

YONGMAO HOLDINGS LIMITED
(Company Registration No.200510649K)

UNAUDITED THIRD QUARTER FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2015

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 statement of profit or loss and other comprehensive income for the financial period ended 31 December 2015. These figures have not been audited.

	Group (Third Quarter)			Group (Nine Months)		
	RMB'000		%	RMB'000		%
	3 months ended 31 Dec 2015 (Q3 FY2016)	3 months ended 31 Dec 2014 (Q3 FY2015)	Increase/ (Decrease)	9 months ended 31 Dec 2015 (9M FY2016)	9 months ended 31 Dec 2014 (9M FY2015)	Increase/ (Decrease)
		<i>Restated</i> ¹			<i>Restated</i> ¹	
Revenue	125,729	163,759	(23.2)	338,419	612,823	(44.8)
Cost of sales	(84,782)	(108,983)	(22.2)	(234,371)	(422,499)	(44.5)
Gross profit	40,947	54,776	(25.2)	104,048	190,324	(45.3)
Other income	1,723	863	99.7	2,603	14,487	(82.0)
Distribution costs	(11,997)	(12,025)	(0.2)	(34,548)	(44,409)	(22.2)
Administrative expenses	(18,266)	(23,759)	(23.1)	(54,824)	(62,638)	(12.5)
Other operating expenses	(3,819)	(1,145)	233.5	(5,887)	(1,397)	321.4
Finance costs	(5,527)	(5,407)	2.2	(16,443)	(16,379)	0.4
Total operating expenses	(39,609)	(42,336)	(6.4)	(111,702)	(124,823)	(10.5)
Profit/(loss) before taxation	3,061	13,303	(77.0)	(5,051)	79,988	NM
Taxation	(234)	(1,050)	(77.7)	569	(11,918)	NM
Net profit/(loss) for the period	2,827	12,253	(76.9)	(4,482)	68,070	NM
Attributable to:						
Equity holders of the Company	768	7,362	(89.6)	(4,432)	55,961	NM
Non-controlling interests	2,059	4,891	(57.9)	(50)	12,109	NM
Net profit/(loss) for the period	2,827	12,253	(76.9)	(4,482)	68,070	NM

NM: Not Meaningful

Note:

1. See Paragraph 4 on the reclassification of comparative figures.

	Group (Third Quarter)			Group (Nine Months)		
	RMB'000		%	RMB'000		%
	3 months ended 31 Dec 2015 (Q3 FY2016)	3 months ended 31 Dec 2014 (Q3 FY2015)	Increase/ (Decrease)	9 months ended 31 Dec 2015 (9M FY2016)	9 months ended 31 Dec 2014 (9M FY2015)	Increase/ (Decrease)
Net profit/(loss) for the period	2,827	12,253	(76.9)	(4,482)	68,070	NM
Other comprehensive (expense)/income:						
Item that may be reclassified subsequently to profit of loss:						
Exchange translation difference	(542)	789	NM	1,548	(1,781)	NM
Other comprehensive (expense)/income of the period, net of tax	(542)	789	NM	1,548	(1,781)	NM
Total comprehensive income/(expense) for the period	2,285	13,042	(82.5)	(2,934)	66,289	NM
Total comprehensive income/(expense) attributable to:						
Equity holders of the Company	515	7,776	(93.4)	(3,467)	54,078	NM
Non-controlling interests	1,770	5,266	(66.4)	533	12,211	(95.6)
Total comprehensive income/(expense) for the period	2,285	13,042	(82.5)	(2,934)	66,289	NM

Notes to Group statement of profit or loss:

	Group (Third Quarter)			Group (Nine Months)		
	RMB'000		%	RMB'000		%
	3 months ended 31 Dec 2015 (Q3 FY2016)	3 months ended 31 Dec 2014 (Q3 FY2015)	Increase/ (Decrease)	9 months ended 31 Dec 2015 (9M FY2016)	9 months ended 31 Dec 2014 (9M FY2015)	Increase/ (Decrease)
		<i>Restated¹</i>			<i>Restated¹</i>	
Other income						
Amortisation of deferred capital grants	179	57	214.0	279	186	50.0
Gain on restructuring ²	-	-	-	-	12,058	(100.0)
Gain on disposal of property, plant and equipment	23	187	(87.7)	49	1,205	(95.9)
Interest income	277	309	(10.4)	563	476	18.3
Compensation income	839	-	NM	839	-	NM
Others	405	310	30.6	873	562	55.3
	1,723	863	99.7	2,603	14,487	(82.0)
Other operating expenses						
Allowance for impairment of trade receivables	1,999	-	NM	2,094	-	NM
Exchange loss/(gain)	1,267	338	274.9	1,884	(1,442)	NM
Bank charges	107	82	30.5	1,059	1,745	(39.3)
Loss on disposal of property, plant and equipment	-	-	-	-	18	(100.0)
Property, plant and equipment written off	-	2	(100.0)	1	5	(80.0)
Donations	-	-	-	400	200	100.0
Others	446	723	(38.3)	449	871	(48.5)
	3,819	1,145	233.5	5,887	1,397	321.4

