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

Financial Statement Announcement for 2nd Quarter ended 30th June 2019

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 2nd quarter and six months ended 30th June 2019.

	Group					
	2nd Qtr 2019	2nd Qtr 2018 Restated*	Increase / (Decrease)	Jan to Jun 2019	Jan to Jun 2018 Restated*	Increase / (Decrease)
	RMB ('000)	RMB ('000)	%	RMB ('000)	RMB ('000)	%
Revenue	**137,158**	**152,178**	**(9.9%)**	**215,479**	**336,741**	(36.0%)
Cost of sales	(60,739)	(87,918)	(30.9%)	(90,370)	(193,849)	(53.4%)
Gross profit	**76,419**	**64,260**	**18.9%**	**125,109**	**142,892**	**(12.4%)**
Other income	5,660	4,631	22.2%	10,002	6,393	56.5%
Selling expenses	(10,813)	(10,611)	1.9%	(21,022)	(19,493)	7.8%
Administrative expenses	(27,830)	(30,306)	(8.2%)	(55,192)	(61,581)	(10.4%)
Change in fair value of investment properties	(367,090)	-	n.m.	(367,090)	-	n.m.
Finance costs	(41,539)	(57,597)	(27.9%)	(91,696)	(123,234)	(25.6%)
Other expenses	(25,183)	(30,793)	(18.2%)	(23,660)	(20,103)	17.7%
Loss before income tax	**(390,376)**	**(60,416)**	**546.1%**	**(423,549)**	**(75,126)**	**463.8%**
Taxation	91,082	2,882	3,060.4%	93,897	(1,442)	n.m.
Loss for the period	**(299,294)**	**(57,534)**	**420.2%**	**(329,652)**	**(76,568)**	**330.5%**
Foreign currency translation differences(at nil tax)	(28,666)	(9,645)	197.2%	(13,298)	4,722	n.m.
Total comprehensive loss for the period	**(327,960)**	**(67,179)**	**388.2%**	**(342,950)**	**(71,846)**	**377.3%**
Loss attributable to:						
Ordinary shareholders of the company	(298,816)	(57,765)	417.3%	(328,197)	(75,845)	332.7%
Non-Controlling Interest (NCI)	(478)	231	n.m.	(1,455)	(723)	101.2%
	(299,294)	**(57,534)**	**420.2%**	**(329,652)**	**(76,568)**	**330.5%**
Total comprehensive loss attributable to:						
Ordinary shareholders of the company	(327,482)	(67,410)	385.8%	(341,495)	(71,123)	380.1%
Non-Controlling Interest (NCI)	(478)	231	n.m.	(1,455)	(723)	101.2%
	(327,960)	**(67,179)**	**388.2%**	**(342,950)**	**(71,846)**	**377.3%**

n.m. - not meaningful

*Please refer to Note A on Page 7.

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-Jun-19 RMB ('000)	31-Dec-18 RMB ('000) Restated*	1-Jan-18 RMB ('000) Restated*	30-Jun-19 RMB ('000)	31-Dec-18 RMB ('000) Restated**	1-Jan-18 RMB ('000) Restated**
ASSETS						
Non-current assets:						
Property, plant and equipment	40,088	42,652	48,493	322	529	979
Investment in subsidiaries	-	-	-	2,966,325	2,966,325	2,966,325
Investment properties	4,165,184	4,535,896	4,486,742	-	-	-
Other investment	1,008,000	1,008,000	880,000	-	-	-
Deferred taxation	27,529	27,529	27,529	-	-	-
Total non-current assets	**5,240,801**	**5,614,077**	**5,442,764**	**2,966,647**	**2,966,854**	**2,967,304**
Current assets:						
Development properties	1,152,399	1,213,135	1,581,157	-	-	-
Trade and other receivables	517,395	1,653,910	2,934,836	1,035	2,422	1,408,321
Amount due from subsidiaries	-	-	-	2,469,520	2,313,708	1,295,563
Cash and cash equivalents	1,226,108	750,510	626,910	187,960	15,488	9,184
Total current assets	**2,895,902**	**3,617,555**	**5,142,903**	**2,658,515**	**2,331,618**	**2,713,068**
Total assets	**8,136,703**	**9,231,632**	**10,585,667**	**5,625,162**	**5,298,472**	**5,680,372**
EQUITY AND LIABILITIES						
Capital and reserves:						
Capital contribution	4,028,372	4,028,372	4,028,372	4,028,372	4,028,372	4,028,372
Reverse acquisition reserve	(1,993,712)	(1,993,712)	(1,993,712)	-	-	-
Statutory common reserve	91,018	91,018	88,588	-	-	-
Convertible bond reserve	42,458	42,458	42,458	42,458	42,458	42,458
Perpetual convertible security	878,970	878,970	878,970	878,970	878,970	878,970
Translation reserve	(52,321)	(39,023)	(7,033)	(16,741)	(9,470)	(17,510)
Retained profits/(accumulated losses)	444,659	821,457	1,160,023	(1,090,558)	(1,012,302)	(553,505)
	3,439,444	**3,829,540**	**4,197,666**	**3,842,501**	**3,928,028**	**4,378,785**
Non-Controlling Interest	**54,581**	**56,036**	**59,202**	**-**	**-**	**-**
Total equity	**3,494,025**	**3,885,576**	**4,256,868**	**3,842,501**	**3,928,028**	**4,378,785**
Non-current liabilities:						
Deferred taxation	590,412	652,872	762,510	-	-	-
Borrowings	2,099,604	2,157,466	2,820,427	-	-	325,997
Total non-current liabilities	**2,690,016**	**2,810,338**	**3,582,937**	**-**	**-**	**325,997**
Current liabilities:						
Trade and other payables	1,013,082	1,184,970	1,546,287	142,081	92,426	155,933
Amount due to subsidiaries	-	-	-	1,172,451	746,480	791,365
Provision for taxation	238,028	214,695	106,913	-	-	-
Borrowings	701,552	1,136,053	1,092,662	468,129	531,538	28,292
Total current liabilities	**1,952,662**	**2,535,718**	**2,745,862**	**1,782,661**	**1,370,444**	**975,590**
Tota Liabilities	**4,642,678**	**5,346,056**	**6,328,799**	**1,782,661**	**1,370,444**	**1,301,587**
Total equity and liabilities	**8,136,703**	**9,231,632**	**10,585,667**	**5,625,162**	**5,298,472**	**5,680,372**

* Please refer to Note A on Page 7.
** Please refer to Note B on Page 11.

