	Statutory reserve	Merger deficit	Other reserve	Accumulated profits	Equity 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	-	-	-	-	-	-	865,319	865,319	478,203	1,343,522
Other comprehensive expense for the period	-	-	(265,026)	-	-	130	47	(264,849)	-	(264,849)
<b>Total</b>	-	-	(265,026)	-	-	130	865,366	600,470	478,203	1,078,673
Transactions with owners, recognised directly in equity:										
Dividends	-	-	-	-	-	-	(652,033)	(652,033)	-	(652,033)
Dividend declared to a non-controlling shareholder	-	-	-	-	-	-	-	-	(4,401)	(4,401)
Share of other reserve of joint venture	-	-	-	-	-	(1,142)	-	(1,142)	-	(1,142)
Utilisation of statutory reserve	-	-	-	(229)	-	-	-	(229)	(227)	(456)
Appropriations	-	-	-	7,379	-	-	(7,379)	-	-	-
<b>Total</b>	-	-	-	7,150	-	(1,142)	(659,412)	(653,404)	(4,628)	(658,032)
<b>Balance at 30 June 2019</b>	7,261,726	(132,309)	(990,991)	2,018,270	(1,834,019)	(3,427,656)	22,623,201	25,518,222	8,577,971	34,096,193





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# YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

## Unaudited Group Statements of Changes in Equity for the Period Ended 30 June 2018

	Share capital	Treasury shares	Currency translation reserve	Statutory reserve	Merger deficit	Other reserve	Accumulated profits	Equity 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
<b>Balance at 1 January 2018</b>	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
<b>Total</b>	-	-	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)	-	-	-
<b>Total</b>	-	-	-	31,237	-	-	(31,237)	-	(533,133)	(533,133)
<b>Balance at 31 March 2018</b>	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



# YANLORD LAND GROUP LIMITED

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	Share capital	Treasury shares	Currency translation reserve	Statutory reserve	Merger deficit	Other reserve	Accumulated profits	Equity 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)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>(590,994)</b>	<b>-</b>	<b>-</b>	<b>3,021</b>	<b>1,478,172</b>	<b>890,199</b>	<b>540,623</b>	<b>1,430,822</b>
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)	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>217,307</b>	<b>-</b>	<b>(85,628)</b>	<b>(654,579)</b>	<b>(522,900)</b>	<b>(2,189,122)</b>	<b>(2,712,022)</b>
<b>Balance at 30 June 2018</b>	<b>7,261,726</b>	<b>(132,309)</b>	<b>(435,833)</b>	<b>1,752,417</b>	<b>(1,834,019)</b>	<b>(3,370,729)</b>	<b>21,006,750</b>	<b>24,248,003</b>	<b>8,789,696</b>	<b>33,037,699</b>



# YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

## Unaudited Company Statements of Changes in Equity for the Period Ended 30 June 2019

	Share capital RMB'000	Treasury shares RMB'000	Currency translation reserve RMB'000	Accumulated profits RMB'000	Total RMB'000
<b>Balance at 1 January 2019</b>	7,261,726	(132,309)	60,987	336,069	7,526,473
Total comprehensive expense for the period:					
Loss for the period	-	-	-	(22,341)	(22,341)
Other comprehensive expense for the period	-	-	(63,615)	-	(63,615)
<b>Total</b>	-	-	(63,615)	(22,341)	(85,956)
<b>Balance at 31 March 2019</b>	7,261,726	(132,309)	(2,628)	313,728	7,440,517
Total comprehensive income for the period:					
Profit for the period	-	-	-	681,151	681,151
Other comprehensive income for the period	-	-	167,113	-	167,113
<b>Total</b>	-	-	167,113	681,151	848,264
Dividends, representing total transaction with owners, recognised directly in equity	-	-	-	(652,033)	(652,033)
<b>Balance at 30 June 2019</b>	7,261,726	(132,309)	164,485	342,846	7,636,748



# YANLORD LAND GROUP LIMITED

(Company Reg. No. 200601911K)

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

	Share capital RMB'000	Treasury shares RMB'000	Currency translation reserve RMB'000	Accumulated profits RMB'000	Total RMB'000
<b>Balance at 1 January 2018</b>	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)
<b>Total</b>	-	-	(125,397)	(23,078)	(148,475)
<b>Balance at 31 March 2018</b>	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
<b>Total</b>	-	-	58,279	666,311	724,590
Dividends, representing total transaction with owners, recognised directly in equity	-	-	-	(630,453)	(630,453)
<b>Balance at 30 June 2018</b>	7,261,726	(132,309)	(190,873)	369,351	7,307,895