NM: Not Meaningful

Notes to other profit or loss items

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

	Group (Third Quarter)			Group (Nine Months)		
	RMB'000		%	RMB'000		%
	3 months ended 31 Dec 2015 (Q3 FY2016)	3 months ended 31 Dec 2014 (Q3 FY2015)	Increase/ (Decrease)	9 months ended 31 Dec 2015 (9M FY2016)	9 months ended 31 Dec 2014 (9M FY2015)	Increase/ (Decrease)
Amortisation of intangibles assets	25	25	-	75	75	-
Depreciation of property, plant and equipment ³	12,945	12,087	7.1	37,207	33,933	9.6
Gain on disposal of property, plant and equipment, net ⁴	(23)	(187)	(87.7)	(49)	(1,187)	(95.9)
Interest expense	5,527	5,407	2.2	16,443	16,379	0.4
Operating lease rentals	2,422	1,846	31.2	6,552	6,210	5.5
Provision for inventory obsolescence	156	3,978	(96.1)	156	3,978	(96.1)

Note:

1. See Paragraph 4 on the reclassification of comparative figures.
2. See Paragraph 8 – Other income.
3. Increase mainly due to additions of machineries transferred from inventories for the use of rental income generation.
4. Decrease mainly due to fewer machinery disposed.

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	
	31 Dec 2015	31 Mar 2015	31 Dec 2015	31 Mar 2015
	RMB'000	RMB'000	RMB'000	RMB'000
ASSETS				
Non-current				
Property, plant and equipment	449,075	444,077	-	-
Intangible assets	175	250	-	-
Subsidiaries	-	-	344,362	314,988
Available-for-sale financial assets	79,467	79,467	79,467	79,467
Trade and other receivables	871	535	-	-
Deferred costs	11,269	3,790	-	-
Deferred tax assets	18,395	16,896	-	-
	<u>559,252</u>	<u>545,015</u>	<u>423,829</u>	<u>394,455</u>
Current				
Inventories	260,457	263,454	-	-
Trade and other receivables	306,306	393,256	38	175
Deferred costs	11,305	8,929	-	-
Amounts owing by subsidiaries	-	-	42,619	33,490
Amounts owing by related parties	84,885	81,285	-	-
Amount owing by a corporate shareholder of a subsidiary	398	195	-	-
Cash and cash equivalents	133,629	149,922	1,344	11,611
	<u>796,980</u>	<u>897,041</u>	<u>44,001</u>	<u>45,276</u>
TOTAL ASSETS	<u>1,356,232</u>	<u>1,442,056</u>	<u>467,830</u>	<u>439,731</u>
EQUITY				
Capital and Reserves				
Share capital	312,484	312,484	312,484	312,484
Reserves	248,761	268,535	147,227	112,749
Equity attributable to equity holders of the Company	<u>561,246</u>	<u>581,019</u>	<u>459,711</u>	<u>425,233</u>
Non-controlling interests	54,650	54,811	-	-
TOTAL EQUITY	<u>615,895</u>	<u>635,830</u>	<u>459,711</u>	<u>425,233</u>
LIABILITIES				
Non-current				
Borrowings	558	5,934	-	-
Deferred income	15,753	5,094	-	-
Deferred capital grants	10,518	9,242	-	-
Deferred tax liabilities	14,271	18,278	5,821	10,016
Trade and other payables	21,958	23,972	-	-
	<u>63,058</u>	<u>62,520</u>	<u>5,821</u>	<u>10,016</u>
Current				
Trade and other payables	275,615	352,475	2,045	4,402
Borrowings	340,195	332,920	-	-
Deferred income	16,832	12,066	-	-
Deferred capital grants	225	194	-	-
Amounts owing to/advance payments from related parties	16,360	19,475	80	80
Amounts owing to a corporate shareholder of a subsidiary	24,928	24,910	-	-
Current tax payable	3,124	1,666	173	-
	<u>677,279</u>	<u>743,706</u>	<u>2,298</u>	<u>4,482</u>
TOTAL EQUITY AND LIABILITIES	<u>1,356,232</u>	<u>1,442,056</u>	<u>467,830</u>	<u>439,731</u>