Notes to the Statement of Financial Position

Trade and other receivables comprise the following:

	Group			Company		
	30-Jun-19 RMB ('000)	31-Dec-18 RMB ('000) Restated	1-Jan-18 RMB ('000) Restated	30-Jun-19 RMB ('000)	31-Dec-18 RMB ('000) Restated	1-Jan-18 RMB ('000) Restated
Trade receivables	42,228	55,478	62,425	-	-	-
Other receivables:						
- Deposit for land acquisition	-	-	519,748	-	-	-
- Rental deposits	629	625	605	617	613	593
- Prepayments	161,035	186,429	189,392	183	1,743	6,405
- Security deposits placed with contractors, suppliers authorities	10,766	6,173	32,534	-	-	-
- Refundable deposits	19,868	19,868	43,624	-	-	-
- Proceed receivable from disposal of subsidiaries/la	253,074	1,343,075	2,035,350	-	-	1,401,260
- Others	29,795	42,262	51,158	235	66	63
Total receivables	517,395	1,653,910	2,934,836	1,035	2,422	1,408,321

Trade and other payables comprise the following:

	Group			Company		
	30-Jun-19 RMB ('000)	31-Dec-18 RMB ('000) Restated	1-Jan-18 RMB ('000) Restated	30-Jun-19 RMB ('000)	31-Dec-18 RMB ('000) Restated	1-Jan-18 RMB ('000) Restated
Trade payables	238,230	320,068	627,285	-	-	-
Other payables:						
- Other tax payables	32,116	53,766	34,116	6,511	6,511	-
- Accrued expenses	209,283	196,712	182,736	135,570	85,915	155,933
- Advance payment from customers	50,364	135,824	333,643	-	-	-
- Rental and option deposits	71,206	67,098	56,509	-	-	-
- Project deposits	3,000	10,000	10,000	-	-	-
- Advances from sub-contractors	12,192	8,815	12,088	-	-	-
- Other payables	396,691	392,687	289,910	-	-	-
Total payables	1,013,082	1,184,970	1,546,287	142,081	92,426	155,933

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

	Group					
	30-Jun-19		31-Dec-18		01-Jan-18	
	Secured RMB ('000)	Unsecured RMB ('000)	Secured RMB ('000)	Unsecured RMB ('000)	Secured RMB ('000)	Unsecured RMB ('000)
Borrowings						
Amount repayable during its operating cycle, within twelve months, or on demand	529,701	171,851	792,103	343,950	1,092,662	-
Amount repayable beyond its normal operating cycle or after twelve months from the balance sheet date	2,099,604	-	2,157,466	-	2,494,430	325,997
	2,629,305	171,851	2,949,569	343,950	3,587,092	325,997

Details of any collateral

Secured borrowings refer to borrowings secured against the subsidiaries' development properties under construction, completed development properties for sale, investment properties, other investments and cash deposits.

In accordance with Singapore SFRS(I)1-1, the Company has adopted the practice to record loans with repayment periods that falls within its operating cycle as current liabilities. The operating cycle is defined as the development period of its properties, which can range from 1 to 4 years.

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			
	2nd Qtr 2019	2nd Qtr 2018	Jan to Jun 2019	Jan to Jun 2018
	RMB ('000)	RMB ('000) Restated*	RMB ('000)	RMB ('000) Restated*
Operating activities				
Loss before taxation	(390,376)	(60,416)	(423,549)	(75,126)
Adjustments for:				
Depreciation of property, plant and equipment	1,428	1,792	2,858	3,265
Amortisation of other non-current assets	1,329	1,241	3,622	2,535
Change in fair value of investment properties	367,090	-	367,090	-
Interest expense	41,539	32,684	91,696	98,319
Interest income	(3,591)	(3,882)	(6,543)	(4,610)
Loss on disposal of property, plant and equipment	-	16	2	36
Unrealised exchange (gain)/loss	(15,270)	15,747	(19,411)	18,044
Operating profit/(loss) before working capital changes	2,149	(12,818)	15,765	42,463
Change in development properties	42,163	(956)	60,736	158,933
Change in trade and other receivables	1,151,280	1,126,247	1,136,727	1,130,767
Change in trade and other payables	(55,780)	(25,316)	(139,847)	(250,034)
Cash generated from operations	1,139,812	1,087,157	1,073,381	1,082,129
Interest paid	(58,402)	(30,871)	(102,571)	(97,674)
Interest received	3,587	3,826	6,331	4,524
Income tax paid	-	(12,643)	-	(35,302)
Net cash generated from operating activities	**1,084,997**	**1,047,469**	**977,141**	**953,677**
Cash flow from investing activities				
Acquisition of property, plant and equipment	(6)	(165)	(297)	(436)
Net cash used in investing activities	**(6)**	**(165)**	**(297)**	**(436)**
Cash flow from financing activities				
Bank balance subject to restriction	65,233	(296,451)	175,736	(398,076)
Proceed from loans and borrowings	296,279	146,739	326,279	255,087
Payment of interest on perpetual convertible securities	-	(93,662)	-	(93,662)
Repayment of borrowings	(694,321)	(613,087)	(812,288)	(749,626)
Net cash used in financing activities	**(332,809)**	**(856,461)**	**(310,273)**	**(986,277)**
Net increase in cash and cash equivalents	**752,182**	**190,843**	**666,571**	**(33,036)**
Effects of exchange rate changes on cash and cash equivalents	(863)	(1,036)	(241)	(240)
Cash and cash equivalents at beginning of period	294,068	237,339	379,057	460,422
Cash and cash equivalents at end of period	**1,045,387**	**427,146**	**1,045,387**	**427,146**
Restricted cash	180,721	564,564	180,721	564,564
Cash and cash equivalents in the Statement of Financial Position	**1,226,108**	**991,710**	**1,226,108**	**991,710**

* Please refer to Note A on Page 7.

