景瑞控股
JINGRUI HOLDINGS

JINGRUI HOLDINGS LIMITED
景瑞控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01862)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

ANNUAL RESULTS HIGHLIGHTS

- Contracted sales for the year ended 31 December 2015 was approximately RMB8.70 billion
- Revenue for the year ended 31 December 2015 was RMB5.76 billion, representing an increase of 9.2% as compared to last year
- For the year ended 31 December 2015, the Group recorded a loss of RMB289 million
- The Board has resolved not to declare any final dividend for the year ended 31 December 2015
- Total assets as of 31 December 2015 was RMB29.42 billion, representing an increase of 11.5% as compared to that of 31 December 2014
- The land bank of the Group as at 31 December 2015 was approximately 4,041,116 sq.m.

The board (the "**Board**") of directors (the "**Directors**") of Jingrui Holdings Limited (the "**Company**") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "**Group**") for the year ended 31 December 2015 (the "**Year**") together with the comparative figures for the year ended 31 December 2014 as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2015

	Note	Year ended 31 December 2015 RMB'000	2014 RMB'000
Revenue	3	**5,759,116**	5,272,953
Cost of sales	4	**(5,585,933)**	(4,308,600)
Gross profit		**173,183**	964,353
Fair value gains on investment properties		**203,255**	71,790
Selling and marketing costs	4	**(230,734)**	(221,132)
Administrative expenses	4	**(269,074)**	(241,630)
Other income		**89,338**	11,665
Other losses – net		**(52,706)**	(29,121)
Operating (loss)/profit		**(86,738)**	555,925
Finance income	5	**38,487**	23,244
Finance costs	5	**(95,841)**	(11,194)
Finance (costs)/income – net		**(57,354)**	12,050
Share of results of joint ventures		**4,833**	(12,807)
(Loss)/profit before income tax		**(139,259)**	555,168
Income tax expense	6	**(150,049)**	(275,651)
(Loss)/profit for the year		**(289,308)**	279,517
Attributable to:			
Equity holders of the Company		**(352,696)**	273,962
Holders of perpetual capital instruments		**50,136**	1,350
Non-controlling interests		**13,252**	4,205
		(289,308)	279,517
(Loss)/earnings per share for (loss)/profit attributable to equity holders of the Company			
– Basic and diluted	7	**(RMB0.27)**	RMB0.22

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2015

	Year ended 31 December	
	2015	2014
	RMB'000	*RMB'000*
(Loss)/profit for the year	**(289,308)**	279,517
Other comprehensive income that may be reclassified subsequently to profit or loss		
Changes in fair value of available-for-sale financial assets	**2,469**	–
Total comprehensive (loss)/income for the year	**(286,839)**	279,517
Attributable to:		
Equity holders of the Company	**(350,227)**	273,962
Holders of perpetual capital instruments	**50,136**	1,350
Non-controlling interests	**13,252**	4,205
	(286,839)	279,517

CONSOLIDATED BALANCE SHEET

As at 31 December 2015

	Note	As at 31 December **2015** *RMB'000*	2014 *RMB'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**24,999**	20,742
Investment properties		**1,536,941**	775,000
Intangible assets		**4,478**	2,816
Investments in joint ventures		**541,651**	539,633
Deferred income tax assets		**335,932**	252,599
Available-for-sale financial assets		**69,400**	10,000
		2,513,401	1,600,790
Current assets			
Prepayments for leasehold land		**–**	552,500
Properties held or under development for sale		**21,677,299**	18,585,634
Trade and other receivables and prepayments	9	**1,239,500**	1,050,409
Prepaid income taxes		**311,058**	212,884
Restricted cash		**2,080,049**	2,022,947
Cash and cash equivalents		**1,603,064**	2,358,015
Non-current assets held-for-sale		**–**	20,941
		26,910,970	24,803,330
Total assets		**29,424,371**	26,404,120
OWNERS' EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital: nominal value		**79,361**	79,361
Reserves		**3,301,866**	3,610,671
		3,381,227	3,690,032
Perpetual capital instruments		**512,111**	551,350
Non-controlling interests		**933,877**	517,629
Total equity		**4,827,215**	4,759,011