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

	As at 31 Dec 2015		As at 31 Mar 2015	
	Secured ⁽¹⁾	Unsecured ⁽²⁾	Secured ⁽¹⁾	Unsecured ⁽²⁾
	RMB'000	RMB'000	RMB'000	RMB'000
Amount repayable in one year or less, or on demand	340,195	18,355	332,920	18,355
Amount repayable after one year	558	-	5,934	-
	340,753	18,355	338,854	18,355

Details of any collaterals

Note (1): The secured loans include the following:

	31 Dec 2015	31 Mar 2015	Description
	RMB'000	RMB'000	
Bank borrowings			
a)	50,000	30,000	Granted to Fushun Yongmao Construction Machinery Co., Ltd. ("Fushun Yongmao"), guaranteed by Beijing Yongmao Jiangong Machinery Manufacturing Co., Ltd. ("Beijing Yongmao") and a director of the Company.
b)	-	50,000	Granted to Fushun Yongmao, guaranteed by Beijing Yongmao.
c)	30,000	30,000	Granted to Fushun Yongmao, guaranteed by the Company.
d)	-	20,000	Granted to Fushun Yongmao, guaranteed by Beijing Yongmao and certain directors of the Company.
e)	103,443	97,846	Granted to Fushun Yongmao, guaranteed by the Company and the irrevocable letter of guarantees issued by another bank. The letter of guarantees are guaranteed by Beijing Yongmao and certain directors of the Company and secured by fixed deposits.
f)	49,217	-	Granted to Fushun Yongmao, guaranteed by Beijing Yongmao and certain directors of the Company and secured by fixed deposits.
g)	6,887	11,845	Granted to Yongmao Machinery Pte. Ltd., guaranteed by the Company.
	239,547	239,691	
Short-term trade financing			
a)	5,980	8,700	Granted to Fushun Yongmao, guaranteed by certain directors of the Company.
b)	-	22,000	Granted to Fushun Yongmao, guaranteed by certain directors of the Company and secured by certain trade receivables.
c)	45,000	-	Granted to Fushun Yongmao, guaranteed by the Company, Beijing Yongmao and a director of the Company.
	50,980	30,700	
Finance lease obligations			
a)	1,011	1,653	In respect of motor vehicles and office equipment acquired under finance leases.
b)	49,215	66,810	In respect of towercranes acquired under finance leases granted to Yongmao Machinery (H.K.) Company Limited.
	50,226	68,463	
	340,753	338,854	

The above borrowings are for working capital purposes.

Note (2): The unsecured loans include the following:

RMB18.4 million (31 March 2015 – RMB18.4 million), which was interest-bearing, was from a corporate shareholder to Beijing Yongmao for the purpose of increasing the working capital of Beijing Yongmao. This is included as part of "Amounts owing to a corporate shareholder of a subsidiary" under current liabilities in the balance sheet.