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 June 2019

Group	Capital contribution RMB ('000)	Reverse acquisition reserve RMB ('000)	Convertible bonds (equity component) RMB ('000)	Statutory common reserve RMB ('000)	Perpetual convertible security RMB ('000)	Translation reserve RMB ('000)	Retained profits RMB ('000)	Total attributable to Ordinary shareholders of the Company RMB ('000)	Non-Controlling Interest RMB ('000)	Total RMB ('000)
Balance at 31 December 2018-previously stated	4,028,372	(1,993,712)	42,458	91,018	878,970	(62,172)	2,347,351	5,332,285	56,607	5,388,892
Prior years adjustments (Note A)	-	-	-	-	-	23,149	(1,525,894)	(1,502,745)	(571)	(1,503,316)
Balance at 1 January 2019-restated	4,028,372	(1,993,712)	42,458	91,018	878,970	(39,023)	821,457	3,829,540	56,036	3,885,576
Total comprehensive loss for the period-previously stated	-	-	-	-	-	15,368	(17,224)	(1,856)	(1,055)	(2,911)
Prior period adjustments	-	-	-	-	-	-	(12,157)	(12,157)	78	(12,079)
Total comprehensive loss for the period	-	-	-	-	-	15,368	(29,381)	(14,013)	(977)	(14,990)
Perpetual convertible securities interest	-	-	-	-	-	-	(24,030)	(24,030)	-	(24,030)
Balance at 31 March 2019	4,028,372	(1,993,712)	42,458	91,018	878,970	(23,655)	768,046	3,791,497	55,059	3,846,556
Total comprehensive loss for the period	-	-	-	-	-	(28,666)	(298,816)	(327,482)	(478)	(327,960)
Perpetual convertible securities interest	-	-		-	-	-	(24,571)	(24,571)	-	(24,571)
Balance at 30 June 2019	4,028,372	(1,993,712)	42,458	91,018	878,970	(52,321)	444,659	3,439,444	54,581	3,494,025
Balance at 31 December 2017-previously stated	4,028,372	(1,993,712)	42,458	88,588	878,970	(14,769)	2,204,600	5,234,507	59,202	5,293,709
Prior years adjustments (Note A)	-	-	-	-	-	7,736	(1,044,577)	(1,036,841)	-	(1,036,841)
Balance at 1 January 2018-restated	4,028,372	(1,993,712)	42,458	88,588	878,970	(7,033)	1,160,023	4,197,666	59,202	4,256,868
Total comprehensive loss for the period-previously stated	-	-	-	-	-	(1,505)	4,690	3,185	134	3,319
Prior years adjustments (Note A)	-	-	-	-	-	15,872	(22,770)	(6,898)	(1,088)	(7,986)
Total comprehensive loss for the period	-	-	-	-	-	14,367	(18,080)	(3,713)	(954)	(4,667)
Perpetual convertible security interest	-	-	-	-	-	-	(31,123)	(31,123)	-	(31,123)
Balance at 31 March 2018	4,028,372	(1,993,712)	42,458	88,588	878,970	7,334	1,110,820	4,162,830	58,248	4,221,078
Total comprehensive loss for the period-previously stated	-	-	-	-	-	(10,033)	(34,092)	(44,125)	(901)	(45,026)
Prior years adjustments (Note A)	-	-	-	-	-	388	(23,673)	(23,285)	1,132	(22,153)
Total comprehensive loss for the period	-	-	-	-	-	(9,645)	(57,765)	(67,410)	231	(67,179)
Perpetual convertible securities interest	-	-		-	-	-	(24,572)	(24,572)	-	(24,572)
Balance at 30 June 2018	4,028,372	(1,993,712)	42,458	88,588	878,970	(2,311)	1,028,483	4,070,848	58,479	4,129,327

Statement of Changes in Equity of the Company for the period ended 30 June 2019

Company	Capital contribution RMB ('000)	Convertible bonds (equity component) RMB ('000)	Translation reserve RMB ('000)	Perpetual convertible security RMB ('000)	Retained profits RMB ('000)	Total RMB ('000)
Balance at 31 December 2018-as previously stated	4,028,372	42,458	(8,576)	878,970	(705,285)	4,235,939
Prior years adjustments (Note B)	-	-	(894)	-	(307,017)	(307,911)
Balance at 1 January 2019-restated	4,028,372	42,458	(9,470)	878,970	(1,012,302)	3,928,028
Total comprehensive loss for the period-previously stated	-	-	15,368	-	(17,224)	(1,856)
Prior period adjustments	-	-	(19,912)	-	924	(18,988)
Total comprehensive loss for the period	-	-	(4,544)	-	(16,300)	(20,844)
Perpetual convertible securities interest	-	-	-		(24,030)	(24,030)
Balance at 31 March 2019	4,028,372	42,458	(14,014)	878,970	(1,052,632)	3,883,154
Total comprehensive loss for the period	-	-	(2,727)	-	(13,355)	(16,082)
Perpetual convertible securities interest	-	-	-	-	(24,571)	(24,571)
Balance at 30 June 2019	4,028,372	42,458	(16,741)	878,970	(1,090,558)	3,842,501
Balance at 31 December 2017-previously stated	4,028,372	42,458	(24,383)	878,970	(554,399)	4,371,018
Prior years adjustments (Note A)	-	-	6,873	-	894	7,767
Balance at 1 January 2018-restated	4,028,372	42,458	(17,510)	878,970	(553,505)	4,378,785
Total comprehensive loss for the period-previously stated	-	-	(18,890)	-	(11,124)	(30,014)
Prior years adjustments (Note A)	-	-	14,225	-	(1,019)	13,206
Total comprehensive loss for the period	-	-	(4,665)	-	(12,143)	(16,808)
Perpetual convertible securities interest	-	-	-	-	(31,123)	(31,123)
Balance at 31 March 2018	4,028,372	42,458	(22,175)	878,970	(596,771)	4,330,854
Total comprehensive loss for the period-previously stated	-	-	11,989	-	(19,462)	(7,473)
Prior years adjustments (Note A)	-	-	(9,162)	-	(1)	(9,163)
Total comprehensive loss for the period	-	-	2,827	-	(19,463)	(16,636)
Perpetual convertible securities interest	-	-	-	-	(24,572)	(24,572)
Balance at 30 June 2018	4,028,372	42,458	(16,521)	878,970	(660,269)	4,273,010