# 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 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 April 2019 and 30 June 2019	1,948,736,476	7,261,726

## Treasury Shares

During the period from 1 April 2019 to 30 June 2019, the Company did not repurchase any of its ordinary shares (1 April 2018 to 30 June 2018: Nil). 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 June 2019 and as at the end of 30 June 2018 were as follows:

	Number of treasury shares	RMB'000
As at 30 June 2018	17,201,100	132,309



# YANLORD LAND GROUP LIMITED

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	Number of	
	treasury shares	RMB'000
As at 1 April 2019 and 30 June 2019	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 June 2018	1,931,535,376	0.9%
As at 30 June 2019	1,931,535,376	0.9%

## Subsidiary Holdings

There was no subsidiary holdings as at 30 June 2019 and 30 June 2018.

**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.**

	<b>30.06.2019</b>	<b>31.12.2018</b>
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

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

The figures for the second quarter and half year ended 30 June 2019 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**

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 2018, except for the adoption of new / revised SFRS(I) applicable for the financial period beginning 1 January 2019 as follows:

SFRS(I) 16 *Leases*

Amendments to SFRS(I) 1-28 *Investments in Associates and Joint Ventures: Long-term Interests in Associates and Joint Ventures*

SFRS(I) INT 23 *Uncertainty over Income Tax Treatments*

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



# YANLORD LAND GROUP LIMITED

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**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 Group applied SFRS(I) 16 on 1 January 2019, using the modified retrospective approach. The cumulative effect of adopting SFRS(I) 16 is recognised as an adjustment to the opening balance of accumulated profits as at 1 January 2019, with no restatement of comparative information.

The adoption of SFRS(I) 16 resulted in adjustments to the consolidated statement of financial position of the Group as at 1 January 2019. The differences from the consolidated statement of financial position as previously reported as at 31 December 2018 are as follows:

	<b>GROUP</b> <b>RMB'000</b>
<b><u>Consolidated Statement of Financial Position as at 1 January 2019</u></b>	
Increase in right-of-use assets	87,564
Increase in lease liabilities	(91,366)
Decrease in net assets	<u>(3,802)</u>
Decrease in equity attributable to owners of the Company	(3,376)
Decrease in non-controlling interests	(426)
Decrease in equity	<u>(3,802)</u>





# YANLORD LAND GROUP LIMITED

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**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.**

	<b>GROUP</b>			
	<b>2Q 2019</b> (Unaudited)	<b>2Q 2018</b> (Unaudited)	<b>1H 2019</b> (Unaudited)	<b>1H 2018</b> (Unaudited)
<b>EPS based on Group's profit attributable to owners of the Company:</b>				
<b>(i) On the weighted average</b>				
<b>number of shares (RMB)</b>	44.80 cents	76.53 cents	61.52 cents	117.80 cents
<b>- Weighted average number of shares</b>	1,931,535,376	1,931,535,376	1,931,535,376	1,931,535,376
<b>(ii) On a fully diluted basis (RMB)</b>				
<b>- Adjusted weighted average number of shares</b>	1,931,535,376	1,931,535,376	1,931,535,376	1,931,535,376

**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**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>30.06.2019</b> (Unaudited)	<b>31.12.2018</b> (Unaudited)	<b>30.06.2019</b> (Unaudited)	<b>31.12.2018</b> (Unaudited)
<b>Net asset value per share based on issued share capital at the end of the period / year (RMB)</b>	13.21	12.96	3.95	3.90



# YANLORD LAND GROUP LIMITED

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**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**

## **2Q 2019 vs. 2Q 2018**

Revenue of the Group decreased by 57.7% or RMB5.574 billion to RMB4.089 billion in 2Q 2019 from RMB9.663 billion in 2Q 2018 mainly due to the decrease in GFA delivered to customers in 2Q 2019 compared to 2Q 2018. The Group continued to deliver new projects and new batches of existing projects in 2Q 2019 namely, Riverbay Gardens (Phase 1) (江湾雅园一期) in Suzhou, Yanlord on the Park (仁恒世纪公寓) in Shanghai and Four Seasons Gardens (Phase 2) (四季花园二期) in Nantong, which accounted for 37.9%, 24.7% and 23.5% respectively to the Group's 2Q 2019 gross revenue on sales of properties.

The Group's gross profit decreased by 46.8% or RMB1.792 billion to RMB2.039 billion in 2Q 2019 from RMB3.831 billion in 2Q 2018 as a result of the decrease in GFA delivered to customers and partly offset by higher ASP per sqm achieved in 2Q 2019 over the same period in 2018 as mentioned above in Note 1(a). Gross profit margin increased by 10.3 percentage points to 49.9% in 2Q 2019 from 39.6% in 2Q 2018 primarily due to the change in the composition of product-mix.