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 (Third Quarter)		Group (Nine Months)	
	RMB'000		RMB'000	
	3 months ended 31 Dec 2015 (Q3 FY2016)	3 months ended 31 Dec 2014 (Q3 FY2015)	9 months ended 31 Dec 2015 (9M FY2016)	9 months ended 31 Dec 2014 (9M FY2015)
Cash flows from operating activities				
Profit/(loss) before taxation	3,061	13,303	(5,051)	79,988
Adjustments for:				
Unrealised profits from sale of towercranes and towercrane accessories to associated companies	-	-	-	(14,452)
Amortisation of deferred capital grants	(179)	(57)	(279)	(186)
Amortisation of intangible assets	25	25	75	75
Depreciation of property, plant and equipment	12,945	12,087	37,207	33,933
Gain on disposal of property, plant and equipment	(23)	(187)	(49)	(1,187)
Gain on restructuring	-	-	-	(12,058)
Property, plant and equipment written off	-	2	1	5
Provision for inventories obsolescence	156	3,978	156	3,978
Interest expense	5,527	5,407	16,443	16,379
Interest income	(277)	(309)	(563)	(476)
Exchange translation difference	2,122	(203)	5,764	(923)
Operating profit before working capital changes	23,357	34,046	53,704	105,076
(Increase)/decrease in inventories ¹	(8,221)	10,482	(27,667)	2,657
Decrease/(increase) in deferred costs	5,732	4,268	(9,855)	17,018
Decrease/(increase) in operating receivables	32,509	60,486	82,594	50,425
Decrease in operating payables	(22,512)	(30,230)	(84,070)	(81,748)
(Increase)/decrease in deferred income	(7,767)	(6,170)	15,425	(23,962)
Cash generated from operations	23,098	72,882	30,131	69,466
Interest paid	(6,120)	(6,419)	(16,805)	(16,424)
Tax paid	39	(3,272)	(2,118)	(10,644)
Net cash generated from operating activities	17,017	63,191	11,208	42,398
Cash flows from investing activities				
Acquisition of property, plant and equipment	(1,097)	(3,613)	(9,035)	(23,326)
Proceeds from disposal of property, plant and equipment	23	210	239	1,823
Proceeds from government grants	-	-	1,586	8,068
Receipt from corporate shareholder of a subsidiary	-	827	-	827
Interest received	277	309	563	476
Net cash used in investing activities	(797)	(2,267)	(6,647)	(12,132)
Cash flows from financing activities				
Proceeds from borrowings	55,006	67,132	266,649	290,007
Repayment of borrowings	(106,706)	(103,800)	(250,832)	(389,669)
Repayment of finance lease liabilities	(6,444)	(5,228)	(20,818)	(13,611)
Restricted bank balances	21,944	(3,555)	16,935	17,752
Receipt from related parties	-	6,500	-	5,267
Dividends paid to non-controlling interests	-	-	-	(409)
Dividends paid to equity holders of the Company	-	-	(16,307)	(11,017)
Net cash used in financing activities	(36,200)	(38,951)	(4,373)	(101,680)
Net (decrease)/increase in cash and cash equivalents	(19,980)	21,973	188	(71,414)
Cash and cash equivalents at beginning of period	78,840	44,661	58,383	138,253
Exchange adjustments	165	50	454	(155)
Cash and cash equivalents at end of period	59,025	66,684	59,025	66,684

Note:

1. Included in (increase)/decrease in inventories for Q3 FY2016 of RMB15.8 million (Q3 FY2015 : RMB3.9 million) and 9M FY2016 of RMB33.9 million (9M FY2015 : RMB18.6 million) respectively, were towercranes and towercrane components and accessories that were self-constructed which were held for rental purposes and have been presented under operating activities in accordance with FRS 7.

	Group	
	RMB'000 31 Dec 2015	RMB'000 31 Dec 2014
Analysis of cash and cash equivalents		
Cash on hand	156	181
Bank balances	133,473	141,621
	133,629	141,802
Restricted bank balances	(74,604)	(75,118)
	59,025	66,684

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	Fair value reserve	Retained profits	Exchange fluctuation reserve	Total attributable to equity holders of the Company	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Current year:									
Balance as at 1 Apr 2015	312,484	(26,769)	58,332	792	236,140	40	581,019	54,811	635,830
Total comprehensive (expense)/income for the period	-	-	-	-	(5,200)	1,218	(3,982)	(1,237)	(5,219)
Transfer to statutory common reserve	-	-	(674)	-	674	-	-	-	-
Dividends	-	-	-	-	(16,307)	-	(16,307)	(694)	(17,001)
Balance as at 30 Sep 2015	312,484	(26,769)	57,658	792	215,307	1,258	560,730	52,880	613,610
Total comprehensive income/(expense) for the period	-	-	-	-	768	(253)	515	1,770	2,285
Transfer to statutory common reserve	-	-	863	-	(863)	-	-	-	-
Balance as at 31 Dec 2015	312,484	(26,769)	58,521	792	215,212	1,005	561,245	54,650	615,895

Group	Share capital	Merger reserve	Statutory common reserve	Fair value reserve	Retained profits	Exchange fluctuation reserve	Total		Total equity
							attributable to equity holders of the Company	Non-controlling interests	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Current year:									
Balance as at 1 Apr 2014	312,484	(26,769)	55,428	-	187,211	2,194	530,548	39,801	570,349
Total comprehensive income/(expense) for the period	-	-	-	-	48,599	(2,297)	46,302	6,945	53,247
Transfer to statutory common reserve	-	-	4,781	-	(4,781)	-	-	-	-
Dividends	-	-	-	-	(11,017)	-	(11,017)	-	(11,017)
Balance as at 30 Sep 2014	312,484	(26,769)	60,209	-	220,012	(103)	565,833	46,746	612,579
Total comprehensive income/(expense) for the period	-	-	-	-	7,362	414	7,776	5,266	13,042
Transfer to statutory common reserve	-	-	(1,536)	-	1,536	-	-	-	-
Balance as at 31 Dec 2014	312,484	(26,769)	58,673	-	228,910	311	573,609	52,012	625,621