	Note	As at 31 December 2015 RMB'000	2014 RMB'000
LIABILITIES			
Non-current liabilities			
Borrowings		**4,523,165**	4,560,244
Deferred income tax liabilities		**422,305**	208,643
Trust loans related derivatives		**–**	3,788
		4,945,470	4,772,675
Current liabilities			
Trade and other payables	*10*	**3,500,671**	2,996,615
Amounts due to non-controlling interests of subsidiaries		**118,726**	340,093
Current portion of long-term payables		**–**	316,596
Advances from pre-sale of properties		**9,777,283**	7,747,856
Current income tax liabilities		**434,006**	389,406
Borrowings		**5,812,994**	5,058,326
Current portion of trust loans related derivatives		**8,006**	23,542
		19,651,686	16,872,434
Total liabilities		**24,597,156**	21,645,109
Total equity and liabilities		**29,424,371**	26,404,120

NOTES:

1 GENERAL INFORMATION

Jingrui Holdings Limited (the "**Company**") was incorporated in the Cayman Islands on 7 March 2013 as an exempted company with limited liability under the Companies Law Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is 190 Elgin Avenue, George Town, Grand Cayman KY1-9005, Cayman Islands.

The Company is an investment holding company and its subsidiaries (together with the Company, referred to as "**the Group**") are principally engaged in property development business in the People's Republic of China (the "**PRC**").

The Company's shares began to list on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 31 October 2013.

These consolidated financial information are presented in thousands of Renminbi ("**RMB'000**"), unless otherwise stated.

2 BASIS OF PREPARATION

The consolidated financial information is extracted from the Company's consolidated financial statements for the year ended 31 December 2015 which have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and under the historical cost convention, as modified by the revaluation of derivative instruments, investment properties and available-for-sale financial assets, which are carried at fair value.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

New amendments of HKFRSs adopted by the Group in 2015

The following new amendments to existing standards of HKFRSs have been adopted by the Group for the first time for its financial year beginning on 1 January 2015 and are relevant to the Group's operations.

- Amendment to HKAS 19 "Defined Benefit Plans: Employee Contributions";
- Amendments from annual improvements 2010-2012 cycle, affecting the following 4 standards: HKFRS 8 "Operating Segments", HKAS 16 "Property, Plant and Equipment", HKAS 24 "Related Party Disclosures" and HKAS 38 "Intangible Assets";
- Amendments from annual improvements 2011-2013 cycle, affecting the following 3 standards: HKFRS 3 "Business Combinations'', HKFRS 13 "Fair Value Measurement" and HKAS 40 "Investment Property''.

The adoption of the above new amendments starting from 1 January 2015 did not give rise to any significant impact on the Group's results of operations and financial position for the year ended 31 December 2015.

New Hong Kong Companies Ordinance (Cap. 622)

In addition, the requirements of Part 9 "Accounts and Audit" of the new Hong Kong Companies Ordinance (Cap. 622) came into operation during the financial year, and as a result, there are changes to presentation and disclosures of certain information in the consolidated financial statements.

Certain new standards and amendments of HKFRSs have been published but are not yet effective for annual period beginning on 1 January 2015 and have not been adopted by the Group. The management of the Company is in the process of assessing the impact of these new standards and amendments on the financial statements of the Group. The adoption of these new standards and amendments when they become effective is currently not expected to have a material impact on the financial statements of the Group, except for the new financial reporting standard HKFRS 15 "Revenue from Contracts with Customers" (effective for annual periods beginning on or after 1 January 2018) which the Group is not yet in a position to make any assessment.

3 REVENUE AND SEGMENT INFORMATION

Management has determined the operating segments based on the information reviewed by the chief operating decision-maker (the "**CODM**") for the purposes of allocating resources and assessing performance.

The Group manages its business by two operating segments based on their products and services, which is consistent with the way in which information is reported internally to the Group's CODM for the purpose of resources allocation and performance assessment:

- Property development segment engages in real estate development in the PRC; and
- Property investment and management segment invests in properties for their rental income potential and/or for capital appreciation, and provides management and security services to residential and commercial properties in the PRC.