In-line with the decrease in gross profit reported in 2Q 2019, profit before income tax decreased by 34.1% or RMB1.228 billion to RMB2.376 billion in 2Q 2019 from RMB3.604 billion in 2Q 2018, while profit before income tax margin grew by 20.8 percentage points to 58.1% in 2Q 2019 from 37.3% in 2Q 2018.

Consequently, the Group's profit for the period decreased by RMB675 million to RMB1.344 billion in 2Q 2019 from RMB2.019 billion in 2Q 2018. Profit for the period margin increased by 12.0 percentage points to 32.9% in 2Q 2019 compared to 20.9% in 2Q 2018.

## **1H 2019 vs. 1H 2018**

Revenue of the Group decreased by 54.2% or RMB9.139 billion to RMB7.712 billion in 1H 2019 from RMB16.851 billion in 1H 2018 mainly due to the decrease in GFA delivered to customers in 1H 2019 in-line with the Group's delivery schedule. Revenue in 1H 2019 was mainly generated from Riverbay Gardens (Phase 1) (江湾雅园一期) in Suzhou, Yanlord on the Park (仁恒世纪公寓)



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in Shanghai and Four Seasons Gardens (Phase 2) (四季花园二期) in Nantong, which represented 44.5%, 20.8% and 12.8% of the Group's gross revenue on sales of properties for 1H 2019.

In-line with the decrease in revenue, gross profit decreased by 54.3% or RMB4.251 billion to RMB3.585 billion in 1H 2019 compared to RMB7.835 billion in 1H 2018. Gross profit margin remained stable at 46.5% in 1H 2019 and 1H 2018.

Profit before income tax decreased by 51.7% or RMB3.770 billion to RMB3.528 billion in 1H 2019 from RMB7.297 billion in 1H 2018 while profit before income tax margin increased by 2.4 percentage points to 45.7% in 1H 2019 from 43.3% in 1H 2018.

Profit for the period decreased by 48.7% or RMB1.858 billion to RMB1.957 billion in 1H 2019 compared to RMB3.815 billion in 1H 2018, while profit for the period margin reported an increase of 2.8 percentage points to 25.4% in 1H 2019 from 22.6% in 1H 2018.

**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**

#### Right-of-use assets

Right-of-use assets of RMB78 million as at 30 June 2019 represent the right to use the underlying leased assets for the lease terms.

#### Properties for development

Properties for development decreased to RMB5.742 billion as at 30 June 2019 from RMB16.940 billion as at 31 December 2018 mainly due to a project company was accounted for under the investments in joint ventures in 1H 2019 as a result of the change in control for such company from being a subsidiary to a joint venture.

#### Non-trade amount due from associate

Non-trade amount due from associate of RMB455 million as at 30 June 2019 represents advance to an associate in Shenzhen that was newly acquired in 2Q 2019.



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## Other receivables and deposits

Other receivables and deposits decreased to RMB2.355 billion as at 30 June 2019 from RMB3.114 billion as at 31 December 2018. The decrease was primarily due to the amount transfer to properties for development, investment in associates and non-trade amount due from associate, partly offset by the increase in deposit for new potential project.

## **Current assets**

### Other receivables and deposits

Other receivables and deposits increased to RMB2.582 billion as at 30 June 2019 from RMB1.853 billion as at 31 December 2018. The increase was primarily due to the increase in deposits for new potential projects.

### Non-trade amount due from associates

Non-trade amount due from associates increased to RMB1.347 billion as at 30 June 2019 from RMB1.201 billion as at 31 December 2018 mainly due to shareholder's loan to an new associate in Suzhou, partly offset by repayment from associates.

### Non-trade amount due from non-controlling shareholders of subsidiaries

Non-trade amount due from non-controlling shareholders of subsidiaries increased by RMB2.178 billion to RMB5.425 billion as at 30 June 2019 from RMB3.248 billion as at 31 December 2018 mainly due to distribution of surplus fund of subsidiaries to their shareholders.

### Financial asset at fair value through profit or loss

Financial asset at fair value through profit or loss of approximately RMB12 million as at 30 June 2019 pertain to investment in fund.

## **Non-current liabilities**

### Lease liabilities

Lease liabilities of RMB57 million as at 30 June 2019 represent the lease payments which is repayable after one year.



