

YONGMAO HOLDINGS LIMITED
(Company Registration No.200510649K)

**UNAUDITED SECOND QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT
FOR THE PERIOD FROM 1 JULY 2008 TO 30 SEPTEMBER 2008**

The initial public offering of Yongmao Holdings Limited's ("the Company") shares was sponsored by CIMB-GK Securities Pte. Ltd. This announcement has been prepared and released by the company.

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1,Q2 & Q3),
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.**

Group Income Statement for the period 1 April 2008 to 30 September 2008. These figures have not been audited.

	Group (Second Quarter)			Group (First Half)		
	RMB'000		%	RMB'000		%
	3 months ended 30 Sept 2009 (Q2 FY2009)	3 months ended 30 Sept 2008 (Q2 FY2008)	Increase/ (Decrease)	6 months ended 30 Sept 2009 (First Half FY2009)	6 months ended 30 Sept 2008 (First Half FY2008)	Increase/ (Decrease)
Revenue	204,917	142,283	44.0%	411,409	300,615	36.9%
Cost of sales	(142,121)	(88,281)	61.0%	(267,667)	(191,541)	39.7%
Gross profit	62,796	54,002	16.3%	143,742	109,074	31.8%
Other operating income	658	657	0.2%	1,259	873	44.2%
Administrative expenses	(9,901)	(8,321)	19.0%	(16,274)	(11,352)	43.4%
Distribution costs	(24,354)	(17,198)	41.6%	(48,839)	(29,758)	64.1%
Other operating expenses	(2,755)	582	NM	(6,139)	(507)	1,110.8%
Finance costs	(1,048)	-	NM	(1,778)	(5)	NM
Total operating expenses	(38,058)	(24,937)	52.6%	(73,030)	(41,622)	75.5%
Profit before taxation	25,396	29,722	(14.6)%	71,971	68,325	5.3%
Taxation	(3,327)	-	NM	(9,146)	-	NM
Net profit attributable to shareholders	22,069	29,722	(25.7)%	62,825	68,325	(8.0)%

NM: Not Meaningful

Note:

The Group profit before taxation is arrived at after charging / (crediting):

	Group (Second Quarter)			Group (First Half)		
	RMB'000		%	RMB'000		%
	3 months ended 30 Sept 2009 Q2 FY2009	3 months ended 30 Sept 2008 Q2 FY2008	Increase/ (Decrease)	6 months ended 30 Sept 2009 (First Half FY2009)	6 months ended 30 Sept 2008 (First Half FY2008)	Increase/ (Decrease)
Amortisation of intangible assets	323	290	11.4%	643	580	10.9%
Depreciation of property, plant and equipment	1,534	1,052	45.8%	3,094	2,046	51.2%
Exchange loss/(gain)	2,592	(664)	NM	3,332	313	964.5%
Gain on disposal of property, plant and equipment	30	-	NM	30	-	NM
Operating lease rentals	1,363	900	51.4%	2,683	1,800	49.1%
Interest income	(547)	(135)	305.2%	(1,148)	(187)	513.9%
Interest expense	1,048	-	NM	1,778	5	NM
Property, plant & equipment written off	-	-	NM	-	2	NM

NM: Not Meaningful

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	30 Sept 2008	31 March 2008	30 Sept 2008	31 March 2008
	RMB'000	RMB'000	RMB'000	RMB'000
ASSETS				
Non-current				
Property, plant and equipment	215,544	178,428	13	18
Intangible assets	4,524	5,039	-	-
Investment in subsidiaries	-	-	252,296	249,806
	<u>220,068</u>	<u>183,467</u>	<u>252,309</u>	<u>249,824</u>
Current				
Inventories	166,304	105,635	-	-
Trade and other receivables	120,837	49,659	748	12
Amounts owing by related parties (trade)	88,178	179,745	-	-
Dividend receivables	-	-	-	25,000
Amount owing by subsidiary (non-trade)	-	-	6,066	6,481
Cash and cash equivalents	161,815	200,278	51,673	63,410
	<u>537,134</u>	<u>535,317</u>	<u>58,487</u>	<u>94,903</u>
TOTAL ASSETS	<u>757,202</u>	<u>718,784</u>	<u>310,796</u>	<u>344,727</u>
EQUITY				
Capital and Reserves				
Share capital	312,484	312,484	312,484	312,484
Reserves	169,480	132,713	(3,160)	25,630
Equity attributable to equity holders of the Company	<u>481,964</u>	<u>445,197</u>	<u>309,324</u>	<u>338,114</u>
Minority interests	6,000	-	-	-
TOTAL EQUITY	<u>487,964</u>	<u>445,197</u>	<u>309,324</u>	<u>338,114</u>
LIABILITIES				
Non Current				
Bank borrowings	50,000	-	-	-
	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Current				
Trade and other payables	102,266	124,769	1,472	1,537
Amounts owing to related parties (trade)	113,110	139,769	-	-
Tax payable	3,862	3,973	-	-
Dividend payable	-	5,076	-	5,076
	<u>219,238</u>	<u>273,587</u>	<u>1,472</u>	<u>6,613</u>
TOTAL EQUITY AND LIABILITIES	<u>757,202</u>	<u>718,784</u>	<u>310,796</u>	<u>344,727</u>