The CODM assesses the performance of the operating segments based on a measure of revenue and profit before income tax. The measurement basis excludes the effects of income tax expense.

(a) Revenue

Revenue of the Group consists of the following:

	Year ended 31 December	
	2015	2014
	RMB'000	*RMB'000*
Revenue from sales of properties	**5,608,426**	5,183,382
Revenue from property management	**96,538**	74,640
Rental income	**8,561**	6,004
Others	**45,591**	8,927
	5,759,116	5,272,953

(b) Segment information

	Year ended 31 December 2015				
	Property development *RMB'000*	**Property investment and management** *RMB'000*	**Total segment** *RMB'000*	**Elimination** *RMB'000*	**Total Group** *RMB'000*
Segment revenue	**5,608,426**	**295,329**	**5,903,755**	**(144,639)**	**5,759,116**
Segment loss before income tax expense	**(94,300)**	**(21,264)**	**(115,564)**	**(23,695)**	**(139,259)**
Finance income	**32,844**	**5,643**	**38,487**	**–**	**38,487**
Finance costs	**(94,944)**	**(897)**	**(95,841)**	**–**	**(95,841)**
Share of results of joint ventures	**4,833**	**–**	**4,833**	**–**	**4,833**
Depreciation and amortisation	**(8,401)**	**(2,985)**	**(11,386)**	**–**	**(11,386)**

A reconciliation to loss for the year is as follows:

Total segment losses before income tax expense	**(139,259)**
Income tax expense	**(150,049)**
Loss for the year	**(289,308)**

	As at 31 December 2015				
Segment assets	**32,633,094**	**2,751,454**	**35,384,548**	**(5,960,177)**	**29,424,371**
Segment assets include:					
Investments in joint ventures	**541,651**	**–**	**541,651**	**–**	**541,651**
Additions to non-current assets (other than financial instruments and deferred income tax assets)	**4,717**	**775,007**	**779,724**	**–**	**779,724**
Segment liabilities	**29,847,106**	**1,020,704**	**30,867,810**	**(6,270,654)**	**24,597,156**

	Year ended 31 December 2014				
	Property development *RMB'000*	Property investment and management *RMB'000*	Total segment *RMB'000*	Elimination *RMB'000*	Total Group *RMB'000*
Segment revenue	5,183,382	294,683	5,478,065	(205,112)	5,272,953
Segment profit before income tax expense	518,725	55,285	574,010	(18,842)	555,168
Finance income	21,118	2,126	23,244	–	23,244
Finance costs	(10,889)	(305)	(11,194)	–	(11,194)
Share of results of joint ventures	(12,807)	–	(12,807)	–	(12,807)
Depreciation and amortisation	(8,143)	(2,487)	(10,630)	–	(10,630)

A reconciliation to profit for the year is as follows:

Total segment profits before income tax expense	555,168
Income tax expense	(275,651)
Profit for the year	279,517

	As at 31 December 2014				
Segment assets	30,230,324	4,982,505	35,212,829	(8,808,709)	26,404,120
Segment assets include:					
Investments in joint ventures	539,633	–	539,633	–	539,633
Additions to non-current assets (other than financial instruments and deferred income tax assets)	6,542	144,786	151,328	–	151,328
Segment liabilities	25,713,756	4,788,230	30,501,986	(8,856,877)	21,645,109

4 EXPENSES BY NATURE

Expenses included in cost of sales, selling and marketing costs and administrative expenses are analysed as follows:

