

**YONGMAO HOLDINGS LIMITED**  
**(Company Registration No.200510649K)**

**UNAUDITED FIRST QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2012**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1,Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

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

Group income statement and statement of comprehensive income for the financial period ended 30 June 2012. These figures have not been audited.

	Group (First Quarter)		
	RMB'000		%
	3 months ended 30 Jun 2012 (Q1 FY2013)	3 months ended 30 Jun 2011 (Q1 FY2012)	Increase/ (Decrease)
<b>Revenue</b>	178,619	211,330	(15.5)
Cost of sales	(136,860)	(145,904)	(6.2)
<b>Gross profit</b>	41,759	65,426	(36.2)
Other operating income	556	694	(19.9)
Administrative expenses	(16,229)	(19,251)	(15.7)
Distribution costs	(11,878)	(19,379)	(38.7)
Other operating expenses	59	(1,022)	NM
Finance costs	(5,344)	(4,149)	28.8
<b>Total operating expenses</b>	(33,392)	(43,801)	(23.8)
<b>Profit from operations</b>	8,923	22,319	(60.0)
Share of results of associated companies, net of tax	1,076	1,312	(18.0)
<b>Profit before taxation</b>	9,999	23,631	(57.7)
Taxation	(2,513)	(5,558)	(54.8)
<b>Net profit for the period</b>	7,486	18,073	(58.6)
<b>Attributable to:</b>			
Equity holders of the Company	6,091	17,452	(65.1)
Non-controlling interests	1,395	621	124.6
<b>Net profit for the period</b>	7,486	18,073	(58.6)

	Group (First Quarter)		
	RMB'000		%
	3 months ended 30 Jun 2012 (Q1 FY2013)	3 months ended 30 Jun 2011 (Q1 FY2012)	Increase/ (Decrease)
<b>Net profit for the period</b>	7,486	18,073	(58.6)
<b>Other comprehensive loss:</b>			
Exchange translation difference	(517)	(41)	NM
Other comprehensive expense for the period, net of tax	(517)	(41)	NM
<b>Total comprehensive income for the period</b>	<b>6,969</b>	<b>18,032</b>	<b>(61.4)</b>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the Company	5,574	17,411	(68.0)
Non-controlling interests	1,395	621	124.6
<b>Total comprehensive income for the period</b>	<b>6,969</b>	<b>18,032</b>	<b>(61.4)</b>

**Note:**

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

	Group (First Quarter)		
	RMB'000		%
	3 months ended 30 Jun 2012 (Q1 FY2013)	3 months ended 30 Jun 2011 (Q1 FY2012)	Increase/ (Decrease)
Amortisation of intangible assets	108	108	-
Depreciation of property, plant and equipment	5,675	2,811	101.9
Exchange (gain)/loss	(152)	596	NM
Gain on disposal of property, plant and equipment	(18)	-	NM
Interest income	(315)	(154)	104.5
Interest expense	5,344	4,149	28.8
Operating lease rentals	3,120	4,520	(31.0)