1(b)(ii) Aggregate amount of group's borrowings and debt securities.**Amount repayable in one year or less, or on demand**

As at 30 Sept 2008		As at 31 March 2008	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
-	-	-	-

Amount repayable after one year

As at 30 Sept 2008		As at 31 March 2008	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
50,000	-	-	-

Details of any collateral

The bank borrowing is secured by certain leasehold buildings and land use rights from a Director related company Fushun Yongmao Engineering Machinery Co., Ltd.

The increase in bank borrowings is for the purpose of increasing the working capital of the Group and for the funding of future acquisitions of the Group. On 23 July 2008, the Group has entered into a joint venture agreement to set up a new subsidiary in Wuxi called Wuxi Yongmao Towercrane Co Ltd. The subsidiary was incorporated on 4 September 2008.

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

	Group (Second Quarter)		Group (First Half)	
	RMB'000		RMB'000	
	3 months ended 30 Sept 2008 (Q2 FY2009)	3 months ended 30 Sept 2007 (Q2 FY2008)	6 months ended 30 Sept 2008 (First Half FY2009)	6 months ended 30 Sept 2007 (First Half FY2008)
Cash flow from operating activities				
Profit before taxation	25,396	29,722	71,971	68,325
Adjustments for:				
Amortisation of intangible assets	323	290	643	580
Depreciation of property, plant and equipment	1,534	1,052	3,094	2,046
Loss on disposal of property, plant equipment	30	-	30	-
Property, plant and equipment written off	-	-	-	2
Interest expense	1,048	-	1,778	5
Interest income	(547)	(135)	(1,148)	(187)
Operating profit before working capital changes	27,784	30,929	76,368	70,771
Increase in inventories	(17,646)	(8,619)	(60,669)	(11,606)
(Increase)/decrease in operating receivables	(114,529)	(40,065)	19,778	(104,018)
Increase/(decrease) in operating payables	59,268	14,178	(48,926)	67,357
Cash (used in)/generated from operations	(45,123)	(3,577)	(13,449)	22,504
Interest paid	(1,048)	-	(1,778)	(10)
Tax paid	(6,719)	-	(9,257)	-
Net cash (used in)/generated from operating activities	(52,890)	(3,577)	(24,484)	22,494
Cash flow from investing activities				
Acquisition of property, plant and equipment	(30,191)	(16,864)	(40,443)	(18,048)
Acquisition of intangible assets	-	(1,000)	(128)	(1,000)
Proceeds from disposal of property, plant and equipment	203	-	203	-
Proceeds from sale of available-for-sale financial assets	-	23,000	-	23,000
Interest received	547	135	1,148	187
Net cash (used in)/generated from investing activities	(29,441)	5,271	(39,220)	4,139
Cash flow from financing activities				
Bank borrowings obtained/(repaid)	-	-	50,000	(13,500)
Capital injection by minority interest	6,000	-	6,000	-
Dividends paid	(22,299)	(17,500)	(27,375)	(17,500)
Repayment from related parties (non trade)	-	62,009	-	52,342
Repayment to related parties (non trade)	-	(1,212)	-	(2,458)
Net cash (used in)/generated from financing activities	(16,299)	43,297	28,625	18,884
Net (decrease)/increase in cash and cash equivalents	(98,630)	44,991	(35,079)	45,517
Cash and cash equivalents at beginning of period	262,787	50,818	200,278	50,296
Exchange adjustments	(2,342)	(14)	(3,384)	(18)
Cash and cash equivalents at end of period	161,815	95,795	161,815	95,795

Note:**Analysis of cash and cash equivalents**

	Group	
	RMB'000	
	30 Sept 2008	30 Sept 2007
Cash on hand	454	104
Bank balances	113,670	95,691
Fixed deposits	47,691	-
	<u>161,815</u>	<u>95,795</u>

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.

