Ying Li International Real Estate Ltd
(Company Registration No: 199106356W)

Financial Statement Announcement for the 3rd Quarter ended 30 September 2013

Part 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

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

The Board of Directors announces the unaudited results of the Group for the 3rd quarter and nine months ended 30 September 2013.

	Group					
	3rd Qtr 2013	3rd Qtr 2012	Increase / (Decrease)	Jan to Sept 2013	Jan to Sept 2012	Increase / (Decrease)
	RMB ('000)	RMB ('000)	%	RMB ('000)	RMB ('000)	%
Revenue	**28,209**	**160,078**	**(82.4%)**	**221,174**	**426,430**	(48.1%)
Cost of sales	(5,997)	(105,646)	(94.3%)	(95,061)	(238,652)	(60.2%)
Gross profit	**22,212**	**54,432**	**(59.2%)**	**126,113**	**187,778**	**(32.8%)**
Other income	1,003	649	54.5%	2,912	10,086	(71.1%)
Selling expenses	(8,319)	(13,201)	(37.0%)	(22,081)	(31,205)	(29.2%)
Administrative expenses - Normal recurring	(13,216)	(10,510)	25.7%	(62,930)	(37,130)	69.5%
Administrative expenses - Non-recurring	-	-	n.m.	-	(11,818)	n.m.
Administrative expenses - Share based payment expense	12,580	(7,575)	n.m.	(1,239)	(13,688)	n.m.
Finance costs	(29,646)	(5,101)	481.2%	(62,545)	(17,455)	258.3%
(Loss)/profit before Income Tax	**(15,386)**	**18,694**	**n.m.**	**(19,770)**	**86,568**	**n.m.**
Taxation - Current	1,989	(12,295)	n.m.	(7,728)	(39,462)	(80.4%)
- Deferred	1,168	3,882	(69.9%)	5,571	7,491	(25.6%)
(Loss)/profit for the period	**(12,229)**	**10,281**	**n.m.**	**(21,927)**	**54,597**	**n.m.**
Foreign currency translation differences(at nil tax)	4,089	(18,395)	n.m.	(38,696)	(49,060)	(21.1%)
Total comprehensive income for the period	**(8,140)**	**(8,114)**	**0.3%**	**(60,623)**	**5,537**	**n.m.**
(Loss)/profit attributable to:						
Owners of the parent	(12,133)	8,838	n.m.	(21,616)	53,978	n.m.
Non-Controlling Interest (NCI)	(96)	1,443	n.m.	(311)	619	n.m.
	(12,229)	**10,281**	**n.m.**	**(21,927)**	**54,597**	**n.m**
Total comprehensive income attributable to:						
Owners of the parent	(8,044)	(9,557)	(15.8%)	(60,312)	4,918	n.m.
Non-Controlling Interest (NCI)	(96)	1,443	n.m.	(311)	619	n.m.
	(8,140)	**(8,114)**	**0.3%**	**(60,623)**	**5,537**	**n.m.**

n.m. - not meaningful

1(b) 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.

	Group		Company	
	30-Sep-13 RMB ('000)	31-Dec-12 RMB ('000)	30-Sep-13 RMB ('000)	31-Dec-12 RMB ('000)
ASSETS				
Non-current assets:				
Property, plant and equipment	8,376	9,549	58	55
Investment in subsidiaries	-	-	2,827,257	2,827,186
Investment properties	3,137,130	3,115,951	-	-
Prepayment	333	708	-	-
Total non-current assets	**3,145,839**	**3,126,208**	**2,827,315**	**2,827,241**
Current assets:				
Land for development	7,418	7,418	-	-
Development properties	3,763,131	3,055,431	156,143	149,207
Trade and other receivables	298,593	427,088	12,843	8,834
Amount due from subsidiaries	-	-	1,576,135	1,637,288
Cash and cash equivalents	796,806	758,974	39,352	17,412
Total current assets	**4,865,948**	**4,248,911**	**1,784,473**	**1,812,741**
Total assets	**8,011,787**	**7,375,119**	**4,611,788**	**4,639,982**
EQUITY AND LIABILITIES				
Capital and reserves:				
Capital contribution	3,536,776	3,528,339	3,536,776	3,528,339
Reverse acquisition reserve	(1,993,711)	(1,993,711)	-	-
Statutory common reserve	13,138	13,138	-	-
Convertible bonds (equity component)	-	49,444	-	49,444
Share-based compensation reserve	13,323	20,728	13,323	20,728
Exchange flunctuation reserve	31,324	(7,373)	(7,773)	22,861
Retained profits	1,545,703	1,567,320	(180,212)	(156,671)
	3,146,553	**3,177,885**	**3,362,114**	**3,464,701**
Non-Controlling Interest	**55,163**	**55,473**	**-**	**-**
Total equity	**3,201,716**	**3,233,358**	**3,362,114**	**3,464,701**
Non-current liabilities:				
Deferred taxation	424,970	430,541	-	-
Convertible bonds (liability component)	-	1,044,199	-	1,044,199
Total non-current liabilities	**424,970**	**1,474,740**	**-**	**1,044,199**
Current liabilities:				
Trade and other payables	1,477,886	1,052,790	4,655	3,862
Amount owing to subsidiaries	-	-	713,041	118,982
Provision for taxation	125,298	136,213	-	-
Other borrowings - unsecured	-	8,238	-	8,238
Borrowings-secured	2,781,917	1,469,780	531,978	-
Total current liabilities	**4,385,101**	**2,667,021**	**1,249,674**	**131,082**
Total equity and liabilities	**8,011,787**	**7,375,119**	**4,611,788**	**4,639,982**