NM: Not Meaningful

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

	Group		Company	
	30 June 2012	31 Mar 2012	30 June 2012	31 Mar 2012
	RMB'000	RMB'000	RMB'000	RMB'000
<b>ASSETS</b>				
<b>Non-current</b>				
Property, plant and equipment	346,141	342,730	-	-
Intangible assets	856	964	-	-
Subsidiaries	-	-	304,683	304,683
Associated companies	46,733	46,088	13,500	13,500
Trade and other receivables	970	789	-	-
Deferred costs	45,744	41,587	-	-
Deferred tax assets	17,849	12,581	-	-
	<u>458,293</u>	<u>444,739</u>	<u>318,183</u>	<u>318,183</u>
<b>Current</b>				
Inventories	347,738	353,863	-	-
Trade and other receivables	220,248	183,690	106	189
Deferred costs	36,753	40,189	-	-
Amounts owing by subsidiaries	-	-	39,543	36,871
Amounts owing by related parties	138,112	108,190	-	-
Amounts owing by corporate shareholders of subsidiaries	6,616	6,616	-	-
Amounts owing by associated companies	2,331	3,248	-	-
Cash and cash equivalents	142,908	119,678	983	3,633
	<u>894,706</u>	<u>815,474</u>	<u>40,632</u>	<u>40,693</u>
<b>TOTAL ASSETS</b>	<u>1,352,999</u>	<u>1,260,213</u>	<u>358,815</u>	<u>358,876</u>
<b>EQUITY</b>				
<b>Capital and Reserves</b>				
Share capital	312,484	312,484	312,484	312,484
Reserves	155,346	149,772	35,422	36,088
<b>Equity attributable to equity holders of the Company</b>	<u>467,830</u>	<u>462,256</u>	<u>347,906</u>	<u>348,572</u>
Non-controlling interests	20,310	18,915	-	-
<b>TOTAL EQUITY</b>	<u>488,140</u>	<u>481,171</u>	<u>347,906</u>	<u>348,572</u>
<b>LIABILITIES</b>				
<b>Non-current</b>				
Bank borrowings	640	705	-	-
Deferred income	61,610	56,516	-	-
Deferred tax liabilities	9,410	8,847	7,874	7,874
Trade and other payables	31,594	32,550	-	-
	<u>103,254</u>	<u>98,618</u>	<u>7,874</u>	<u>7,874</u>
<b>Current</b>				
Trade and other payables	308,794	281,049	3,035	2,406
Bank borrowings	319,893	263,256	-	-
Deferred income	56,278	59,701	-	-
Amounts owing to related parties	47,053	47,621	-	-
Amounts owing to corporate shareholders of subsidiaries	26,914	26,215	-	-
Amounts owing to associated companies	921	832	-	-
Current tax payable	1,752	1,750	-	24
	<u>761,605</u>	<u>680,424</u>	<u>3,035</u>	<u>2,430</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,352,999</u>	<u>1,260,213</u>	<u>358,815</u>	<u>358,876</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 June 2012		As at 31 March 2012	
Secured <sup>(1)</sup>	Unsecured <sup>(2)</sup>	Secured <sup>(1)</sup>	Unsecured <sup>(2)</sup>
RMB'000	RMB'000	RMB'000	RMB'000
319,893	31,749	263,256	31,715

**Amount repayable after one year**

As at 30 June 2012		As at 31 March 2012	
Secured <sup>(1)</sup>	Unsecured	Secured <sup>(1)</sup>	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
640	-	705	-

**Details of any collaterals****Note (1):**

The secured loans include the following:

- a) RMB90.0 million (31 March 2012 – RMB90.0 million) bank borrowings granted to Fushun Yongmao Construction Machinery Co., Ltd. ("Fushun Yongmao") secured by certain leasehold buildings and land use rights from a related party, Fushun Yongmao Engineering Machinery Co., Ltd.
- b) RMB69.9 million (31 March 2012 – RMB53.0 million) bank borrowings and trust receipts granted to Fushun Yongmao. This bank borrowing is guaranteed by Beijing Yongmao Jiangong Machinery Manufacturing Co., Ltd. ("Beijing Yongmao").
- c) RMB50.0 million (31 March 2012 – RMB50.0 million) bank borrowing granted to Fushun Yongmao. This bank borrowing is guaranteed by Beijing Yongmao and a director of the Company.
- d) RMB30.0 million (31 March 2012 – RMB30.0 million) bank borrowing granted to Fushun Yongmao. This bank borrowing is guaranteed by the Company.
- e) RMB61.0 million (31 March 2012 – RMB40.0 million) bank borrowings granted to Fushun Yongmao. These bank borrowings are guaranteed by Beijing Yongmao and certain directors of the Company.
- f) RMB18.7 million (31 March 2012 – RMB Nil) bank borrowing granted to Fushun Yongmao. This bank borrowing is guaranteed by certain directors of the Company.
- g) RMB0.9 million (31 March 2012 – RMB0.9 million) in respect of motor vehicles acquired under finance leases.

The above bank borrowings are for the purpose of increasing the working capital.