Group	Share capital	Merger Reserve	Retained profit	Statutory common reserve	Exchange fluctuation reserve	Sub-total	Minority interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Current year:								
Balance as at 1 April 2008	312,484	(26,769)	139,295	18,880	1,307	445,197	-	445,197
Translation differences	-	-	-	-	(1,239)	(1,239)	-	(1,239)
Net profit for the period	-	-	40,756	-	-	40,756	-	40,756
Transfer to statutory common reserve	-	-	(4,400)	4,400	-	-	-	-
Balance as at 30 June 2008	312,484	(26,769)	175,651	23,280	68	484,714	-	484,714
Translation differences	-	-	-	-	(2,520)	(2,520)	-	(2,520)
Net profit for the period	-	-	22,069	-	-	22,069	-	22,069
Transfer to statutory common reserve	-	-	(2,484)	2,484	-	-	-	-
Incorporation of a subsidiary	-	-	-	-	-	-	6,000	6,000
Dividends	-	-	(22,299)	-	-	(22,299)	-	(22,299)
Balance as at 30 Sept 2008	312,484	(26,769)	172,937	25,764	(2,452)	481,964	6,000	487,964
Previous year:								
Balance as at 1 April 2007	83,507	-	52,625	5,612	43	141,787	-	141,787
Translation differences	-	-	-	-	293	293	-	293
Net profit for the period	-	-	38,603	-	-	38,603	-	38,603
Transfer to statutory common reserve	-	-	(3,678)	3,678	-	-	-	-
Balance as at 30 June 2007	83,507	-	87,550	9,290	336	180,683	-	180,683
Translation differences	-	-	-	-	(120)	(120)	-	(120)
Net profit for the period	-	-	29,722	-	-	29,722	-	29,722
Transfer to statutory common reserves	-	-	(3,556)	3,556	-	-	-	-
2007 dividends declared to the then shareholders prior the Restructuring Exercise	-	-	(17,500)	-	-	(17,500)	-	(17,500)
Balance as at 30 Sept 2007	83,507	-	96,216	12,846	216	192,785	-	192,785

Company	Share capital	(Accumulated loss)/retained profit	Statutory common reserve	Exchange fluctuation reserve	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Current year					
Balance as at 1 April 2008	312,484	24,319	-	1,311	338,114
Translation differences	-	-	-	(1,353)	(1,353)
Net loss for the period	-	(72)	-	-	(72)
Balance as at 30 June 2008	312,484	24,247	-	(42)	336,689
Translation differences	-	-	-	(2,707)	(2,707)
Net loss for the period	-	(2,359)	-	-	(2,359)
Dividends	-	(22,299)	-	-	(22,299)
Balance as at 30 Sept 2008	312,484	(411)	-	(2,749)	309,324
Previous year					
Balance as at 1 April 2007	16,966	(144)	-	(3)	16,819
Translation differences	-	-	-	(417)	(417)
Net loss for the period	-	(122)	-	-	(122)
Balance as at 30 June 2007	16,966	(266)	-	(420)	16,280
Translation differences	-	-	-	302	302
Net profit for the period	-	7,620	-	-	7,620
Balance as at 30 Sept 2007	16,966	7,354	-	(118)	24,202

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 for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There were no 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 31 March 2008. As at 30 September 2008, the total issued share capital of the Company, excluding treasury shares is 443,750,000.

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

	30 Sept 2008	31 March 2008
Total number of issued shares (excluding treasury shares)	443,750,000	443,750,000

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

Not applicable.

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

The figures have not been audited or reviewed by the 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 has applied the same accounting policies and methods of computation in the Group's financial statements for the current reporting period and the previous financial year.

The Group has adopted the new Financial Reporting Standards ("FRS") and Interpretations to FRS ("INT FRS") that are applicable to its operations and effective for annual period beginning on or after 1 April 2008. The adoption of the new FRS and the INT FRS did not have a material effect on the financial statements of the Group and of the Company.