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## **Current liabilities**

### Lease liabilities

Lease liabilities of RMB25 million as at 30 June 2019 represent the lease payments which is repayable within one year.

### Other payables

Other payables increased by RMB2.183 billion to RMB3.637 billion as at 30 June 2019 from RMB1.453 billion as at 31 December 2018 was primary due to advance received from joint venture partner for land deposit.

### Non-trade amount due to associates

Non-trade amount due to associates increased by RMB364 million to RMB622 million as at 30 June 2019 from RMB258 million as at 31 December 2018 was mainly due to advance from associates.

### Non-trade amount due to joint ventures

Non-trade amount due to joint ventures increased by RMB1.052 billion to RMB1.726 billion as at 30 June 2019 from RMB674 million as at 31 December 2018 was mainly due to advance from joint ventures net of the repayment to joint ventures.

## **STATEMENTS OF CASH FLOWS**

### Net drawdown from bank and other borrowings

Net drawdown from bank and other borrowings increased to RMB4.222 billion in 2Q 2019 from RMB1.202 billion in 2Q 2018 and to RMB5.635 billion in 1H 2019 from RMB2.009 billion in 1H 2018 in-line with the Group's funding requirements for project investments and developments in current reporting periods, such as investment in joint ventures and associates, advance to associates and deposit payments for new potential projects, as well as construction cost payments.

## **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**

The People's Republic of China ("PRC") real estate sector grew steadily in 1H 2019 with total investment in residential development rising 15.8% to RMB4.52 trillion based on data compiled by the National Bureau of Statistics ("NBS") on 15 July 2019. Buoyed by healthy demand for residential properties, primary commodity housing prices in the top 70 cities rose approximately 10.8% year on year in June 2019.

The Group continued to witness steadfast buyer demand for its high-quality residential developments. The accumulated contracted pre-sales and subscription sales by the Group including its joint ventures and associates from the sale of properties for 1H 2019 rose 77.9% to approximately RMB20.735 billion from RMB11.656 billion compared to the same period in 2018.

As at 30 June 2019, the Group has received advances for contracted pre-sales (recorded as "Other payables" and "Contract liabilities" in the statements of financial position), amounting to RMB9.857 billion, with an accumulated contracted pre-sales of RMB13.477 billion. These contracted pre-sales are expected to be progressively recognised as revenue in the subsequent quarters.

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 3Q 2019 namely, Stream In Cloud (溪云居) in Chengdu; Yanlord Riverside Gardens (仁滨公寓) and Hangzhou Bayfront Isle (Phase 2) (前湾二期) in Hangzhou; Yanlord Century Gardens (仁恒世纪花园) in Jinan; Yanlord Phoenix Hill (Phase 1) (凤凰山居一期), Nanjing No. 2018G26 Land (南京 No. 2018G26 地块) in Nanjing; Yanlord Reverie Apartments (仁恒梦公寓) in Shenzhen; Four Seasons Heming Gardens (四季和鸣雅园), Smriti Curtilage (耦前别墅), New Tang's Mansion (浅棠平江) in Suzhou; Tangshan Nanhu Eco-City - Land Parcel A8 (唐山南湖生态城·A8 地块) in Tangshan; The Mansion In Park (Phase 1) (仁恒公园世纪一期), Yilu Gardens (依潞花园), Yiwang Gardens (依湾花园) in Tianjin and Yanlord on the Park (仁恒·公园世纪) in Wuhan.

The Group witnessed commendable performances at its latest batch launch of New Tang's Mansion (浅棠平江) and the inaugural launch of Four Seasons Heming Gardens (四季和鸣雅园) in Suzhou. Buoyed by the healthy market response, the Group sold a total of 483 apartment units over the respective launches on 30 July 2019 and 31 July 2019, garnering a total pre-sales



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value of over RMB1.887 billion.

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 PRC property sector over the longer term. The PRC economy grew in 2Q 2019 rising 6.3% based on data released by the NBS on 16 July 2019. In view of the 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. In addition, to better mitigate against potential volatilities, the Group will continue to maintain its strong cash position and prudent financial policies to support the sustainable growth and development of the Group.

Barring any significant deterioration in the global economy and any other unforeseen circumstances such as price cuts in major cities, the Board of Directors is confident of the Group's performance in-line with the industry trend for the next reporting period and the next 12 months based on the number of pre-sale units to-date, 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 and the reason(s) for the decision

No dividend has been declared or recommended for the period under review as the Group generally declares or recommends dividend on an annual basis.



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**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 second quarter and half year financial results of the Group for the period ended 30 June 2019 to be false or misleading in any material aspect.

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 August 2019