**Note (2):**

The unsecured loans include the following:

- a) RMB24.3 million (31 March 2012 – RMB24.5 million), of which RMB18.4 million (31 March 2012 – RMB18.4 million) was interest-bearing, was from a corporate shareholder to Beijing Yongmao for the purpose of increasing the working capital of Beijing Yongmao.
- b) RMB5.9 million (31 March 2012 – RMB5.7 million), interest-free, was from a related company of a corporate shareholder to Beijing Yongmao for the purpose of increasing the working capital of Beijing Yongmao.
- c) RMB1.5 million (31 March 2012 – RMB1.5 million), interest-free, was from a third party arising from the restructuring and closure of Wuxi Yongmao Tower Crane Co., Ltd. ("Wuxi Yongmao").

The above balances are recorded in current liabilities.

**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 (First Quarter)	
	RMB'000 3 months ended 30 Jun 2012 (Q1 FY2013)	RMB'000 3 months ended 30 Jun 2011 (Q1 FY2012)
<b>Cash flow from operating activities</b>		
Profit before taxation	9,999	23,631
Adjustments for:		
Share of results of associated companies	(1,076)	(1,312)
Unrealised profits from sale of towercranes and towercrane accessories to associated companies	(295)	1,690
Amortisation of intangible assets	108	108
Depreciation of property, plant and equipment	5,675	2,811
Gain on disposal of property, plant and equipment	(18)	-
Interest expense	5,344	4,149
Interest income	(315)	(154)
<b>Operating profit before working capital changes</b>	<b>19,422</b>	<b>30,923</b>
Decrease/(increase) in inventories	1,249	(1,152)
Increase in deferred costs	(721)	(25,312)
Increase in operating receivables	(65,669)	(99,118)
Increase in operating payables	27,508	15,383
Increase in deferred income	2,397	40,487
<b>Cash used in operations</b>	<b>(15,814)</b>	<b>(38,789)</b>
Interest paid	(5,247)	(4,609)
Tax paid	(7,215)	(5,161)
<b>Net cash used in operating activities</b>	<b>(28,276)</b>	<b>(48,559)</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(5,184)	(16,193)
Proceeds from disposal of property, plant and equipment	133	-
Interest received	315	154
<b>Net cash used in investing activities</b>	<b>(4,736)</b>	<b>(16,039)</b>
<b>Cash flow from financing activities</b>		
Bank borrowings obtained	56,636	50,000
Repayment to finance lease creditors	(57)	(63)
Restricted bank balances	(1,389)	(5,831)
Advances from/(repayment to) associated companies	89	(4,002)
(Repayment to)/advances from related parties	(413)	21,290
Advances from corporate shareholders of subsidiaries	-	173
<b>Net cash generated from financing activities</b>	<b>54,866</b>	<b>61,567</b>
Net increase/(decrease) in cash and cash equivalents	21,854	(3,031)
Cash and cash equivalents at beginning of period	69,490	49,214
Exchange adjustments	(13)	15
<b>Cash and cash equivalents at end of period</b>	<b>91,331</b>	<b>46,198</b>

**Analysis of cash and cash equivalents**

	Group	
	RMB'000 30 Jun 2012	RMB'000 30 Jun 2011
Cash on hand	143	96
Bank balances	142,765	98,567
	142,908	98,663
Restricted bank balances	(51,577)	(52,465)
	91,331	46,198

**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	Statutory common reserve	Retained profits	Exchange fluctuation reserve	Total attributable to equity holders of the Company	Non-controlling interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Current year:</b>								
Balance as at 1 Apr 2012	312,484	(26,769)	42,547	133,404	590	462,256	18,915	481,171
Total comprehensive income/(expense) for the period	-	-	-	6,091	(517)	5,574	1,395	6,969
Transfer to statutory common reserve	-	-	806	(806)	-	-	-	-
<b>Balance as at 30 Jun 2012</b>	<b>312,484</b>	<b>(26,769)</b>	<b>43,353</b>	<b>138,689</b>	<b>73</b>	<b>467,830</b>	<b>20,310</b>	<b>488,140</b>
<b>Previous year:</b>								
Balance as at 1 Apr 2011	312,484	(26,769)	34,926	156,935	30	477,606	24,907	502,513
Total comprehensive income/(expense) for the period	-	-	-	17,452	(41)	17,411	621	18,032
Transfer to statutory common reserve	-	-	2,619	(2,619)	-	-	-	-
<b>Balance as at 30 Jun 2011</b>	<b>312,484</b>	<b>(26,769)</b>	<b>37,545</b>	<b>171,768</b>	<b>(11)</b>	<b>495,017</b>	<b>25,528</b>	<b>520,545</b>