Certain amounts in the comparative information above have been reclassified to conform to the current period Financial Statement due to prior years adjustments and reclassification as set out in Note A and Note B below.

Note A: PRIOR YEARS' ADJUSTMENTS / RECLASSIFICATIONS IN THE STATEMENT OF FINANCIAL POSITION FOR THE GROUP

The Company has restated the Statement of Financial Position for the Group, in accordance with SFRS(I) 8 Accounting Policies, Changes in Accounting Estimates and Errors to take into consideration the prior years' adjustments ("**PYAs**") and reclassifications as set out below:

IN RESPECT OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As reported as at 31 December 2018	PYAs	Reclassification	As restated as at 31 December 2018
THE GROUP	**RMB ('000)**	**RMB ('000)**	**RMB ('000)**	**RMB ('000)**
Statement of Financial Position				
Current Assets				
Development properties	1,845,275	(640,318)	8,178	1,213,135
Trade and other receivables	2,031,392	(366,707)	(10,775)	1,653,910
Capital and Reserves				
Translation reserve	(62,172)	(656)	23,805	(39,023)
Retained profits	2,347,351	(1,525,894)	-	821,457
Non-Controlling Interest	56,607	(571)	-	56,036
Non-Current Liabilities				
Deferred taxation	641,795	(163,956)	175,033	652,872
Borrowings	2,166,724	-	(9,258)	2,157,466
Current Liabilities				
Trade and other payables	746,702	479,331	(41,063)	1,184,970
Provision for taxation	170,346	204,721	(160,372)	214,695
Borrowings	1,126,795	-	9,258	1,136,053

	As reported as at 1 January 2018	PYAs	Reclassification	As restated as at 1 January 2018
THE GROUP	**RMB ('000)**	**RMB ('000)**	**RMB ('000)**	**RMB ('000)**
Statement of Financial Position				
Current Assets				
Development properties	2,099,791	(651,761)	133,127	1,581,157
Trade and other receivables	2,917,625	(22,521)	39,732	2,934,836
Capital and Reserves				
Translation reserve	(14,769)	-	7,736	(7,033)
Retained profits	2,204,600	(1,044,577)	-	1,160,023
Non-Controlling Interest	59,202	-	-	59,202
Non-Current Liabilities				
Deferred taxation	634,322	(61,727)	189,915	762,510
Current Liabilities				
Trade and other payables	1,098,922	310,202	137,163	1,546,287
Provision for taxation	147,048	121,820	(161,955)	106,913

IN RESPECT OF THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	As Previous Stated 2018			PYAs and Reclassification			Restated 2018		
	1st Qtr	2nd Qtr	Jan – Jun	1st Qtr	2nd Qtr	Jan – Jun	1st Qtr	2nd Qtr	Jan – Jun
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	309,548	183,843	493,391	(124,985)	(31,665)	(156,650)	184,563	152,178	336,741
Cost of sales	(225,048)	(99,834)	(324,882)	119,117	11,916	131,033	(105,931)	(87,918)	(193,849)
Selling expense	(11,448)	(14,105)	(25,553)	2,566	3,494	6,060	(8,882)	(10,611)	(19,493)
Administrative expense	(17,177)	(55,638)	(72,815)	(14,098)	25,332	11,234	(31,275)	(30,306)	(61,581)
Finance costs	(48,488)	(49,831)	(98,319)	(17,149)	(7,766)	(24,915)	(65,637)	(57,597)	(123,234)
Other expenses	-	-	-	10,690	(30,793)	(20,103)	10,690	(30,793)	(20,103)
Foreign currency translation differences	(1,505)	(10,033)	(11,538)	15,872	388	16,260	14,367	(9,645)	4,722
Non-Controlling interests (NCI)	134	(901)	(767)	(1,088)	1,132	44	(954)	231	(723)