Company	Share capital	Fair value reserve	Retained profits	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000
Current year:				
Balance as at 1 Apr 2015	312,484	792	111,957	425,233
Total comprehensive income for the period	-	-	50,535	50,535
Dividends	-	-	(16,307)	(16,307)
Balance as at 30 Sep 2015	312,484	792	146,185	459,461
Total comprehensive income for the period	-	-	250	250
Balance as at 31 Dec 2015	312,484	792	146,435	459,711

Company	Share capital	Fair value reserve	Retained profits	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000
Previous year:				
Balance as at 1 Apr 2014	312,484	-	97,406	409,890
Total comprehensive income for the period	-	-	11,720	11,720
Dividends	-	-	(11,017)	(11,017)
Balance as at 30 Sep 2014	312,484	-	98,109	410,593
Total comprehensive income for the period	-	-	(2,468)	(2,468)
Balance as at 31 Dec 2014	312,484	-	95,641	408,125

- 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.**

On 23 November 2015, the Company completed a share consolidation exercise to consolidate every five (5) existing ordinary shares in the capital of the Company held by the shareholders into one (1) consolidated share. The issued share capital of the Company now comprises 88,749,997 consolidated shares, after disregarding any fractions of consolidated shares arising from the share consolidation exercise.

There was no change 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 in Q3 FY2016 or Q3 FY2015.

There was no outstanding convertible or treasury share as at 31 December 2015 (31 December 2014 – Nil).

- 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.**

	31 December 2015	31 March 2015
Total number of issued shares (excluding treasury shares)	88,749,997	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.**

There was no sale, transfer, disposal, cancellation and/or use of treasury shares as at 31 December 2015 (31 December 2014 – Nil).

- 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 2015 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 2015.

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.

The refund of compensation income in Q3 FY2015 recognised under "other income" previously has been reclassified to "other operating expenses" in the Group statement of profit or loss to conform with Q3 FY2016 presentation:

	Group (Third Quarter)		Group (Nine Months)	
	RMB'000	RMB'000	RMB'000	RMB'000
	3 months ended	3 months ended	9 months ended	9 months ended
	31 Dec 2014	31 Dec 2014	31 Dec 2014	31 Dec 2014
	(Q3 FY2015)	(Q3 FY2015)	(9M FY2015)	(9M FY2015)
	<i>Restated</i>	<i>Reported</i>	<i>Restated</i>	<i>Reported</i>
Other income	863	179	14,487	13,803
Other operating expenses	1,145	461	1,397	713

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 Paragraph 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 (Third Quarter)		Group (Nine Months)	
	RMB'000		RMB'000	
	3 months ended	3 months ended	9 months ended	9 months ended
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
	(Q3 FY2016)	(Q3 FY2015)	(9M FY2016)	(9M FY2015)
		<i>Restated</i>	<i>Restated</i>	<i>Restated</i>
Earnings/(loss) of the Group, after deducting any provision for preference dividends (in RMB'000):	768	7,362	(4,432)	55,961
Weighted average no. of shares used in computation of basic earning per shares	88,749,997	88,749,997	88,749,997	88,749,997
Earnings/(loss) per share (in cents RMB)				
(a) Based on weighted average number of ordinary shares on issue	0.87	8.30	(4.99)	63.05
(b) On a fully diluted basis	0.87	8.30	(4.99)	63.05

Earnings per ordinary share on existing issued share capital is computed based on the weighted average number of shares in issue of 88,749,997 (after share consolidation exercise) for both periods.

There is no difference between the basic and diluted earnings per share

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	
	31 Dec 2015	31 Mar 2015	31 Dec 2015	31 Mar 2015
		<i>Restated</i>		<i>Restated</i>
Net asset value per ordinary share (RMB cents)	632.39	654.67	517.98	479.14

The Group and the Company's net assets value per ordinary share for the periods have been computed based on the revised number of shares of 88,749,997 (after share consolidation exercise).

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

Third Quarter FY2016 ("Q3 FY2016") vs Third Quarter FY2015 ("Q3 FY2015")

Revenue

Group revenue decreased 23.2% to RMB125.7 million in Q3 FY2016 as compared to RMB163.8 million in Q3 FY2015. Sales in the PRC decreased by 26.6% as a result of the on-going property slump as well as the general slowdown in investment growth in the PRC. Sales in Asia (outside the PRC) decreased by 34.7% mainly due to decrease in rental revenue contribution following the completion of various casino projects in Macau. Sales in Europe and Middle East slightly increased by RMB6.6m in Q3 FY2016 as compared to Q3 FY2015.