Company	Share capital	Retained profits/ (Accumulated losses)	Exchange fluctuation reserve	Total
	RMB'000	RMB'000	RMB'000	RMB'000
<b>Current year:</b>				
Balance as at 1 Apr 2012	312,484	36,088	-	348,572
Total comprehensive expense for the period	-	(666)	-	(666)
<b>Balance as at 30 Jun 2012</b>	<b>312,484</b>	<b>35,422</b>	<b>-</b>	<b>347,906</b>

Company	Share capital	Retained profits/ (Accumulated losses)	Exchange fluctuation reserve	Total
	RMB'000	RMB'000	RMB'000	RMB'000
<b>Previous year:</b>				
Balance as at 1 Apr 2011	312,484	19,324	-	331,808
Total comprehensive income for the period	-	28,839	-	28,839
<b>Balance as at 30 Jun 2011</b>	<b>312,484</b>	<b>48,163</b>	<b>-</b>	<b>360,647</b>

**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 2012. As at 30 June 2012, the total number of shares issued by the Company 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 June 2012	31 March 2012
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 adopted the same accounting policies and method of computation as the audited financial statements for the financial year ended 31 March 2012 except that the Group has adopted all the new and revised FRS and INT FRS that are relevant to its operations and effective for annual periods beginning on 1 April 2012.

The adoption of these new or revised FRS and INT FRS did not result in substantial changes to the Group's accounting policies nor any significant impact on these financial statements.

**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 Para 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 (First Quarter)	
	RMB'000	
	3 months ended 30 Jun 2012 (Q1 FY2013)	3 months ended 30 Jun 2011 (Q1 FY2012)
Earnings of the Group, after deducting any provision for preference dividends (in RMB'000):	6,091	17,452
Weighted average no. of shares used in computation of basic earning per shares	443,750,000	443,750,000
Earnings per share (in cents RMB)		
(a) Based on weighted average number of ordinary shares on issue	1.37	3.93
(b) On a fully diluted basis	1.37	3.93

**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 June 2012	31 March 2012	30 June 2012	31 March 2012
Net asset value per ordinary share (RMB cents)	105.43	104.17	78.40	78.55

Net asset value per share for the Group and the Company for 30 June 2012 and 31 March 2012 has been computed based on shareholders' 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

### First Quarter FY2013 ("Q1 FY2013") vs First Quarter FY2012 ("Q1 FY2012")

#### Revenue

Group revenue decreased 15.5% to RMB178.6 million in Q1 FY2013 as compared to RMB211.3 million in Q1 FY2012 mainly from decrease in Asia and the PRC sales by 24.6% and 10.0% respectively as a result of weaker demand in these markets due to the uncertain economic environment.

#### Gross profit and gross profit margin

Gross profit decreased to RMB41.8 million in Q1 FY2013 from RMB65.4 million in Q1 FY2012. The decrease was mainly due to lower revenue and average gross profit margin.

Average gross profit margin decreased to 23.4% in Q1 FY2013 from 31.0% in Q1 FY2012. The decrease was mainly attributed to higher manufacturing overhead due to depreciation of the new manufacturing facilities in the PRC, Fushun City which commenced from second half of FY2012. In addition, there were higher sales in the PRC of the lower margin ST series towercranes and the smaller STT series towercranes in Q1 FY2013 whereas in Q1 FY2012, there were higher sales of the higher margin Luffing series towercranes and the larger STT series towercranes.