Notes to Statement of Financial Position

Trade and other receivables comprise of the following:

	Group		Company	
	30-Sep-13 RMB ('000)	31-Dec-12 RMB ('000)	30-Sep-13 RMB ('000)	31-Dec-12 RMB ('000)
Trade receivables	108,067	261,783	-	-
Other receivables:				
- Rental deposits	522	543	503	524
- Prepayments	119,353	67,838	239	65
- Staff advances and allowances	876	477	-	-
- Advance to sub-contractors	35,317	5,674	-	-
- Advance to management agents	9,600	3,600	-	-
- Advance to legal services	12,311	8,152	11,811	7,652
- Refundable deposits	10,118	76,418	-	-
- Reimbursement expenses	642	924	-	-
- Others	1,787	1,679	291	593
	298,593	427,088	12,844	8,834

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

	Group			
	30-Sep-13		31-Dec-12	
	Secured RMB ('000)	Unsecured RMB ('000)	Secured RMB ('000)	Unsecured RMB ('000)
Borrowings				
Amount repayable in one year or less, or on demand	2,781,917	-	1,469,780	8,238
	2,781,917	-	1,469,780	8,238
Amount repayable after one year	-	-	-	1,044,199
	2,781,917	-	1,469,780	1,052,437

Details of any collateral

Secured borrowings are generally secured against the subsidiaries' development properties under construction, completed development properties for sale, investment properties and cash deposits.

Current bank borrowings have repayment periods between 1 and 9 years from the balance sheet date. They are all classified under current liabilities, as they have a repayable-upon-demand clause in the loan agreement.

Included under unsecured borrowings was an S$200 million 4% convertible bonds (the “Bonds”) issued on 3rd March 2010 amounting to RMB1,044.2 million. The purpose of the convertible bonds was for the acquisition of new development sites, making potential strategic investments and forming potential joint ventures.

On 3 March 2013, the Company had, at the option of the Bondholders, redeemed all of the outstanding Convertible Bonds in accordance with the subscription agreement.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group			
	3rd Qtr 2013	3rd Qtr 2012	Jan to Sept 2013	Jan to Sept 2012
	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)
Operating activities				
(Loss)/profit before taxation	(15,386)	18,694	(19,771)	86,568
Adjustments for:				
Depreciation of property, plant and equipment	530	489	1,602	1,528
Amortisation of other non-current assets	3,141	-	4,612	-
Interest expense	29,646	5,101	62,546	17,455
Interest income	(698)	(358)	(1,574)	(712)
Share based payment expense	(12,580)	7,575	1,239	13,687
Loss on disposal of property, plant and equipment	-	-	-	19
Unrealised exchange loss	-	(2)	2	(55)
Operating profit before working capital charges	4,653	31,499	48,656	118,490
Decrease in investment properties	-	25,279	1,863	39,945
Increase in development properties	(348,260)	(66,124)	(662,878)	(215,235)
Decrease/(increase) in trade and other receivables	179,469	(48,603)	101,216	(105,425)
(Decrease)/increase in trade and other payables	(203,228)	87,490	426,045	221,174
Cash (used in)/from operations	(367,366)	29,541	(85,098)	58,949
Interest paid	(52,318)	(17,981)	(108,314)	(55,586)
Interest received	698	358	1,574	712
Income tax paid	(6,564)	(2,428)	(18,643)	(19,145)
Net cash (used in)/ from operating activities	(425,550)	9,490	(210,481)	(15,070)
Cash flow from investing activities				
Acquisition of property, plant and equipment	(276)	(1,019)	(431)	(1,208)
Net cash used in investing activities	(276)	(1,019)	(431)	(1,208)
Cash flow from financing activities				
Payment of interest expense on convertible bonds	-	(20,305)	(49,444)	(40,407)
Proceed from loans and borrowings	858,052	266,358	1,784,503	409,116
Repayment of loan from a shareholder	-	-	(8,298)	-
Repayment of borrowings	(414,130)	(190,143)	(1,509,929)	(220,683)
Net cash generated from financing activities	443,922	55,910	216,832	148,026
Net increase in cash and cash equivalent	18,096	64,381	5,920	131,748
Effects of exchange rate changes on cash and cash equivalents	(5,035)	2,506	31,912	9,840
Cash and cash equivalent at beginning of period	783,745	417,546	758,974	342,845
Cash and cash equivalent at end of period	796,806	484,433	796,806	484,433