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.**

Please refer to Point 4 above.

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.**

	Group (Second Quarter)		Group (First Half)	
	RMB'000		RMB'000	
	3 months ended 30 Sept 2008 (Q2 FY2009)	3 months ended 30 Sept 2007 (Q2 FY2008)	6 months ended 30 Sept 2008 (First Half FY2009)	6 months ended 30 Sept 2007 (First Half FY2008)
Earnings of the Group, after deducting any provision for preference dividends (in RMB'000):	22,069	29,722	62,825	68,325
Weighted average no. of shares used in computation of basic earning per shares	443,750,000	332,200,000	443,750,000	332,200,000
Earnings per share (in cents RMB)				
(a) Based on weighted average number of ordinary shares on issue	4.97	8.95	14.16	20.57
(b) On a fully diluted basis	4.97	8.95	14.16	20.57

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:**
(a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	30 Sept 2008	31 March 2008	30 Sept 2008	31 March 2008
Net asset value per ordinary share (RMB cents)	108.61	100.33	69.71	76.19

Net asset value per share for the Group and Company for 31 March 2008 and 30 September 2008 has been computed based on shareholder's equity as at the respective dates and the number of shares of 443,750,000 ordinary shares.

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.**

REVIEW OF INCOME STATEMENT OF THE GROUP

Revenue

In Q2 FY2009 and 1H FY2009, the Group recorded revenue of RMB204.9 million and RMB411.4 million respectively as compared to RMB142.3 million and RMB300.6 million in Q2 FY2008 and 1H FY2008 respectively. The revenue growth of RMB62.6 million (44.0%) and RMB110.8 million (36.9%) in Q2 FY2009 and 1H FY2009 respectively was due to higher sales in the PRC, Middle East and other Asian markets such as India and new markets such as Russia, Australia and Malaysia.

Higher sale in the PRC was mainly due to construction of various nuclear power plants and infrastructure projects. Sales to Europe and USA however, decreased due to slow down in their respective economies as a result of the current financial crisis.

Gross profit

Overall gross profit rose by RMB8.8 million (16.3%) from RMB54.0 million to RMB62.8 million in Q2 FY2009 whereas overall gross profit rose by RMB34.7 million (31.8%) from RMB109.0 million to RMB143.7 million in 1H FY2009. The higher gross profit was due to higher sales offset by lower gross margin.

Average gross profit margin in Q2 FY2009 decreased to 30.6% from 38.0% whereas average gross profit margin in 1H FY2009 decreased to 34.9% from 36.3%. This decrease was mainly due to increase sales of the lower margin ST Series towercranes. Despite increase in selling price, higher cost of materials due to rising steel prices had resulted in further decrease in gross margin.

Other operating income

Other operating income grew RMB0.4 million in 1H FY2009 mainly due to interest income from proceeds from the Initial Public Offering of the Company.

Total operating expenses

Total operating expenses increased to RMB38.1 million in Q2 FY2009 and RMB73.0 million in 1H FY2009 mainly arising from a substantial increase in distribution costs.

Distribution costs increased to RMB24.4 million in Q2 FY2009 and to RMB 48.8 million in 1H FY2009 mainly led by higher freight and transportation cost due to higher oil prices and in line with revenue increase for the period.

Administrative expenses increased to RMB9.9 million in Q2 FY2009 and to RMB16.3 million in 1H FY2009 mainly due to higher corporate expenses as a result of the listing of the company and higher payroll expenses from higher headcount and salary increment.

Other operating expenses increased to RMB2.8 million in Q2 FY2009 and RMB6.1 million in 1H FY2009 due to the donation of RMB2.6 million through the local authority in aid of the relief effort and the rebuilding programme for those affected by the recent Szechuan earthquake. Foreign exchange losses was due to the weakening of US\$ and Euro dollar against RMB in 1H FY2009.

Finance cost of RMB1.0 million in Q2 FY2009 and RMB1.8 million in 1H FY2009 was due to a drawdown of RMB50 million bank loan in April 2008.