IN RESPECT OF THE CONSOLIDATED STATEMENT OF CASH FLOWS

	As Previous Stated 2018			PYAs and Reclassification			Restated 2018		
	1st Qtr	**2nd Qtr**	**Jan – Jun**	**1st Qtr**	**2nd Qtr**	**Jan – Jun**	**1st Qtr**	**2nd Qtr**	**Jan – Jun**
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Cash flows from operating activities									
Loss before taxation	9,148	(30,934)	(21,785)	(23,858)	(29,482)	(53,341)	(14,710)	(60,416)	(75,126)
Interest expense	48,488	49,831	98,319	17,147	(17,147)	-	65,635	32,684	98,319
Interest income	(764)	(3,846)	(4,610)	36	(36)	-	(728)	(3,882)	(4,610)
Unrealised exchange loss	-	-	-	2,297	15,747	18,044	2,297	15,747	18,044
Change in development properties	198,414	10,353	208,767	(38,525)	(11,309)	(49,834)	159,889	(956)	158,933
Change in trade and other receivables	7,855	1,123,919	1,131,772	(3,335)	2,328	(1,005)	4,520	1,126,247	1,130,767
Change in trade and other payables	(295,912)	(37,832)	(333,745)	71,194	12,516	83,711	(224,718)	(25,316)	(250,034)
Interest paid	(41,890)	(55,784)	(97,674)	(24,913)	24,913	-	(66,803)	(30,871)	(97,674)
Interest received	735	3,789	4,524	(37)	37	-	698	3,826	4,524
Cash flow from financing activities									
Proceeds from loans and borrowings	108,348	144,315	252,663	-	2,424	2,424	108,348	146,739	255,087
Effects of exchange rate changes on cash and cash equivalents	804	(1,044)	(240)	(8)	8	-	796	(1,036)	(240)

1. Development properties

The management accounted for the difference between the budgeted and actual cost (i.e. unit cost per square metre) of the projects developed by the Group, then standardised the timing of revenue and cost of sales recognition. Accordingly, the management made corresponding provisions based on the total variances amounting to RMB393.41 million (1 January 2018: RMB404.85 million).

The management has also written down the costs of certain inventories for two projects launched since 2016 amounting to RMB246.91 million (1 January 2018: RMB246.91 million), based on the current net realisable value of the two projects.

2. Trade and other receivables

(a) Balance receivable from disposal of subsidiaries/land

The Group had previously entered into a sale and purchase agreement ("**SPA**") for the disposal of two subsidiaries to a third party (the "**Buyer**") for a consideration of RMB3,285.35 million ("**Consideration**"). As at the date of this financial statement, the Group has received a total payment of RMB2,710.00 million of the Consideration from the Buyer, with a balance of RMB575.35 million remaining payable by the Buyer. Based on the SPA, the Buyer has the right to deduct from the Consideration in the event of non-fulfillment of certain conditions. The management has accessed the recoverability of the balance Consideration and has made provision for impairment losses amounting to RMB337.38 million (1 January 2018: RMB15.10 million) in relation to the balance Consideration receivable based on the available information at the date of each financial statement.

(b) Other receivables

In addition, the management recognized impairment on other receivables amounting to RMB29.32 million (1 January 2018: RMB7.42 million).

3. Trade and other payables

(a) Provision for litigation liabilities

The Company's subsidiary, Chongqing Yingli Real Estate Development Co., Ltd. ("**CQYL Real Estate**"), is a party to several litigation claims and disputes in People's Republic of China ("**PRC**") which arose in the previous financial years ("**Litigation Matters**"). As at the date of this financial statement, while there were certain preliminary judgments made by the courts in PRC in favour of the Group, these Litigation Matters have not concluded as counterparties had filed for appeal against these court judgements. Accordingly, taking into account the information available to the management and the advice obtained from the Group's legal advisers in respect of the potential outcome of the Litigation Matters, the management estimates that the maximum liability faced by the Group as a result of the Litigation Matters could be potentially RMB434.02 million (1 January 2018: RMB270.00 million) (the "**Liability**"). As it is uncertain at this stage whether CQYL Real Estate would be discharged from any of the liabilities arising from the Litigation Matters, the management has made provisions in respect of the Liability in the financial statement.

(b) Other payables

The management has also made provisions in relation to the under recognition of liabilities amounting to RMB45.31 million (1 January 2018: RMB40.20 million).

4. Deferred taxation

The management recognized additional deferred taxation assets amounting to RMB163.96 million (1 January 2018: RMB61.73 million) based on the temporary differences between the accounting and tax bases arose from the provisions liabilities of the Group as well as the writing down of the Group's assets as set out in Note A.

5. Provision for taxation

The management has recalculated the provision of Land Appreciation Tax ("**LAT**") of the projects developed and made additional provisions amounting to RMB131.22 million (1 January 2018: RMB121.82 million) in the related financial period. The management has also provided for the capital gain taxes amounting to RMB73.50 million (1 January 2018: RMB Nil million) derived from the disposal of subsidiaries in 2017 and 2018.

Note B: PRIOR YEARS' ADJUSTMENTS / RECLASSIFICATIONS IN THE STATEMENT OF FINANCIAL POSITION FOR THE COMPANY

The Company has restated the Statement of Financial Position for the Company, in accordance with SFRS(I) 8 Accounting Policies, Changes in Accounting Estimates and Errors to take into consideration the PYAs and reclassifications as set out below:

THE COMPANY	As reported as at 31 December 2018 RMB ('000)	PYAs RMB ('000)	Reclassification RMB ('000)	As restated as at 31 December 2018 RMB ('000)
Statement of Financial Position				
Current Assets				
Trade and other receivables	103,682	(302,056)	200,796	2,422
Amount due from subsidiaries	2,587,709	-	(274,001)	2,313,708
Capital and Reserves				
Translation reserve	(8,576)	(894)	-	(9,470)
Accumulated losses	(705,285)	(307,017)	-	(1,012,302)
Current Liabilities				
Trade and other payables	85,915	6,511	-	92,426
Amount due to subsidiaries	820,341	(656)	(73,205)	746,480

THE COMPANY	As reported as at 1 January 2018 RMB ('000)	PYAs RMB ('000)	Reclassification RMB ('000)	As restated as at 1 January 2017 RMB ('000)
Statement of Financial Position				
Current Assets				
Trade and other receivables	1,211,796	-	196,525	1,408,321
Amount due from subsidiaries	1,368,768	-	(73,205)	1,295,563
Capital and Reserves				
Translation reserve	(24,383)	(894)	7,767	(17,510)
Accumulated losses	(554,399)	894	-	(553,505)
Current Liabilities				
Trade and other payables	69,553	-	86,380	155,933
Amount due from subsidiaries	762,192	-	29,173	791,365

1. Trade and other receivables

With referred to Note A(2)(a), the management has made provision for impairment losses amounting to RMB302.06 million (1 January 2018: RMB Nil million) on the Consideration receivable.