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Changes in Equity for the period ended 30 September 2013

Group	Capital contribution	Reverse acquisition reserve	Statutory common reserve	Convertible bonds (equity component)	Share-based compensation reserve	Translation reserve	Retained profits	Total attributable to equity holders of the Parent	Non-Controlling Interest	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 2013	3,528,339	(1,993,711)	13,138	49,444	20,728	(7,373)	1,567,320	3,177,885	55,473	3,233,358
Total comprehensive income for the year	-	-	-	-	-	12,687	7,707	20,394	(135)	20,259
Equity-settled share-based payment transact	-	-	-	-	6,910	-	-	6,910	-	6,910
Equity component of convertible bonds	-	-	-	(49,444)	-	-	-	(49,444)	-	(49,444)
Balance at 31 March 2013	3,528,339	(1,993,711)	13,138	-	27,638	5,314	1,575,027	3,155,745	55,338	3,211,083
Total comprehensive income for the year	-	-	-	-	-	30,100	(17,191)	12,909	(79)	12,830
Transfer to statutory common reserve	-	-	-	-		-	-	-	-	-
Equity-settled share-based payment transact	8,437	-	-	-	(1,735)	-	-	6,702	-	6,702
Balance at 30 June 2013	3,536,776	(1,993,711)	13,138	-	25,903	35,414	1,557,836	3,175,356	55,259	3,230,615
Total comprehensive income for the year	-	-	-	-	-	(4,090)	(12,133)	(16,223)	(96)	(16,319)
Equity-settled share-based payment transact	-	-	-	-	(12,580)	-	-	(12,580)	-	(12,580)
Balance at 30 September 2013	3,536,776	(1,993,711)	13,138	-	13,323	31,324	1,545,703	3,146,553	55,163	3,201,716
Balance at 1 January 2012	3,528,339	(1,993,711)	13,138	49,444	-	34,609	1,190,136	2,821,955	55,048	2,877,003
Total comprehensive income for the year	-	-	-	-	-	(28,018)	5,541	(22,477)	(1,924)	(24,401)
Balance at 31 March 2012	3,528,339	(1,993,711)	13,138	49,444	-	6,591	1,195,677	2,799,478	53,124	2,852,602
Total comprehensive income for the year	-	-	-	-	-	(2,650)	39,601	36,951	1,099	38,050
Share-based compensation	-	-	-	-	6,810	-	-	6,810	-	6,810
Balance at 30 June 2012	3,528,339	(1,993,711)	13,138	49,444	6,810	3,941	1,235,278	2,843,239	54,223	2,897,462
Total comprehensive income for the year	-	-	-	-	-	(4,090)	(12,133)	(16,223)	(96)	(16,319)
Balance at 30 September 2012	3,528,339	(1,993,711)	13,138	49,444	(5,770)	(149)	1,223,145	2,814,436	54,127	2,868,563

Statement of Changes in Equity of the Company for the period ended 30 September 2013

Company	Capital contribution	Convertible bonds (equity component)	Share-based compensation reserve	Translation reserve	Retained profits	Total
	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)
Balance at 1 January 2013	3,528,339	49,444	20,728	22,861	(156,671)	3,464,701
Total comprehensive income for the year	-	-	-	(13,085)	(10,662)	(23,747)
Equity-settled share-based payment transactions	-	-	6,910	-	-	6,910
Equity component of convertible bonds	-	(49,444)		-	-	(49,444)
Balance at 31 March 2013	3,528,339	-	27,638	9,776	(167,333)	3,398,420
Total comprehensive income for the year	-	-	-	(20,763)	(18,118)	(38,881)
Transfer to statutory common reserve	-	-		-	-	-
Equity-settled share-based payment transactions	8,437	-	(1,735)	-	-	6,702
Balance at 30 June 2013	3,536,776	-	25,903	(10,987)	(185,451)	3,366,241
Total comprehensive income for the year	-	-	-	3,214	5,239	8,453
Equity-settled share-based payment transactions	-	-	(12,580)	-	-	(12,580)
Balance at 30 September 2013	3,536,776	-	13,323	(7,773)	(180,212)	3,362,114
Balance at 1 January 2012	3,528,339	49,444	-	(12,484)	(109,514)	3,455,785
Total comprehensive income for the year	-	-	-	23,995	(7,416)	16,579
Balance at 31 March 2012	3,528,339	49,444	-	11,511	(116,930)	3,472,364
Total comprehensive income for the year	-	-	-	2,225	(14,401)	(12,176)
Share-based compensation	-	-	6,810	-	-	6,810
Balance at 30 June 2012	3,528,339	49,444	6,810	13,736	(131,331)	3,466,998
Total comprehensive income for the year	-	-	-	3,214	5,239	8,453
Balance at 30 September 2012	3,528,339	49,444	(5,770)	16,950	(126,092)	3,462,871

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as 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

On 26 April 2013, the Company has issued and allotted an aggregate of 6,097,893 fully paid-up ordinary shares in the capital of the Company pursuant to the vesting of the share awards to selected employees who have fulfilled certain conditions in accordance with the terms of the grant under the Ying Li Performance Share Plan.