	Year ended 31 December	
	2015	2014
	RMB'000	*RMB'000*
Cost of properties sold	**4,885,277**	3,795,124
Business tax and surcharges (a)	**326,134**	302,379
Accrual of provision for impairment of properties held or under development for sale	**255,300**	101,575
Depreciation of property, plant and equipment	**10,282**	10,195
Amortisation of intangible assets	**1,104**	435
Bank charges	**13,488**	8,065
Staff costs	**269,433**	235,106
Entertainment expenses	**11,240**	9,495
Stamp duty and other taxes	**17,945**	15,853
Professional fees	**45,216**	31,041
Auditors' remuneration		
– annual audit and interim review	**3,580**	3,580
– non-audit services	**781**	2,090
Sales commission	**11,106**	10,406
Advertising and publicity costs	**96,371**	120,761
Office and meeting expenses	**20,889**	18,798
Rental expenses	**14,421**	14,969
Travelling expenses	**12,274**	10,413
(Reversal)/accrual of provision for impairment of receivables	**(2,645)**	3,533
Other expenses	**93,545**	77,544
Total cost of sales, selling and marketing costs and administrative expenses	**6,085,741**	4,771,362

Note:

(a) The PRC companies of the Group are subject to business tax and surcharges. Business tax is levied at 5% of revenue from sale of properties and rental income, while surcharges are 4% to 12% of business tax.

5 FINANCE (COSTS)/INCOME – NET

	Year ended 31 December	
	2015	2014
	RMB'000	*RMB'000*
Finance income		
– Interest income on bank deposits	**38,487**	23,244
Finance costs		
– Interest on bank loans, senior notes and trust financing arrangements	**(982,733)**	(939,475)
– Net foreign exchange losses on financing activities	**(76,681)**	–
– Less: Amount capitalised	**963,573**	928,281
	(95,841)	(11,194)
Net finance (costs)/income	**(57,354)**	12,050

6 INCOME TAX EXPENSE

	Year ended 31 December	
	2015	2014
	RMB'000	*RMB'000*
Current income tax		
– PRC land appreciation tax	**74,308**	135,893
– PRC corporate income tax	**70,205**	174,496
	144,513	310,389
Deferred income tax	**5,536**	(34,738)
Total income tax charged for the year	**150,049**	275,651

PRC corporate income tax

Under the Corporate Income Tax Law of the PRC (the "**CIT Law**"), the CIT rate applicable to the Group's subsidiaries located in the PRC from 1 January 2008 is 25%.

The CIT Law and its implementation rules impose a withholding tax at 10% for dividends distributed by a PRC-resident enterprise to its immediate holding company outside the PRC for earnings generated beginning 1 January 2008 and undistributed earnings generated prior to 1 January 2008 are exempted from such withholding tax. A lower 5% withholding tax rate may be applied when the immediate holding companies are established in Hong Kong according to the tax treaty arrangement between the PRC and Hong Kong. The Directors have confirmed that retained earnings of the Group's PRC subsidiaries as at 30 June 2013 will not be distributed in the foreseeable future. No PRC withholding income tax was accrued for the year ended 31 December 2015 as the Group's PRC subsidiaries did not earn any distributable profit as a whole for the year. As at 31 December 2014 the Group accrued PRC withholding income tax of an amount of RMB7,748,000 based on the tax rate of 10% on a portion of the earnings generated by its PRC subsidiaries after 30 June 2013. As at 31 December 2015 the accrued amount remained unchanged. The Group controls the dividend policies of these subsidiaries and it has been determined that the remaining earnings will not be distributed in the foreseeable future.

As at 31 December 2015, the Group did not recognise deferred income tax for PRC withholding income tax of RMB72,759,000 (31 December 2014: RMB89,397,000) on the remaining unremitted distributable profits generated by its PRC subsidiaries attributable to its investors outside the PRC of RMB727,587,000 (31 December 2014: RMB893,966,000).

Land appreciation tax

PRC land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of properties less deductible expenditures including lease charges for land use rights and all property development expenditures, and is included in the consolidated income statement as income tax expense.

7 (LOSS)/EARNINGS PER SHARE

Basic (loss)/earnings per share for the year ended 31 December 2015 and 2014 is calculated by dividing the Group's (loss)/profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	Year ended 31 December	
	2015	2014
Group's (loss)/profit attributable to equity holders of the Company (RMB'000)	**(352,696)**	273,962
Weighted average number of ordinary shares in issue (in thousand)	**1,291,302**	1,256,782
Basic (loss)/earnings per share (RMB)	**(0.27)**	0.22

Diluted (loss)/earnings per share is equal to basic (loss)/earnings per share as there were no shares with a dilutive impact outstanding for both years ended 31 December 2015 and 2014.