2. Trade and other payables

The management has adjusted the under-provision of withholding tax on the disposal of a PRC subsidiary amounting to RMB6.51 million (1 January 2018: RMB Nil million).

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

Perpetual Subordinated Convertible Callable Securities ("Perpetual Convertible Securities")

On 17 October 2014, the Company had issued S$165,000,000 in aggregate principal amount of Tranche 1 Perpetual Convertible Securities and S$20,000,000 in aggregate principal amount of Tranche 2 Perpetual Convertible Securities to Everbright Hero Mauritius Limited, the nominee of Everbright Hero Holdings Limited pursuant to a subscription agreement dated 30 June 2014.

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

	As at 30 June 2019	As at 30 June 2018
	No. of shares	No. of shares
The number of shares that may be issued on conversion of outstanding securities at the end of the period	581,761,006	581,761,006

No conversion of the securities into Shares has taken place since the date of issuance. The Exercise Price of the Convertible Securities is S$0.318 per Share.

There were no outstanding share options and share awards granted under the Ying Li Employee Share Option Scheme ("Ying Li ESOS") and Ying Li Performance Share Plan ("Ying Li PSP") respectively as at 30 June 2019 (30 June 2018: Nil).

The Company did not hold any treasury shares as at 30 June 2019 (30 June 2018: Nil).

None of the subsidiaries held shares in the Company as at 30 June 2019 (30 June 2018: Nil).

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.

The total number of issued shares as at 30 June 2019 was 2,557,040,024 (30 June 2018: 2,557,040,024).

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

Not applicable.

1(d)(v) A statement showing all sales, transfer, cancellation and/or use of subsidiary holdings 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.

Not applicable.

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

Not applicable.

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

The Group has adopted the new/revised SFRS(I)s that are effective for annual period beginning on or after 1 January 2019. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I)s, SFRS(I) Interpretations and amendments to SFRS(I)s.

The following are the new or amended SFRS(I)s and SFRS(I) Interpretations that are relevant to the Group:

- SFRS(I) 16 Leases
- SFRS(I) INT 23 Uncertainty over Income Tax Treatments
- Amendments to SFRS(I) 9 – Prepayment Features with Negative Compensation
- Amendments to SFRS(1) 1-12 Income tax consequences of payments on financial instruments classified as equity

Adoption of SFRS(I) 16:
SFRS(I) 16 Leases introduces a single, on-balance sheet lease accounting model for leases. A lessee recognises a right-of-use (ROU) asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard, i.e. lessors continue to classify leases as finance or operating leases. The Group has operating lease in respect of its existing office lease in Singapore, which is expiring at the end of the current financial year. Management will account for such lease as "short-term leases" as at the date of initial application.

Other than the above, the adoption of the above SFRS(I)s, SFRS(I) Interpretations and amendments to SFRS(I)s did not have any significant impact on the financial statements of the Group.

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			
	2nd Qtr 2019	2nd Qtr 2018	Jan to Jun 2019	Jan to Jun 2018
		Restated		Restated
Earnings per ordinary share:				
(i) Based on weighted average no. of ordinary shares in issue (RMB per share)	(0.117)	(0.023)	(0.128)	(0.030)
(ii) On a fully diluted basis (RMB per share)	(0.095)	(0.018)	(0.105)	(0.024)
Number of shares in issue:				
(i) Based on weighted average no. of ordinary shares in issue ('000)	2,557,040	2,557,040	2,557,040	2,557,040
(ii) On a fully diluted basis ('000)	3,138,801	3,138,801	3,138,801	3,138,801

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

Earnings per ordinary is calculated based on 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 one category of dilutive potential ordinary shares: perpetual convertible securities, as of 30 June 2019.

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-Jun-19	31-Dec-18	30-Jun-19	31-Dec-18
		Restated		Restated
Net Asset Value (RMB'000)	3,439,444	3,829,540	3,842,501	3,928,028
Based on existing issued share capital (RMB per share)	1.35	1.50	1.50	1.54
Net Asset Value has been computed based on the number of share issued (000')	2,557,040	2,557,040	2,557,040	2,557,040

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.

For the 6 months and quarter ended 30 June 2019

Revenue

	Group					
	2nd Qtr 2019	2nd Qtr 2018	Increase / (Decrease)	Jan to Jun 2019	Jan to Jun 2018	Increase / (Decrease)
	RMB ('000)	RMB ('000) Restated	%	RMB ('000)	RMB ('000) Restated	%
Sale of Properties	84,713	100,779	(15.9%)	109,406	233,876	(53.2%)
Rental Income	52,445	51,399	2.0%	106,073	102,865	3.1%
	137,158	**152,178**	**(9.9%)**	**215,479**	**336,741**	**(36.0%)**

Revenue for 2QFY2019 declined by 9.9% Y-o-Y, or RMB15.0 million to RMB137.2 million (2QFY2018: RMB152.2 million). The decline was due to a decrease in sale of properties by RMB16.1 million, mainly attributable to lesser office units at Ying Li International Plaza, residential units at Lion City Garden and commercial units at Ying Li International Electrical and Hardware Centre ("Ying Li IEC") being handed over and lower revenue recognised in 2QFY2019.

Rental income increased by 2.0% Y-o-Y or RMB1.1 million to RMB52.5 million (2QFY2018: RMB51.4 million), mainly due to a gradual increase in occupancy rates of the rented properties.