#### Other operating income

Other operating income decreased to RMB0.6 million in Q1 FY2013 mainly due to decrease in sale of scrap materials partly offset by higher interest income.

#### Operating expenses

Total operating expenses decreased to RMB33.4 million in Q1 FY2013 as compared to RMB43.8 million in Q1 FY2012.

Administrative expenses decreased to RMB16.2 million in Q1 FY2013 mainly due to lower office expenses and rental expenses incurred from the closure of Wuxi Yongmao.

Distribution costs decreased to RMB11.9 million in Q1 FY2013 as freight and transportation cost and commission decreased in line with the lower sales.

Other operating expenses decreased to a credit balance of RMB0.1 million in Q1 FY2013 mainly due to exchange gain from the strengthening of Singapore dollars against China Yuan.

Finance costs increased to RMB5.3 million in Q1 FY2013 due to higher bank borrowings.

#### Share of results of associated companies

Share of results of associated companies decreased to RMB1.1 million in Q1 FY2013 from RMB1.3 million in Q1 FY2012 mainly due to lower utilisation of towercranes in Beijing Tat Hong Zhaomao Equipment Rental Co., Ltd.

#### Taxation

Income tax expenses decreased to RMB2.5 million in Q1 FY2013 in line with the lower profit for the period.

#### Profit before taxation and Net profit attributable to equity holders of the Company

Profit before taxation decreased to RMB10.0 million in Q1 FY2013 from RMB23.6 million in Q1 FY2012 and net profit attributable to equity holders of the Company decreased to RMB6.1 million in Q1 FY2013 from RMB17.5 million in Q1 FY2012. This was mainly due to lower revenue and average gross profit margin partly offset by lower operating expenses and income tax expense for the period.

## REVIEW OF FINANCIAL POSITION OF THE GROUP

### Non-current Assets

Non-current assets increased by RMB13.6 million to RMB458.3 million as at 30 June 2012 mainly due to increase in deferred costs, deferred tax assets and purchase of property, plant for the new manufacturing facilities during the financial period. This increase was partly offset by depreciation and amortisation expenses charged for the financial period.

Deferred costs related to the corresponding non-current portion cost of sales relating to revenue deferred (See Note on deferred income below).

Deferred tax assets arose mainly from the increase in deferred revenue and elimination of unrealised profits in associated companies.

Non-current trade and other receivables related to non-current portion of housing loans made to employees.

### Current Assets

Current assets increased by RMB79.2 million to RMB894.7 million as at 30 June 2012 mainly due to higher trade and other receivables, amounts owing by related parties and cash and cash equivalents. This was partly offset by lower inventory and deferred costs.

Trade and other receivables increased by RMB36.6 million mainly due to in higher trade and bills receivables resulted from slower payments from customers and increased in advance payments made to suppliers.

Amounts due from related parties increased by RMB29.9 million due to sales during the financial period and slower payment by related parties.

Cash and cash equivalents increased by RMB23.2 million due to higher bank borrowings.

Inventories decreased by RMB6.1 million from lower purchases of raw materials as a result of the Group's efforts to reduce inventory.

Deferred costs related to the corresponding current portion cost of sales relating to revenue deferred (See Note on deferred income below).

### Non-current Liabilities

Non-current liabilities increased by RMB4.6 million to RMB103.3 million as at 30 June 2012 mainly due to increase in deferred income (see Note on deferred income below).

### Current Liabilities

Current liabilities increased by RMB81.2 million to RMB761.6 million as at 30 June 2012 mainly due to increase in bank borrowings used for working capital of the Group and trade and other payables.

Deferred income included mainly RMB109.6 million of revenue deferred due to uncertainty to the timing of the consideration for the delivery of goods made to the customer. Owing to the uncertainty, the amount of the unpaid sum owing by the customer to the financial institution is deferred and recognised as revenue when the uncertainty is removed. The deferred costs, as explained under non-current and current assets above, related to the amount carried in the statement of financial position to the extent that revenue has been deferred. Increase in deferred income and deferred costs were mainly due to the increase in such sales.