Convertible Bonds

The number of shares that may be issued on conversion of the outstanding Bonds at the end of the period:

	As at 30 September 2013	As at 31 December 2012
	No. of shares	No. of shares
The number of shares that may be issued on conversion of outstanding Bonds at the end of the period	-	249,097,023

No conversion of Bonds into Shares has taken place since the date of issuance. The Exercise Price of the Convertible Bonds was S$0.8029 per Share.

On 3 March 2013, the Company had, at the option of the Bondholders, redeemed all of the outstanding Convertible Bonds in accordance with the subscription agreement.

Share Options - Ying Li Employee Share Option Scheme ("Ying Li ESOS")

As at 31 December 2012, the number of outstanding share options granted under the Ying Li ESOS was 16,260,984 (31 December 2011: Nil). Further details of the options granted under the Ying Li ESOS are as follows:

Date of grant of options	Exercise price per share	Options outstanding at 1 Apr 2012	Number of options granted	Options outstanding at 30 September 2013
2 Apr 2012[1]	S$0.278	-	14,746,765	14,746,984
23 Apr 2012[2]	S$0.263	-	1,514,000	1,514,000
14 Mar 2013[2]	S$0.360	-	1,081,040	1,081,040
31 Mar 2013[2]	S$0.371	-	1,847,163	1,847,163
29 Sep 2013[2]	S$0.370	-	910,000	910,000
Total:			20,098,968	20,098,968

Performance Shares - Ying Li Performance Share Plan ("Ying Li PSP")

As at 31 December 2012, the number of outstanding share awards granted (but not yet vested) under the Ying Li PSP was 24,391,148 (31 December 2011: Nil). Further details of the share awards granted under the Ying Li PSP are as follows:

Date of grant	Balance at 1 Apr 2012	Granted	Balance at 31 December 2012	Vested on 1 April 2013	Balance at 30 September 2013
2 Apr 2012[1]	-	22,120,148	22,120,148	5,530,119	16,590,029
23 Apr 2012[2]	-	2,271,000	2,271,000	567,774	1,703,226
14 Mar 2013[2]	-	1,081,040	-	-	1,081,040
31 Mar 2013[2]	-	2,770,744	-	-	2,770,744
29 Sep 2013[2]	-	1,360,000	-	-	1,360,000
Total:	-	29,602,932	24,391,148	6,097,893	23,505,039

Notes:

(1) The Company wishes to note that, while it had on 2 April 2012 announced the grant of 28,767,257 options and 43,150,886 share awards under the Ying Li ESOS and the Ying Li PSP respectively, the grant of a total of 14,020,492 options and 21,030,738 share awards was not proceeded with, on further consideration by the Company. Hence, only 14,746,765 options and 22,120,148 share awards were granted. Accordingly, the Company had provided for the necessary write-back in the financial statements in respect of the aforesaid options and share awards which were not granted and in respect of which certain adjustments were made in previous financial statements pursuant to accounting standards IFRS 2 Share Based Payments.

(2) Details of the grant of share options and share awards as required under Rule 704(29) of the Listing Manual are set out below:

(a) On 23 April 2012, the Company made a grant of 1,514,000 options and 2,271,000 share awards, pursuant to the Ying Li ESOS and Ying Li PSP respectively, to Mr Fang Ming, the Executive Chairman and a controlling shareholder of the Company. The grant was made pursuant to the specific approval sought and obtained from the shareholders of the Company at the annual general meeting held on 23 April 2012.

(i) The exercise price of the options is S$0.263 per share, being a discount of approximately 20% to S$0.329, the market price* of the Company's shares on the date of grant. Half of the options may be exercised after the second anniversary of the date of grant, and all the options may be exercised after the third anniversary of the date of grant, subject to certain conditions being met.
(ii) The share awards will vest over a period of four (4) years, with one quarter of the shares vesting on each of the first, second, third and fourth anniversary of the date of grant, subject to certain conditions being met.

(b) Mr Ko Kheng Hwa was appointed as the Group Chief Executive Officer and the Executive Director of the Company with effect from 1 March 2013. As announced on 5 March 2013, under the terms of his service agreement, Mr Ko is entitled to (i) the grant of 1,081,041 options under the ESOS and (ii) the grant of share awards in respect of 1,081,041 shares under the PSP. Accordingly on 14 March 2013, the Company made a grant of 1,081,040 options and 1,081,040 share awards pursuant to the Ying Li ESOS and the Ying Li PSP respectively.