PRC sales and Asia (outside the PRC) sales still formed the majority of the group revenue with 41.0% and 38.9% for Q3 FY2016 respectively.

Gross profit and gross profit margin

Gross profit decreased 25.2% to RMB40.9 million in Q3 FY2016 from RMB54.8 million in Q3 FY2015. The decrease was due to lower revenue in Q3 FY2016.

Average gross profit margin slightly decreased to 32.6% in Q3 FY2016 from 33.4% in Q3 FY2015. The decrease was attributable to lower rental income which generates higher gross margin, offset by higher margin generated from luffing series towercranes.

Other income

Other income increased to RMB1.7 million in Q3 FY2016 as compared to RMB0.9 million in Q3 FY2015 was mainly contributed from compensation income received from a customer and insurance claimed over a damaged towercrane.

Operating expenses

Total operating expenses decreased 6.4% to RMB39.6 million in Q3 FY2016 as compared to RMB42.3 million in Q3 FY2015.

Distribution costs remained at RMB12.0 million in Q3 FY2016 as compared to Q3 FY2015 with higher freight and transportation charges as well as higher sales service expenses, offset by lower staff cost resulted from lower number of employee and lower bonus accruals. Freight and transportation charges has increased resulted from more delivery of bigger unit towercranes during the period.

Administrative expenses decreased 23.1% to RMB18.3 million in Q3 FY2016 as compared to RMB23.8 million in Q3 FY2015 largely due to higher entertainment and transportation expenses incurred in participation in the bi-annual Bauma China 2014 exhibition in Q3 FY2015. Professional fee, staff cost and office related expense are also lower in Q3 FY2016 as compared to Q3 FY2015.

Other operating expenses increased to RMB3.8 million in Q3 FY2016 as compared to RMB1.1 million in Q3 FY2016. This was mainly due to provision for doubtful debts and higher exchange loss.

The higher exchange loss arose mainly from:

- a) the weakening of Chinese Yuan ("RMB") against United States Dollars ("USD") due to net USD liabilities reported in the Group: offset by
- b) the strengthening of Singapore Dollars ("SGD") against RMB due to net SGD assets reported in the Group.

Finance costs increased 2.2% to RMB5.5 million in Q3 FY2016 as compared to RMB5.4 million in Q3 FY2015 mainly due to higher average borrowings, offset by lower effective interest rate.

Taxation

Income tax expense of RMB0.2 million was mainly due to tax on operating profit of our wholly owned subsidiary, Fushun Yongmao.

Profit/(loss) before taxation and Net profit/(loss) attributable to equity holders of the Company

Profit before taxation decreased 77.0% to RMB3.1 million in Q3 FY2016 from RMB13.3 million in Q3 FY2015 mainly due to lower revenue resulting in lower gross profit for the financial period, partly offset by lower operating expenses.

Net profit attributable to equity holders of the Company decreased 89.6% to RMB0.8 million in Q3 FY2016 from RMB7.4 million in Q3 FY2015 mainly due to lower profit before taxation as explained above and lower profit attributable to non-controlling interests.

Nine Months FY2016 (“9M FY2016”) vs Nine Months FY2015 (“9M FY2015”)

Revenue

Group revenue decreased 44.8% to RMB338.4 million in 9M FY2016, as compared to RMB612.8 million in 9M FY2015. Market demand decreased in Asia including the PRC, in particular to PRC market where sales decreased by 71.2% as a result of weaker domestic demand arising from sluggish PRC market conditions contributed in part by the on-going property slump and general slowdown in investment growth. The decline in PRC sales was also partly due to deferred sales of RMB31.2 million in Q1 FY2016 which will only be recognised over three to four years (see Note on deferred income under “Current Liabilities”). Asia (outside the PRC) sales also decreased by 23.8% as the rental revenue contribution from Macau operations was lower following the completion of various casino projects.

Following the decline in the PRC sales, Asia (outside the PRC) formed bulk of the sales at 48.3% in 9M FY2016 as compared to 35.0% in 9M FY2015.

Our products demand in Europe and Middle East slightly decrease by 2.6%.

Gross profit and gross profit margin

Gross profit decreased 45.3% to RMB104.0 million in 9M FY2016 from RMB190.3 million in 9M FY2015 in line with the decrease in revenue. In addition, the decrease in gross profit was due to accounting recognition of unrealised profits of RMB14.5 million in Q1 FY2015 from previous sale of towercranes and towercrane accessories to associated companies. This was realised upon disposal of the associated companies in accordance with FRS 28 - Investments in Associates and Joint Ventures (see also Paragraph 8 – Other income below).