Trade and other payables increased mainly due to slower payments to suppliers.

### Total Equity

As at 30 June 2012, the total equity amounted to RMB488.1 million. The increase was mainly due to net profits of RMB7.5 million for the financial period.

## REVIEW OF CASHFLOW STATEMENT

### **First Quarter FY2013 (“Q1 FY2013”) vs First Quarter FY2012 (“Q1 FY2012”)**

The Group reported a net increase in cash and cash equivalents amounting to RMB21.9 million in Q1 FY2013 mainly due to:

- a) Net cash used in operating activities in Q1 FY2013 of RMB28.3 million mainly from the increase in operating receivables offset slightly by increase in operating payables due to slower payments from customers and increase in trade and bills payables;
- b) Net cash used in investing activities from purchase of property, plant and equipment for the new factory; and
- c) Net cash generated from financing activities of RMB54.9 million mainly from higher bank borrowings.

#### **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 Eurozone debt crisis, the uncertain economic recovery in the United States and the prospect of a slowdown in the PRC has created uncertainty in the global economic environment and this will continue to affect our sales activities in our key markets.

The uncertain economic situation of the PRC's property market coupled with the lower selling price from increase price competition has affected the demand for smaller size towercranes and has a negative impact to our gross margin.

Any appreciation of the Chinese Yuan against the US Dollars coupled with potentially higher operating and raw material costs may have a negative impact to our margins.

#### **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 for Q1 FY2013.

##### **(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 for Q1 FY2012.

##### **(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.

13. If the Group has obtained a general mandate from the 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.

#### Interested Persons 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 Jun 2012 (Q1 FY2013) RMB'000	3 months ended 30 Jun 2011 (Q1 FY2012) RMB'000	3 months ended 30 Jun 2012 (Q1 FY2013) RMB'000	3 months ended 30 Jun 2011 (Q1 FY2012) RMB'000
<b>Sales to related parties</b>				
Shanghai Tat Hong Equipment Rental Co., Ltd. (上海达丰机械租赁有限公司)	-	-	25,833	1,583
China Nuclear Huaxing Tat Hong Machinery Construction Co., Ltd. (中核华兴达丰机械工程有限公司)	-	-	25,238	12,444
Shanghai Zhaomao Engineering Machinery Co., Ltd. (上海兆茂工程机械有限公司)	-	1,179	-	-
<b>Sales to associated companies</b>				
Beijing Tat Hong Zhaomao Equipment Rental Co., Ltd. (北京达丰兆茂机械租赁有限公司)	-	-	(1,530) <sup>1</sup>	3,301
Sichuan Tat Hong Yuanzheng Machinery Construction Co., Ltd. (四川达丰元正机械工程有限公司)	-	-	-	488
<b>Rental charged by related parties</b>				
Fushun Yongmao Engineering Machinery Co., Ltd. (抚顺永茂工程机械有限公司)	1,500	1,500	-	-
Fushun Engineering Machinery Manufacturing Co., Ltd. (抚顺工程机械制造有限公司)	-	900	-	-

Note 1: Reclassification of sales to Shanghai Tat Hong Equipment Rental Co., Ltd. (上海达丰机械租赁有限公司) in respect of previous year

#### **PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

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

14. 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 are based on the geographical location of customers. Segment information by business segments is not presented as the Group's business relates mainly to the manufacture and sales of towercranes and towercrane components.

Revenue	Middle East, Asia & Others (excluding PRC) RMB'000	USA & Europe RMB'000	PRC RMB'000	Consolidated RMB'000
<b>FY2013</b>				
Q1	47,471	2,305	128,843	178,619
<b>FY2012</b>				
Q1	61,838	6,325	143,167	211,330

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

See Paragraph 8.

16. **A breakdown of sales and profit after taxation**

Not applicable.

17. **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:	-	-

18. **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13). If there are no such persons, the issuer must make an appropriate negative statement.**

Not applicable.

#### **CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5) OF THE LISTING MANUAL**

We, the Executive Directors of Yongmao Holdings Limited ("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 three months ended 30 June 2012 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  
13 August 2012