Gross profit

	Group					
	2nd Qtr 2019	2nd Qtr 2018		Jan to Jun 2019	Jan to Jun 2018	
	RMB ('000)	RMB ('000) Restated	%	RMB ('000)	RMB ('000) Restated	%
Sale of Properties	32,289	22,196	45.5%	36,435	58,344	(37.6%)
Rental Income	44,130	42,064	4.9%	88,674	84,548	4.9%
	76,419	**64,260**	**18.9%**	**125,109**	**142,892**	**(12.4%)**

Gross profit of the Group for 2QFY2019 increased by 18.9% Y-o-Y or RMB12.1 million, to RMB76.4 million (2QFY2018: RMB64.3 million). The mix of properties that were sold and handed over in 2QFY2019 have higher gross profit margin.

Gross profit margin

	Group							
	2nd Qtr 2019		2nd Qtr 2018		Jan to Jun 2019		Jan to Jun 2018	
	RMB ('000)	%	RMB ('000) Restated	%	RMB ('000)	%	RMB ('000) Restated	%
Sale of Properties	32,289	38.1%	22,196	22.0%	36,435	33.3%	58,344	24.9%
Rental Income	44,130	84.1%	42,064	81.8%	88,674	83.6%	84,548	82.2%
	76,419	**55.7%**	**64,260**	42.2%	**125,109**	**58.1%**	**142,892**	42.4%

Overall gross profit margin for 2QFY2019 increased by 13.5 percentage point, to 55.7% (2QFY2018: 42.2%), primarily due to higher proportion of revenue contributed by rental income with higher gross profit margin.

Other income

	Group			
	2nd Qtr 2019	2nd Qtr 2018	Jan to Jun 2019	Jan to Jun 2018
	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)
Interest income	3,591	3,882	6,543	4,610
Advertisement income	347	345	677	620
Government grant	-	29	-	42
Others	1,722	375	2,782	1,121
	5,660	**4,631**	**10,002**	**6,393**

Other income for 2QFY2019 increased by 22.2% Y-o-Y or RMB1.0 million, to RMB5.6 million (2QFY2018: RMB4.6 million), mainly due to other income derived from tenant's contract breaching fees.

Selling expenses

Selling expenses for 2QFY2019 remains relatively stable Y-o-Y at RMB10.8million (2QFY2018: RMB10.6 million).

Administrative expenses

For 2QFY2019, administrative expenses decreased by 8.2% Y-o-Y or RMB2.5 million, to RMB27.8 million (2QFY2018: RMB30.3 million), mainly due to lower advisory and professional fees.

Change in fair value of investment properties

In the light of weakening property and office rental market in Chongqing in the first half of 2019, Colliers International (Hong Kong) Limited was commissioned to provide an updated, independent valuation on the investment properties held by the group for the period ended at 30 June 2019. Based on the completed valuation report, the Group recognised a fair value loss of RMB367.1 million in 2QFY2019.

Finance costs

Finance costs in 2QFY2019 decreased by 27.9% Y-o-Y or RMB16.1 million to RMB41.5 million (2QFY2018: RMB57.6 million), mainly due to a decrease in outstanding loan principal.

Other expenses

	Group			
	2nd Qtr 2019	2nd Qtr 2018	Jan to June 2019	Jan to June 2018
	RMB ('000)	RMB ('000)	RMB ('000)	RMB ('000)
Impairment loss on other receivables	24,223	-	24,223	-
Provision of liabilities on legal cases	1,287	-	3,475	-
Others	902	6,612	-	6,612
Exchange (gain) / loss, net	(1,229)	24,181	(4,038)	13,491
	25,183	**30,793**	**23,660**	**20,103**

Other expenses for 2QFY2019 decreased by 18.2% Y-o-Y or RMB5.6 million, to RMB25.2 million (2QFY2018: RMB30.8 million), mainly due to a decrease in currency loss of RMB25.4 million and provision costs of RMB6.6 million for construction period extension of Lion City Garden Phase 2D, which was offset by recognition of impairment loss on other receivables amounting to RMB24.2 million.

Taxation

	Group					
	2nd Qtr 2019	2nd Qtr 2018		Jan to Jun 2019	Jan to Jun 2018	
	RMB ('000)	RMB ('000) Restated	%	RMB ('000)	RMB ('000) Restated	%
Income tax	-	609	n.m.	(439)	(6,546)	(93.3%)
Deferred tax	91,082	2,273	3,907.1%	94,336	5,104	1,748.3%
	91,082	**2,882**	**3,060.4%**	**93,897**	**(1,442)**	**n.m.**

n.m. - not meaningful

In 2QFY2019, taxation credit increased by RMB88.2 million as compared to 2QFY2018, mainly due to recognition of deferred tax assets.

Loss attributable to ordinary shareholders of the Company

	Group					
	2nd Qtr 2019	2nd Qtr 2018	Increase / (Decrease)	Jan to Jun 2019	Jan to Jun 2018	Increase / (Decrease)
	RMB ('000)	RMB ('000) Restated	%	RMB ('000)	RMB ('000) Restated	%
Loss attributable to:						
Ordinary shareholders of the Company	(298,816)	(57,765)	417.3%	(328,196)	(75,845)	332.7%
Non-Controlling Interest (NCI)	(478)	231	n.m.	(1,454)	(723)	101.1%
	(299,294)	**(57,534)**	**420.2%**	**(329,650)**	**(76,568)**	**330.5%**

n.m. - not meaningful

For 2QFY2019, the Group reported the increase in loss attributable to the ordinary shareholders of the Company amounting to RMB241.1 million, mainly due to fair value loss on investment properties reported in 2QFY2019. By excluding the fair value loss on investment properties, the Group would have recorded a loss of approximately RMB23.98 million for the period from 1 April 2019 to 30 June 2019.