(i) The exercise price of the options is S$0.360 per share, being a discount of approximately 20% to S$0.45, the market price* of the Company's shares on the date of grant. Half of the options may be exercised after the second anniversary of the date of grant, and all the options may be exercised after the third anniversary of the date of grant, subject to certain conditions being met.
(ii) The share awards will vest over a period of four (4) years, with one quarter of the shares vesting on each of the first, second, third and fourth anniversary of the date of grant, subject to certain conditions being met.

(c) On 31 March 2013, the Company made a grant of 1,847,163 options and 2,770,744 share awards pursuant to the Ying Li ESOS and the Ying Li PSP respectively, to the employees of the Group.

(i) The exercise price of the options is S$0.371 per share, being a discount of approximately 20% to S$0.46, the market price* of the Company's shares on the date of grant. Half of the options may be exercised after the second anniversary of the date of grant, and all the options may be exercised after the third anniversary of the date of grant, subject to certain conditions being met.
(ii) The share awards will vest over a period of four (4) years, with one quarter of the shares vesting on each of the first, second, third and fourth anniversary of the date of grant, subject to certain conditions being met.

(d) On 29 September 2013, the Company made a grant of 910,000 options and 1,360,000 share awards pursuant to the Ying Li ESOS and the Ying Li PSP respectively, to an employee of the Group.

(i) The exercise price of the options is S$0.370 per share, being a discount of approximately 20% to S$0.46, the market price* of the Company's shares on the date of grant. Half of the options may be exercised after the second anniversary of the date of grant, and all the options may be exercised after the third anniversary of the date of grant, subject to certain conditions being met.
(ii) The share awards will vest over a period of four (4) years, with one quarter of the shares vesting on each of the first, second, third and fourth anniversary of the date of grant, subject to certain conditions being met.

*: The market price being the average closing price of five (5) working days immediately preceding the date of grant.

For grants (2), (3) and (4), the Company had made certain adjustments in respect of the aforesaid share awards pursuant to accounting standards IFRS 2 Share Based Payments. The adjustments in respect of the aforesaid options awards will be made when the valuation of the options is completed pursuant to accounting standards IFRS 2 Share Based Payments.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

On 26 April 2013, the Company has issued and allotted an aggregate of 6,097,893 fully paid-up ordinary shares in the capital of the Company pursuant to the vesting of the share awards to selected employees who have fulfilled certain conditions in accordance with the terms of the grant under the Ying Li Performance Share Plan.

The total number of issued shares as at 30 September 2013 was 2,169,044,867 (31 December 2012: 2,162,946,974).

The Company did not hold any treasury shares as at 30 September 2013 (31 December 2012: Nil).

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

Not applicable.

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

The figures have not been audited nor reviewed by the Company's auditors.

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

Not applicable.

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

The Group had adopted the same accounting policies and method of computation in the financial statements for the current financial year compared to the audited financial statements for the year ended 31 December 2012.

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

Not applicable.

6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-
(a) Based on the weighted average number of ordinary shares on issue; and
(b) On a fully diluted basis (detailing any adjustments made to the earnings).

	Group			
	3rd Qtr 2013	3rd Qtr 2012	Jan to Sept 2013	Jan to Sept 2012
Earnings per ordinary share:				
(i) Based on weighted average no. of ordinary shares in issue (RMB per share)	(0.006)	0.018	(0.010)	0.021
(ii) On a fully diluted basis (RMB per share)*	(0.006)	0.018	(0.010)	0.021
Number of shares in issue:				
(i) Based on weighted ave no. of ordinary shares in issue ('000)	2,169,045	2,162,947	2,169,045	2,162,947
(ii) On a fully diluted basis ('000)	2,238,650	2,486,042	2,241,219	2,449,043

* Diluted earnings per ordinary share have not been computed as it is anti-dilutive.

Earnings per ordinary share equals to the Group's profit for the financial periods attributable to the shareholders of the Company divided by the weighted average number of ordinary shares issued during the period under review.

Diluted earnings per ordinary share is calculated based on the similar basis as the earnings per share, except that the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares. The Company has two categories of dilutive potential ordinary shares: share options granted under the Ying Li ESOS and conditional shares granted under the Ying Li PSP.

The following table indicates the profit and share numbers used in the basic and dilution earning per share computations:

	3rd Qtr 2013 RMB ('000)	3rd Qtr 2012 RMB ('000)	Jan to Sept 2013 RMB ('000)	Jan to Sept 2012 RMB ('000)
Profit attributable to equity holders of the parent	(12,133)	8,838	(21,616)	53,978
Add: Effect of dilutive potential ordinary shares				
- Interest on Convertible bonds	-	3,272	(13,193)	11,805
- Share based payment expense	12,580	7,575	(1,239)	13,688
	447	19,685	(36,048)	79,471
Weighted average number of ordinary shares in issued	2,169,045	2,162,947	2,169,045	2,162,947
Add: Effect of dilutive potential ordinary shares				
- Convertible bonds	-	249,097	-	249,097
- Share based compensation reserve	69,605	75,703	72,174	75,703
Number of ordinary shares used to calculate the diluted earning per share	2,238,650	2,487,747	2,241,219	2,487,747

7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-

(a) current financial period reported on; and

(b) immediately preceding financial year.