Average gross profit margin decreased slightly to 30.7% in 9M FY2016 from 31.1% in 9M FY2015. The decrease was attributable to lower rental income which generates higher gross margin, partly offset by changes in product mixed with higher percentage sales reported for Luffing series towercranes which generates higher profit margin.

Other income

Other income decreased to RMB2.6 million in 9M FY2016 as compared to RMB14.5 million in 9M FY2015. The decrease was mainly due to one-time gain on restructuring of RMB12.1 million which was recognised in Q1 FY2015 upon the completion of the Restructuring with Tat Hong Holdings Ltd per our announcement dated 30 April 2014. The decrease was offset by compensation income received from a customer, insurance claimed over a damaged towercrane and government grant obtained.

Operating expenses

Total operating expenses decreased 10.5% to RMB111.7 million in 9M FY2016 as compared to RMB124.8 million in 9M FY2015.

Distribution costs decreased 22.2% to RMB34.5 million in 9M FY2016 as compared to RMB44.4 million in 9M FY2015. This is mainly due to lower freight and transportation charges as a result of lower sales, lower entertainment cost and lower staff cost resulted from lower number of employee and lower bonus accruals. The above is partly offset by higher sales service expenses.

Administrative expenses decreased 12.5% to RMB54.8 million in 9M FY2016 as compared to RMB62.6 million in 9M FY2015 largely due to higher entertainment and transportation expenses incurred in participation in the bi-annual Bauma China 2014 exhibition in Q3 FY2015. The decrease is further explained by slower staff resulted from lower number of staffs and lower bonus accruals and lower office related expense.

Other operating expenses increased to RMB5.9 million in 9M FY2016 from RMB1.4 million reported in 9M FY2015. This was mainly due provision for doubtful debts and higher exchange loss, partly offset by lower bank charges. The higher exchange loss arose mainly from the weakening of Chinese Yuan (“RMB”) against United States Dollars (“USD”) due to net USD liabilities reported in the Group.

Finance costs slightly increased by 0.4% to RMB16.4 million in 9M FY2016 with higher average borrowings, offset by lower effective interest rate.

Taxation

The credit balance in income tax expense of RMB0.6 million was in line with the net loss for the financial period.

Profit/(loss) before taxation and Net profit/(loss) attributable to equity holders of the Company

The Group reported loss before taxation of RMB5.1 million in 9M FY2016 as compared to profit before tax of RMB80.0 million in 9M FY2015 was mainly due to significant drop in revenue, and one time gain on restructuring of RMB12.1 million which was recognised in Q1 FY2015 upon the completion of the Restructuring with Tat Hong Holdings Ltd, partly offset by lower operating expenses.

Net loss attributable to equity holders of the Company recorded at RMB4.4 million in 9M FY2016 as compared to net profit attributable to equity holders of the Company of RMB56.0 million in 9M FY2015 was mainly due to loss before taxation as explained above, partly offset by losses in our subsidiary, Beijing Yongmao, attributable to non-controlling interests and a credit balance in income tax expense.

REVIEW OF FINANCIAL POSITION OF THE GROUP

Non-current Assets

Non-current assets increased by RMB14.2 million to RMB559.3 million as at 31 December 2015 mainly due to higher deferred costs and additions in property, plant and equipment, partly offset by depreciation 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 deferred income, provisions and elimination of unrealised profits in intragroup sales.

Current Assets

Current assets decreased by RMB100.1 million to RMB797.0 million as at 31 December 2015 mainly due lower trade and other receivables, and cash and cash equivalents (see Note on Review on Cash Flow Statement below).

Trade and other receivables decreased by RMB87.0 million mainly due to decrease in trade receivables in line with lower sales and repayment from customer. Certain repayments was made by mean of hire purchase arrangement with financial institution resulted higher deferred income reported during the financial period in accordance with the Group's revenue recognition policy (See Note on deferred income below).

Inventories decreased by RMB3.0 million due to lower purchase during the period.

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 RMB0.5 million to RMB63.1 million as at 31 December 2015 mainly due to higher deferred income (See Note on deferred income below), partly offset by lower deferred tax liabilities.

Current Liabilities

Current liabilities decreased by RMB66.4 million to RMB677.3 million as at 31 December 2015 mainly due to repayment to trade and other payables and related parties, partly offset by higher borrowings and deferred income.

Deferred income included RMB32.6 million of revenue deferred due to uncertainty in the timing of the consideration for the delivery of goods made to the customer. Owing to the uncertainty, the amount of the unpaid sum owed by the customer to the financial institution is deferred and recognised as revenue when the uncertainty is removed. The deferred costs, as mentioned 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. The increase in deferred income, from RMB17.2 million as at 31 March 2015, was mainly due to the increase in such deferred sales partly offset by repayment by customers to financial institutions.