8 DIVIDENDS

	Year ended 31 December	
	2015	2014
	RMB'000	*RMB'000*
Proposed no final dividend (2014: RMB6 cents per ordinary share)	**–**	77,478

At a board meeting held on 30 March 2016, the Board resolved not to declare any dividend for the year ended 31 December 2015 (2014: RMB6 cents per ordinary share).

The final dividend in respect of the year ended 31 December 2014 of RMB6 cents per ordinary share using the share premium account, amounting to approximately RMB77,478,000 was approved at the annual general meeting of the Company held on 11 May 2015. The dividend not yet paid out by the Company as at 31 December 2015 was approximately RMB1,379,000 which was included in dividend payable (Note 10).

9 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at 31 December	
	2015	2014
	RMB'000	*RMB'000*
Trade receivables	**58,172**	111,912
Less: Provision for impairment of trade receivables	**(203)**	(205)
Trade receivables – net	**57,969**	111,707
Amount due from a joint venture	**236,215**	98,613
Prepaid business tax and surcharges (a)	**548,417**	441,975
Tender deposits (b)	**21,600**	25,600
Deposits with public housing fund centres (c)	**61,481**	36,973
Prepayments of construction costs	**18,034**	9,406
Temporary funding receivables (d)	**119,306**	157,715
Deposits paid for construction work	**92,208**	85,987
Amount due from non-controlling interests of a subsidiary (e)	**13,000**	–
Prepayments of relocation costs (f)	**–**	47,544
Others	**89,239**	56,014
Less: Provision for impairment of other receivables	**(17,969)**	(21,125)
	1,239,500	1,050,409

Notes:

(a) Business tax and surcharges are levied when the Group receives advances from customers and the prepaid taxes are recorded as prepayments before the relevant revenue is recognised.

(b) The balance represents the tender deposits for bidding of land use rights, which will be subsequently returned or transferred to prepayments for leasehold land upon successful bidding of the land use rights.

(c) The balance represents the deposits paid to public housing fund centres to secure the housing fund loans taken by certain property purchasers of the Group. Such deposits will be released upon the transfer of the properties' ownership certificates to these purchasers.

(d) Temporary funding receivables are funds temporarily advanced to non-related parties, which are non-interest bearing and unsecured.

(e) The balance represents the amount due from non-controlling interests of a subsidiary of the Group, which is non-interest bearing and unsecured.

(f) The balance as at 31 December 2014 represented the prepayments of relocation costs made by the Group in 2013 to a relocation company relating to the future property development of Shanghai Fengxiang Property Development Co., Ltd. (上海鳳翔房地產開發有限公司) ("**Shanghai Fengxiang**"), a subsidiary acquired by the Group in September 2013. The relocation work was completed in 2015.

The aging analysis of trade receivables is as follows:

	As at 31 December	
	2015	2014
	RMB'000	*RMB'000*
Less than 1 year	**14,752**	105,645
Between 1 and 2 years	**40,415**	5,796
Between 2 and 3 years	**2,964**	399
Over 3 years	**41**	72
	58,172	111,912

As at 31 December 2015, trade receivables of RMB56,572,000 (2014: RMB110,140,000) were past due but not impaired. The balances are related to independent customers for whom there is no recent history of default.

	As at 31 December	
	2015	2014
	RMB'000	*RMB'000*
Less than 1 year	**13,302**	105,025
Between 1 and 2 years	**40,306**	5,115
Between 2 and 3 years	**2,964**	–
	56,572	110,140

As at 31 December 2015, trade and other receivables of RMB18,172,000 (2014: RMB21,330,000) were considered impaired and provided for. The other classes within trade and other receivables do not contain impaired assets.

Movements on the provision for impairment of trade and other receivables are as follows:

	Year ended 31 December	
	2015	2014
	RMB'000	*RMB'000*
At beginning of the year	**21,330**	43,998
(Reversal)/accrual of provision for receivables impairment	**(2,645)**	3,533
Receivables written off as uncollectible	**(513)**	(26,201)
At end of the year	**18,172**	21,330

The maximum exposure to credit risk at the balance sheet date is the carrying value of each class of receivables mentioned above. The Group does not hold any collateral security.