	Group		Company	
	30 Sept 2013	31 Dec 2012	30 Sept 2013	31 Dec 2012
Net Assets Value (RMB'000)	3,146,553	3,177,885	3,362,115	3,464,701
Based on existing issued share capital (RMB per share)	1.45	1.47	1.55	1.60
Net Assets Value has been computed based on the number of share issued (000')	2,169,045	2,162,947	2,169,045	2,162,947

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

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

STATEMENT OF COMPREHENSIVE INCOME

Due to the nature of the industry that the Company operates in, recognition of revenue from the sale of properties is driven by project hand-over. Consequently, quarterly results may not be a good indication of profitability trend.

Revenue	Group					
	3rd Qtr 2013	3rd Qtr 2012	Increase / (Decrease)	Jan to Sept 2013	Jan to Sept 2012	Increase / (Decrease)
	RMB ('000)	RMB ('000)	%	RMB ('000)	RMB ('000)	%
Sale of Properties	-	136,813	(100.0%)	139,029	369,492	(62.4%)
Rental Income	28,209	23,265	21.3%	82,145	56,938	44.3%
	28,209	**160,078**	**(82.4%)**	**221,174**	**426,430**	**(48.1%)**

For the nine months and quarter ended 30 September 2013

Revenue of the Group for 3Q2013 decreased by RMB131.9 million (82.4%) to RMB28.2 million as compared with 3QFY2012. For the nine months ended 30 Sep 2013, revenue was RMB205.3 million lower compared to 2012. The decreases were mainly attributable to lower revenue from the Sale of Properties segment which is attributable to the following factors:

a. we are unable to recognise revenue from sales of the Ying Li International Plaza as the project is not completed yet; and

b. we had fewer properties being available for sale as the bulk of our completed projects were sold in prior periods. The profile of booked property sales being experienced is common with an initial surge, a more constant streaming and as the number of units available declines, sales start tapering off;

Rental income of the Group increased by RMB4.9 million (a 21.3% increase) to RMB28.2 million compared to 3QFY2012. The increase is primarily due to more IFC office space being leased out as compared with the same period in 2012. Rental revenue also increased by RMB25.2 million (44.3%) for the nine months ended 30 September 2013 due to increased leasing income as the IFC mall is in its second year of operations as well as the increased rental from IFC office space as mentioned above.

Gross profit	Group					
	3rd Qtr 2013	3rd Qtr 2012		Jan to Sept 2013	Jan to Sept 2012	
	RMB ('000)	RMB ('000)	%	RMB ('000)	RMB ('000)	%
Sale of Properties	-	35,933	(100.0%)	60,711	143,572	(57.7%)
Rental Income	22,212	18,499	20.1%	65,402	44,206	47.9%
	22,212	**54,432**	**(59.2%)**	**126,113**	**187,778**	**(32.8%)**

Gross profit of the Group for 3Q2013 decreased by RMB32.2 million (59.2%) to RMB22.2 million as compared with the same period last year which was due to:

a. No gross profit from the Sale of Properties segment for 3Q2013 due to reasons mentioned earlier under the Revenue section; and

b. In spite of a rise in gross profit from rental income for 3Q2013 by RMB3.7 million (a 20.1% increase) to RMB22.2 million mainly due to the IFC mall in its second year of operations.

Gross profit and margin	Group							
	3rd Qtr 2013		3rd Qtr 2012		Jan to Sept 2013		Jan to Sept 2012	
	RMB ('000)	%	RMB ('000)	%	RMB ('000)	%	RMB ('000)	%
Sale of Properties	-	n.m.	35,933	26.3%	60,711	43.7%	143,572	38.9%
Rental Income	22,212	78.7%	18,499	79.5%	65,402	79.6%	44,206	77.6%
	22,212	**78.7%**	**54,432**	**34.0%**	**126,113**	**57.0%**	**187,778**	**44.0%**

n.m. - not meaningful

Other income

	Group			
	3rd Qtr 2013	3rd Qtr 2012	Jan to Sept 2013	Jan to Sept 2012
	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)
Interest income	695	358	1,574	712
Government grant	-	-	466	8,300
Others	308	291	872	1,074
	1,003	649	2,912	10,086

The year-on-year decline in Other Income was largely due to no grant received in FY2013 compared to the significant Government grant received in FY2012.