Taxation

Income tax expense amounted to RMB3.3 million in Q2 FY2009 and RMB9.1 million in 1H FY2009 as profit derived from our operating subsidiary in the PRC was 50% tax exempt commencing from 1 January 2008 (FY2008Q4). In 1H FY2008, there was no tax charge as our operating subsidiary was tax exempted for two years in calendar year 2006 and 2007.

Profit before tax and Net Profit attributable to shareholders

Profit before tax decreased by RMB4.3 million or 14.6% to RMB25.4 million in Q2 FY2009 whereas profit before tax increased by RMB3.6 million or 5.3% to RMB72.0 million in 1H FY2009.

Higher sales in Q2 FY2009 on lower gross profit margin resulted in higher gross profit. However, substantial hike in transportation cost, additional administration costs associated with our Company's conversion to listed company status, higher payroll and foreign exchange losses resulted in overall decline in profit before tax for Q2 FY2009.

For 1H FY2009, the decline in gross margin is lesser as sales in Q1 FY2009 were buoyed by a greater proportion of higher margin STT series towercranes. Despite higher transportation cost, additional administration costs associated with our Company's conversion to listed company status, higher payroll, donation of RMB2.6 million relating to the Szechuan earthquake and foreign exchange losses, higher sales in 1H FY2009 resulted in higher profit before tax for 1H FY2009.

Net profit attributable to shareholders decreased by 25.7% from RMB29.7 million in Q2 FY2008 to RMB22.1 million in Q2 FY2009 whereas net profit attributable to shareholders decreased by 8.0% from RMB68.3 million in 1H FY2008 to RMB62.8 million in 1H FY2009. The decrease is due to the tax charge arising from expiry of full tax exemption and lower profit before tax in Q2 FY2009.

REVIEW OF FINANCIAL POSITION OF THE GROUP

Non-current Assets

As at 30 September 2008, non-current assets amounted to RMB220.0 million or 29.1% of our total assets, comprising property, plant and equipment of RMB215.5 million and intangible assets of RMB4.5 million. Overall non-current assets increased by RMB36.6 million mainly due to progress payment relating to the construction of the new factory.

Current Assets

As at 30 September 2008, current assets amounted to RMB537.1 million or 70.9% of our total assets, comprising inventories of RMB166.3 million, trade and other receivables of RMB120.8 million, amounts owing by related parties of RMB88.2 million and cash and cash equivalents of RMB161.8 million.

The increase in inventory amounting to RMB60.7 million was mainly due to increased material costs, particularly steel costs, and our Group's strategy to purchase materials in bulk at lower average cost. The increase in trade and other receivables amounted to RMB71.2 million. Trade receivables increased due to higher credit sales within PRC and receivables from Middle East customer. Higher advances made to sub-contractors/vendors are for purchase of materials to be used for the construction of the new factory. Amounts owing by related parties decreased mainly due to collections of trade balances.

Apart from the above usage of cash in working capital, cash and cash equivalents decreased due to dividends paid and payments made relating to the construction of the new factory.

Current Liabilities

Current liabilities comprise mainly trade and other payables and amounts owing to related parties.

As at 30 September 2008, current liabilities amounted to RMB219.2 million, comprising trade and other payables of RMB102.2 million, amounts owing to related parties of RMB113.1 million, and tax payable of RMB3.9 million.

Trade and other payables reduced by RMB22.5 million mainly due to lower sales deposit received from customer and payment of bonus. The decrease in amount owing to related parties by RMB26.7 million was due to payment of trade balances.

Non-current Liabilities

Bank borrowings increased due to a 3-year term bank loan of RMB50.0 million taken during the period for working capital and as contingency for the financing future acquisitions activities of the Group. Application had been submitted to the local authority for subsidy of interest.

Shareholders' Equity

As at 30 September 2008, shareholders' equity amounted to RMB488.0 million. The increase in shareholders' equity was mainly due to net profit for 1H FY2009, and minority interests in our Group's newly incorporated subsidiary, Wuxi Yongmao Towercrane Co Ltd.

REVIEW OF CASHFLOW STATEMENT

Net decrease in cash and cash equivalents amounted to RMB98.6 million and RMB35.1 million in Q2 FY2009 and 1H FY2009 respectively. The net decrease was mainly due to cash used in operating activities of RMB52.9 million, cash used in investing activities of RMB29.4 million, and cash used in financing activities of RMB16.3 million in Q2 FY2009.