As at 31 December 2015 and 2014, the fair value of trade and other receivables approximate their carrying amounts.

As at 31 December 2015 and 2014, the carrying amounts of trade and other receivables and prepayments are all denominated in RMB.

10 TRADE AND OTHER PAYABLES

	As at 31 December	
	2015	2014
	RMB'000	*RMB'000*
Trade payables	**1,823,356**	1,935,902
Notes payable	**493,289**	335,882
Amounts due to joint ventures	**449,657**	295,898
Amount due to a related party	**807**	–
Business and other taxes payable	**122,734**	75,788
Electricity fee and cleaning fee collected on behalf	**24,499**	14,633
Deed tax collected on behalf	**17,112**	6,695
Accrued payroll	**24,017**	18,800
Interest payable	**114,911**	106,722
Construction deposits received from suppliers	**21,506**	19,294
Deposits received from customers	**97,223**	10,009
Deposit received in connection with the disposal of a subsidiary (a)	**10,000**	10,000
Payables for acquisition of Shanghai Fengxiang (b)	**91,213**	101,763
Payables for acquisition of Suzhou Ailide Trade Co., Ltd. (c)	**85,890**	–
Remaining liability component of perpetual capital instruments (d)	**18,288**	–
Dividend payable	**1,379**	–
Others	**104,790**	65,229
	3,500,671	2,996,615

Notes:

(a) The balance represents the deposit received from a third party in 2013 for the transfer of 100% equity interests of Shanghai Garden City Real Estate Development Co., Ltd. (上海花園城房地產開發有限公司) ("**Shanghai Garden City**"), a subsidiary of the Group. The equity transfer has not completed as at 31 December 2015 and 31 December 2014.

(b) The balance represents the payables relating to the acquisition of 80% equity interests in Shanghai Fengxiang by the Group from an independent third party.

(c) Pursuant to an equity transfer agreement entered into in September 2015 between an independent third party and the Group through its wholly-owned subsidiary Shanghai Zhixiao Investment Co., Ltd., the Group acquired 50% equity interests of Suzhou Ailide Trade Co., Ltd. in September 2015 for a total consideration of RMB140,000,000. As at 31 December 2015, consideration amount of RMB84,000,000, which carries interest at 9% per annum, and corresponding interest of RMB1,890,000 remaining unpaid were included in the trade and other payables.

(d) In December 2014, a wholly owned subsidiary of the Company obtained cash with an aggregate principal amount of RMB550,000,000 from a third party, with no maturity and the payments of distribution can be deferred at the discretion of the Company but when the Company declared dividends, the payments of interest at fixed rates in coming 12 months cannot be deferred at the discretion of the Company.

The Company declared dividend in May 2015, the payments of interest in coming 12 months therefore cannot be deferred at the discretion of the Company and, as a result, the liability component of perpetual capital instruments amounting to RMB89,375,000, including certain other payables which had become due, was transferred to other payables. In 2015, RMB71,087,000 of the liability was settled. As at 31 December 2015, the remaining liability component of perpetual capital instruments was RMB18,288,000.

The aging analysis of trade payables and notes payable are as follows:

	As at 31 December	
	2015	2014
	RMB'000	*RMB'000*
Less than 1 year	**2,082,663**	1,939,001
Between 1 and 2 years	**146,962**	189,275
Between 2 and 3 years	**19,612**	30,565
Over 3 years	**67,408**	112,943
	2,316,645	2,271,784

As at 31 December 2015 and 2014, the fair value of trade and other payables approximate their carrying amounts.

As at 31 December 2015 and 31 December 2014, the carrying amounts of trade and other payables are denominated in following currencies:

	As at 31 December	
	2015	2014
	RMB'000	*RMB'000*
– RMB	**3,421,729**	2,945,818
– USD	**78,135**	50,797
– HKD	**807**	–
	3,500,671	2,996,615

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW

In 2015, the Group achieved contracted sales of approximately RMB8,695.3 million and total contracted gross floor areas ("**GFA**") sold of approximately 810,817 sq.m.. At the same time, the Group implemented strong management to collect sales receivables, and the amount collected from property sales was RMB7,859.4 million for the Year, accounting for approximately 90.4% of our contracted sales for the Year.