Selling expenses

During the quarter under review, selling expenses was RMB4.9 million (37.0%) lower than in 3Q2012 mainly due to a decrease in advertising and promotion expenses during the quarter. The higher advertising and promotion expense incurred in the same quarter in FY2012 was due to the launch of the sales for Block 3 of the Ying Li International Plaza project. For the nine months ended 30 September 2013, selling expenses was also RMB9.1 million lower year-on-year due to the absence of the initial operating expenses such as renovation, utilities and staff recruitment and training cost that was associated with the opening of the IFC mall (in late 2011).

Administrative expenses

For the quarter under review, Administrative expenses – Normal recurring was RMB2.0 million (an 18.9% increase) higher than 3Q2012 mainly due to administrative fees paid to a financial institution for a loan facility.

For the nine months ended 30 September 2013, Administrative expenses – Normal recurring increased by RMB25.1 million year-on-year due to the following:

i. administrative fees paid to a financial institution for a loan facility amounting to RMB15.2 million; and
ii. increase in translation losses amounting to RMB9.1 million

Finance costs

For the quarter under review and for the nine months ended 30 September 2013, finance expense increased by RMB24.5 million and RMB45.1 million respectively. The higher interest expense was due to the accounting treatment for interest. Prior to the IFC project being completed (end 2012), most of the interest expense was capitalized. Now that the construction of the IFC is completed, all the interest is expensed off in the profit & loss statement.

Taxation

	Group					
	3rd Qtr 2013	3rd Qtr 2012		Jan to Sept 2013	Jan to Sept 2012	
	RMB ('000)	RMB ('000)	%	RMB ('000)	RMB ('000)	%
Income tax	1,989	(12,295)	n.m.	(7,728)	(39,462)	(80.4%)
Deferred tax	1,168	3,882	(69.9%)	5,571	7,491	(25.6%)
	3,157	**(8,413)**	**n.m.**	**(2,157)**	**(31,971)**	**(93.3%)**

n.m. - not meaningful

During the quarter under review, current income tax expense decreased by RMB10.4 million to RMB2.0 million as compared with 3Q2012 mainly due to no taxable profits generated from the sale of properties in 3Q2013.

(Loss)/Profit attributable to owners of the parent

	Group					
	3rd Qtr 2013	3rd Qtr 2012	Increase / (Decrease)	Jan to Sept 2013	Jan to Sept 2012	Increase / (Decrease)
	RMB ('000)	RMB ('000)	%	RMB ('000)	RMB ('000)	%
(Loss)/profit attributable to:						
Owners of the parent	(30,902)	8,838	n.m.	(40,386)	53,978	n.m.
Non-Controlling Interest (NCI)	(96)	1,443	n.m.	(311)	619	n.m.
	(30,998)	**10,281**	**n.m.**	**(40,697)**	**54,597**	**n.m.**

n.m. - not meaningful

Largely and as a result of no the inability to recognize sales from the Ying Li International Plaza project and no sales recorded elsewhere, the Group recorded a loss in 3Q2013.

STATEMENT OF FINANCIAL POSITION

Total Assets of the Group increased by RMB636.7 million to RMB8,011.8 million from 31 December 2012 to 30 September 2013. The increase in assets was mainly due to the increase in development properties as progress is being made on both Ying Li International Plaza and Chongqing Financial Street projects. Trade and other receivables decreased by RMB128.5 million due to receipt of the balance amounts from the sales of Ying Li International Plaza.

The Group's total liabilities increased by RMB668.3 million to RMB4,810.1 million during the period under review. The increase in liabilities was mainly due to: (i) increase in trade and other payables due to advance payments received from the pre-sales of residential units at Ying Li International Plaza; and (ii) increase in bank borrowings during the period under review.

The Group's total equity decreased by RMB31.6 million to RMB3,201.7 million during the period under review. The net decrease was due to i) the redemption of the Convertible Bond in March 2013 and ii) loss attributable to owners recorded for the current quarter under review.

STATEMENT OF CASH FLOW

The increase in cash and cash equivalent of RMB18.8 million for the quarter under review was mainly due to:

(i) net cash outflow of RMB424.8 million from operating activities; and
(ii) net cash inflow of RMB443.6 million from investing and financing activities.

The net cash used in operating activities of RMB424.8 million included i) RMB348.3 million development costs incurred mainly on Ying Li International Plaza and Ying Li Financial Street Project; ii) interest and income tax payments amounting to RMB58.8 million; iii) a RMB179.5 million decrease in trade and other receivables mainly due to receipt of balance amounts from the sales of Ying Li International Plaza project. This is off-set by an increase in trade and other payables of RMB203.2 million which was mainly due to advance payments received from the pre-sales at Ying Li International Plaza.

The net cash inflow from financing activities of RMB443.9 million is mainly due to i) drawdown of borrowing for the development cost of Ying Li International Plaza and Ying Li Financial Street project amounting to RMB858.1 million and ii) repayment of loans amounting to RMB414.1 million

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

Barring any unforeseen circumstance, ,in line with the Group's announcement made on 14 August 2013 with respect to the 2Q2013 results announcement, the Directors expect the Group to remain profitable for the whole of FY 2013.