Trade and other payables decreased by RMB76.9 million mainly due to lower trade and bills payables in line with lower purchases.

Total Equity

As at 31 December 2015, the Group's total equity amounted to RMB615.9 million. The decrease was mainly due to dividend paid and the loss incurred for 9M FY2016.

REVIEW OF CASH FLOW STATEMENT

Q3 FY2016 vs Q3 FY2015

The Group reported a net decrease in cash and cash equivalents amounting to RMB20.0 million in Q3 FY2016 mainly due to:

- a) Net cash generated from operating activities in Q3 FY2016 of RMB17.0 million resulted mainly from operating profit before working capital changes, net collection from operating receivables, partly offset by net repayment to operating payables;
- b) Net cash used in investing activities of RMB0.8 million mainly from purchases of machinery, partly offset by interest received; and
- c) Net cash used in financing activities of RMB36.2 million mainly from net repayment of bank borrowings and finance lease creditors, offset by lower restricted bank balances.

9M FY2016 vs 9M FY2015

The Group reported a marginal net increase in cash and cash equivalents amounting to RMB0.2 million in 9M FY2016 mainly due to:

- a) Net cash generated from operating activities in 9M FY2016 of RMB11.2 million mainly from operating profit before working capital changes, net collections from operating receivables and decrease in deferred income, offset by net repayment to operating payables and increase in deferred cost;
- b) Net cash used in investing activities of RMB6.6 million from purchases of machinery and payment for land use rights in the PRC, Fushun City, partly offset by grants obtained from government and interest received; and
- c) Net cash used in financing activities of RMB4.4 million mainly from payment to finance lease creditors and
- d) dividend paid in Q2 2016. This was partly offset by net borrowings obtained and lower restricted bank balances.

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

The Group's results were in line with previous announcements made.

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 PRC economy slowed to a GDP growth of 6.8 percent in the fourth quarter of calendar year 2015 contributed in part by the on-going property slump and general slowdown in investment growth.

With China rebalancing its economy from an investment-driven growth to a consumption-based growth, the investment slowdown has affected key pillars of the economy such as the property and construction market. This has impacted the domestic demand for construction equipment including towercranes in the PRC.

Demand for towercranes in other overseas markets is mixed with markets such as Taiwan and Australia likely to see increase in construction activities whereas markets like Singapore and Macau remain challenging.

In light of the present weaker China economy and less than favorable global market conditions, the Group views that the overall business environment for the next 12 months will remain challenging. Results of the Group for the full financial year will be substantially lower than the previous financial year with a risk of incurring a loss for the full financial year.

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 Q3 FY2016.

(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 Q3 FY2015.

(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) 9 months ended 31 Dec 2015 (9M FY2016) RMB'000	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) 9 months ended 31 Dec 2015 (9M FY2016) RMB'000
Sales to related parties		
China Nuclear Huaxing Tat Hong Machinery Construction Co., Ltd. (中核华兴达丰机械租赁有限公司)	-	1,465
Jiangsu Hengxingmao Financial Leasing Co., Ltd. (江苏恒兴茂融资租赁有限公司)	-	20,107
Beijing Tat Hong Zhaomao Equipment Rental Co., Ltd. (北京达丰兆茂机械租赁有限公司)	-	678
Beijing Weiteng Special Purpose Auto Co., Ltd. (北京威腾专用汽车有限责任公司)	1,781	-
Purchases from related parties		
Beijing Weiteng Special Purpose Auto Co., Ltd. (北京威腾专用汽车有限责任公司)	-	2,167
Rental charged by a director	608	-

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.

Revenue information based on geographical location of customers is as follows:

Revenue	Middle East & Others RMB'000	Asia (outside the PRC) RMB'000	USA & Europe RMB'000	PRC RMB'000	Consolidated RMB'000
FY2016					
Q3	16,172	48,894	9,121	51,542	125,729
9M	51,438	163,438	34,290	89,253	338,419
FY2015					
Q3	12,213	74,823	6,500	70,223	163,759
9M	53,276	214,406	34,707	310,434	612,823

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:-

Not applicable.

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.

19. Confirmation of Undertakings of Directors and Executive Officers Pursuant to Rule 720(1) of the Listing Manual

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual.

20. Negative Assurance Confirmation on Third Quarter Financial Results 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 interim unaudited financial statements for the nine months ended 31 December 2015 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
5 February 2016