STATEMENT OF FINANCIAL POSITION

Total assets of the Group decreased by 11.9% or RMB1,094.9 million, to RMB8,136.7 million (31 December 2018: RMB9,231.6 million), mainly due to (i) a decrease in investment properties of RMB370.7 million arising from decrease in fair value, (ii) a decrease in development properties of RMB60.7 million arising from the handover of completed properties to purchasers, (iii) a decrease in trade and other receivables of RMB1,136.5 million arising from partial consideration on disposal of subsidiaries / land parcel received in 2QFY2019, and offset by an increase in cash and cash equivalents of RMB 475.6 million.

The Group's total liabilities decreased by 13.2% or RMB703.4 million, to RMB4,642.7 million (31 December 2018: RMB5,346.1 million), mainly due to (i) a decrease in bank loan of RMB492.4 million as a result of loan principal repayment, (ii) a decrease in trade and other payables of RMB171.9 million, and (iii) a decrease in deferred taxation of RMB62.5 million arising from fair value decrease on investment properties.

The Group's total equity decreased by RMB391.6 million to RMB3,494.0 million (31 December 2018: RMB3,885.6 million), mainly due to a decrease in retained profits of RMB 376.8 million.

STATEMENT OF CASH FLOW

In 2QFY2019, the increase in unrestricted cash and cash equivalent of RMB752.2 million was mainly due to:

i) net cash inflow of RMB1,085.0 million from operating activities; and
ii) net cash outflow of RMB332.8 million from financing activities.

The net cash inflow from operating activities of RMB1,085.0 million was mainly attributable to a decrease in development properties of RMB42.2 million and a decrease in trade and other receivables of RMB1,151.3 million arising from partial consideration on disposal of subsidiaries / land parcel proceed received in 2QFY2019, which was offset by a decrease in trade and other payables of RMB55.8 million, and net interest paid of RMB54.8 million.

Net cash used in financing activities of RMB332.8 million was due to the net repayment of borrowing amounting to RMB 398.0 million, which was offset by a decrease in restricted cash of RMB65.2 million.

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

The results announced are in line with the previous comments by the Board of Directors.

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.

According to Chongqing Statistics Bureau, Chongqing posted a gross domestic product ("GDP") growth of 6.0% Y-o-Y to RMB510.2 billion in 1H2019, which is slightly lower than the (i) 6.6% Y-o-Y GDP growth in 2018 and (ii) PRC GDP growth of 6.4% Y-o-Y in 1H2019.

Chongqing Office Market
In 1H2019, the total office space in Chongqing was 4.6 million square metres ("sqm") as of end 1HF2019, of which 2.6 million sqm was Grade A office space. The influenced by the uncertain economy, the market demand slowed down in the second quarter with the net absorption declining by 74.9% Y-o-Y and 1H2019 net absorption falling by 55.8% Y-o-Y, the vacancy rate dropped slightly by 2.7 percentage points comparing to 4Q2018 due to weak demand.

(Source: CBRE, Chongqing Property Market Report 1H 2019)

Chongqing Retail Market
In 1H2019, three shopping centres were delivered, and one new retail mall was launched in Yangjiaping precinct, adding an aggregate of 305,000 sqm to the retail scene. The breakdown of spaces taken up by the tenants in the retail, lifestyle, food & beverage and anchor segments were 43%, 19%, 34% and 4% respectively. With the latest malls added, the total retail space in Chongqing was 6.6 million sqm as of end 1H2019.

(Source: CBRE, Chongqing Property Market Report 1H 2019)

Outlook
The Group currently has two bare land projects, i.e. Lion City Garden and IEC to be developed for commercial use. The Lion City Garden is at Phase 2D of development and the bespoke development IEC project is at Phase 2B. Majority of Phase 1A and Phase 2A IEC buyers had renovated their shops and are progressively conducting businesses.

On the office rental segment, the Management drives its marketing effort in retaining existing tenants and attracting new tenants with attractive rental rate that is in line with prevailing market rental condition. For the Retail Mall segment, the tenant mix has been engineered to attract tourist crowd and services that include educational/child-care centers to serve local community. With current occupancy rate in excess of 90%, the Management will continue its retail space optimization effort to increase leasable space.

The Group's investment in New Everbright Centre project remains healthy amidst the purchase restrictions meant to rein in stable home prices in Beijing Tongzhou. Phase 1 construction, consisting of 4 SOHO towers has been fully completed while Phase 2 construction consisting mainly two office towers and part of retail podium, had reached Level 12 and Level 26 of the two office towers respectively as of end June 2019. Phase 3 construction consisting one premium office tower and the remaining part of the retail podium, was at piling stage as of end June 2019.

Following the close of the mandatory unconditional cash offer ("Offer") as at 5.30 p.m. (Singapore time) on 16 May 2019 made by DBS Bank Ltd., for and on behalf of State Alpha Limited (the "Offeror"), for the Company, the total number of (a) Shares owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it (inclusive of China Everbright Limited ("CEL")), and (b) valid acceptances of the Offer, amounted to an aggregate of 1,842,011,837 Shares, representing 72.04% of the total number of issued Shares of the Company. After the completion of the Offer, the Company is in the process of restructuring its organisational structure and to strengthen its management team and finance function to enhance operational and financial control. The Management is in the process of reviewing various strategic options by leveraging on CEL's extensive experience in real estate management.

11 Dividend

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

No dividend was declared or recommended.

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 and the reasons for the decision.

No dividend has been declared or recommended for the period. In considering whether to recommend a dividend, the Board has taken a conservative view which includes the macro uncertainties, cash flow and working capital requirements, to mitigate financial risks by retaining a low gearing ratio.

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 June 2019 to be false or misleading in any material aspect.

15 Confirmation that the issuer has procured undertakings from all its directors and executive officers under SGX Listing Rule 720(1) of the Listing Manual.

The Group has procured undertakings from all its directors and executive officers in the format as set out in Appendix 7.7 of the SGX Listing Manual.

BY ORDER OF THE BOARD

Hu Bing
Group Chief Executive Officer and Executive Director

14 November 2019