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.

Macroeconomic Updates
Chongqing's economy continues its robust GDP growth in first three quarters of 2013. According to the latest figures released by the Chongqing Statistics Bureau and the National Bureau of Statistics, Chongqing achieved a nominal GDP of RMB863.7 billion in the first three quarters of 2013, an increase of 12.4% year-on-year ("y-o-y") and 4.6 percentage points higher than the national average level of 7.8%. This strong growth rate places Chongqing as one of the top three fastest growing cities at the national level. Total retail sales achieved a 13.5% increase y-o-y to RMB327.9 billion. Total import and export valued accelerated 17.5% y-o-y to US$47.4 billion.

Chongqing Office Market
"Since no new offices was launched in 3Q 2013, the market continue to absorb existing stock, pushing the net absorption rate up 46.67% q-o-q to 11,392 sqm. Led by strong demand from the financial companies, this drove overall vacancy rate down 2.68 percentage points q-o-q to 22.26%. On the average, Chongqing Grade A office rental rent remain stable at RMB 94.68 per sqm per month. Yuzhong district continue to command the highest rental rate of RMB 98.76 per sqm per month. In the next three years, there will approximately be two million sqm supply of office spaces entering the market, with more than 50% of the new supply emerging in Jiefangbei and Jiangbeizui CBD."
(Source: DTZ 3Q 2013)

"Due to the delayed launch of two new projects, Chongqing office vacancy rate dropped 2.0 percentage points q-o-q to 24.6% and average rental rate increased marginally by 0.7% q-o-q to RMB 92.1 per sqm per month. Approximately 280,000 sqm of new office supply will enter the market in 4Q 2013. Going forward, future supply will concentrate mainly in Jiangbeizui, Jiefangbei and Hualongqiao. With higher quality projects entering the market, demand and desire to upgrade (mainly companies from the trade and financial industries) are expected to remain strong. Despite qualities of new supply exceeding those of existing projects, rental rates will grow at a slower pace due to intense market competition."
(Source: Jones Lang LaSalle 3Q 2013)

Chongqing Retail Mall Market
"With the delivery of a newly developed mall, overall vacancy rate increased 0.4 percentage points to 5.2%. As a number of shopping malls recently completed their tenant adjustments, the leasing market was kept relatively quiet during the quarter. Prime retail ground level rental rate edged up by 0.6% q-o-q to RMB 23.2 per sqm per day. Judging from current construction progress and preleasing status, only two projects are expected to be delivered in 4Q 2013 while the rest postpone their delivery into 2014. As such, increased in vacancy rate and limit on rental growth shall be observed over the next few quarters."
(Source: CBRE 3Q 2013)

"At present, Chongqing retail market has limited presence of international brands. In line with the emergence of increasing high quality retail properties, many international brands will establish their presence or expand further in Chongqing. Over 250,000sqm of new retail space will be delivered in 4Q 2013 with about 140,000sqm and 130,000sqm coming into traditional and emerging submarket respectively. In view of intense competition, many existing projects have begun upgrading their tenant mix. On the other hand, future projects have placed their focused on positioning, design and leasing. Leveraging on the large population base, continuing income growth and rapid urbanization, retailers is expected to maintain their current expansion momentum."
(Source: Jones Lang LaSalle 3Q 2013)

Given that the Group focuses on development of integrated properties in Chongqing, particularly in the Yuzhong district, the Group believes it will continue to benefit from the strong fundamentals and rapid urbanisation of Chongqing.

Company Updates

The Company has completed all the necessary statutory procedures for the handing over of the residential units for Block 4 and Block 5 of the Ying Li International Plaza project. The Company expects to hand over the units in Block 4 and Block 5 (which have been substantially sold as announced previously) to owners by end Dec 2013. Under IAS 18, the sales of property can be recognized as Revenue when significant risks and rewards have been transferred over to the buyer (i.e. when the sold units are handed over to the buyers).

Barring any unforeseen circumstances, the Directors expect the Group to remain profitable for the whole of FY2013.

11 Dividend

(a) Current Financial Period Reported On
Any dividend declared for the current financial period reported on?

No dividend was declared or recommended. As previously explained, the Company is currently in its growth phase and thus has need for and can generate significant returns on the cash it retains. However, the Company is committed to start paying dividends once such a situation changes.

(b) Corresponding Period of the Immediately Preceding Financial year
Any dividend declared for the corresponding period of the immediately preceding financial year?

No dividend has been declared or recommended

(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.

13 If the Group has obtained a general mandate from shareholders for 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 has not obtained a general mandate from shareholders for IPTs**.**

14 Negative assurance confirmation on interim financial results under SGX Listing Rule 705(5) of the Listing Manual

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results of the Company for the financial period ended 30 September 2013 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Fang Ming
Executive Chairman
14 November 2013

Ko Kheng Hwa
Executive Director and Group Chief Executive Officer