The cash used in operating activities was mainly due to higher inventory holding, increase in trade receivables and advances to sub-contractors/vendors.

The cash used in investing activities was mainly for the progress payments in relation to the construction of the Group's new factory.

The cash used in financing activities was mainly due to dividends of RMB 22.3 million (S\$4.4 million) paid.

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

NA

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 current financial crisis has affected the global economy. With slower economic growth and weaker market sentiments, global demand for our products is expected to slow down.

Accordingly, our Group will continue to focus on the PRC market. Greater emphasis will also be placed on research and development to improve the quality of our products to ensure our competitiveness in the towercrane market.

As at the date of this announcement, our Group has an order book of approximately RMB340 million. However, bearing the impact of the financial turmoil on the global economy, some orders may be delayed or cancelled.

Our Group will continue to monitor the economic situation and evaluate our strategy in various markets accordingly.

The Group has announced on 18 August 2008 the proposed acquisition of a 66% equity interest in Beijing Yongmao Jiangong Machinery Manufacturing Co., Ltd (a PRC manufacturer of towercranes and towercrane accessories) from an entity in which our controlling shareholders have an interest. The Group is currently finalising the terms and conditions of the acquisition and will make the necessary announcement when appropriate.

The Group has today signed a Memorandum of Understanding to form a joint venture with Tat Hong Holdings Ltd in relation to the towercrane rental business. For more details, please refer to an announcement dated today.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No dividend has been 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 in Q2 FY2008.

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

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

Not applicable

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Segmental information is presented in respect of the Group's geographical segments. In presenting information on the basis of geographical segments, segment revenue and trade receivables are based on the geographical location of customers. Segment information by business segments is not presented as the Group's business relates solely to the manufacture and sales of tower cranes and tower crane components.

Revenue	Middle East, Asia & Others (excluding PRC) RMB'000	USA & Europe RMB'000	PRC RMB'000	Consolidated RMB'000
FY2009				
Q2	105,040	29,526	70,351	204,917
1H	200,145	93,061	118,203	411,409
FY2008				
Q2	47,915	72,652	21,716	142,283
1H	112,634	129,054	58,927	300,615

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Not applicable

15. A breakdown of sales.

Not applicable

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-

	Latest Full Year (\$\$)	Previous Full Year (\$\$)
Ordinary	-	-
Preference	-	-
Total:	-	-

17. Interested Party Transactions

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	
	3 months ended 30 Sept 2008 (Q2 FY2009) RMB'000	3 months ⁽¹⁾ ended 30 Sept 2007 (Q2 FY2008) RMB'000	3 months ended 30 Sept 2008 (Q2 FY2009) RMB'000	3 months ended 30 Sept 2007 (Q2 FY2008) RMB'000
Sales to related parties				
Shanghai Tat Hong Equipment Rental Co., Ltd (上海达丰机械租赁有限公司)	-	-	928	-
China Nuclear Huaxing Tat Hong Machinery Construction Co. Ltd (中核华兴达丰机械工程有限公司)	-	7,730	20,433	-
Purchases from related parties				
Fushun Yongmao Engineering Machinery Co., Ltd (抚顺永茂工程机械有限公司)	-	6,527	-	-
Beijing Yongmao Jiangong Machinery Manufacturing Co., Ltd (北京永茂建工机械有限公司)	-	21,754	67,896	-
Property, plant and equipment purchased from a related party				
Fushun Yongmao Engineering Machinery Co., Ltd (抚顺永茂工程机械有限公司)	-	2,000	-	-
Intangible assets purchased from a related party				
Fushun Yongmao Engineering Machinery Co., Ltd (抚顺永茂工程机械有限公司)	-	1,000	-	-

Note (1): The Shareholders' Mandate for interested person transaction commenced from 31 January 2008 (the date of Prospectus). Therefore, transactions incurred prior to 31 January 2008 which are above S\$100,000 are not considered as incurred under Shareholders' Mandate.

CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(4) OF THE LISTING MANUAL

We, the Executive Directors of Yongmao Holdings Ltd (“the Company”), do hereby confirm on behalf of the Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial results for the six months ended 30 September 2008 to be false or misleading in any material aspect.

Sun Zhao Lin
Executive Director

Tian Ruo Nan
Executive Director

BY ORDER OF THE BOARD

Tian Ruo Nan
Chief Executive Officer
10/11/2008