During the Year, our contracted sales were mainly distributed across 23 development projects in nine cities, accounting for approximately 90% of the total contracted sales. In 2015, we successively launched three new development projects pre-sold for the first time, mainly including Ningbo Jingrui Majestic Mansion (寧波景瑞•紅翎台), Hangzhou Jingrui West Mansion (杭州景瑞•悅西台) and Nantong Jingrui Royal Mansion (南通景瑞•御府) and the contracted sales accounted for approximately 23.9% of the total. In the meantime, sales of existing projects continued to perform well, accounting for approximately 76.1% of the total contracted sales, mainly including Ningbo Jingrui The Mansion, Yangzhou Jingrui Dignity Mansion, Suzhou Jingrui Nobility Mansion, Taizhou Jingrui Dignity Mansion and Nantong Jingrui Dignity Mansion. We adhered to our operating strategy of rapid turnover and sales, and strong management to collect sales receivables, which have not only led to high investment return, improved cash flow and lower liquidity risks, but also strong growth and sustainable development of the Group.

During the Year, the property sales recognized by the Group amounted to RMB5,608.4 million, representing an increase of 8.2% as compared to last year. This was mainly distributed across the Shaoxing Jingrui Dignity Mansion, Yangzhou Jingrui Dignity Mansion, Suzhou Jingrui Royal Bay, Suzhou Jingrui Nobility Mansion, Taizhou Jingrui Royal Bay and Chongqing Jingrui Royal Bay projects. Revenue from property sales of the Group accounted for approximately 97.4% of our total for the Year, and property sales was the principal operating business of the Group. We also provided property management services for all our self-developed projects to enhance project value, establish good reputation and brand image for our projects and increase customer loyalty and satisfaction.

We continued to adhere to the development strategy of intensively penetrating into the Yangtze River Delta region, with special focus on first tier and second tier core cities in this region. In 2015, we acquired seven parcels of land in cities such as Shanghai, Chongqing, Nantong and Ningbo, at a total consideration of approximately RMB2,244 million, increasing our total GFA of land reserves by approximately 703,249 sq.m., with the land cost per sq.m. (calculated based on the expected total GFA) amounting to approximately RMB3,191 per sq.m.. As at 31 December 2015, the total GFA of the land reserves held by us in aggregate amounted to approximately 4,041,116 sq.m., which we expect to be sufficient to meet our development need for the next three to four years. We believe a majority of our land reserves are situated in first tier and second tier core cities in the Yangtze River Delta region in the PRC, which will be more beneficial to our development strategy of intensively penetrating into the Yangtze River Delta region.

We have consistently applied the principle of steady financial management, with a view to maintain healthy cash flows and guarantee capital safety. In April 2015, the Company issued US$150 million 13.25% senior notes due 2018. The relatively strong performance of contracted property sales further strengthened our financial position during the Year. As of 31 December 2015, our cash at bank and on hand (including restricted cash) reached RMB3,683.1 million. At the same time, unutilized bank facilities amounted to approximately RMB3,631.0 million. As of 31 December 2015, our net debt-to-adjusted-capital ratio was approximately 135%. We believe that the current liability level is within a reasonable range given our current development stage and also matches our operations. We will continue to improve our liability level and structure for a sound risk control so as to lay a solid foundation for our sustained operations and steady growth in the future. On 21 March 2016, the initial offering of the corporate bonds was completed by Jingrui Properties (Group) Co. Ltd., an indirect wholly-owned subsidiary of the Company in the PRC. As the initial offer of the domestic corporate bonds was oversubscribed, the Company increased the first tranche to an aggregate amount of RMB1.5 billion. The first tranche issue of the domestic corporate bonds had a coupon rate of 5.88% and an issue price of 100% of the principal value of the bonds. We believe that such issue will reduce our finance costs effectively and further optimize our debt structure.

We are a customer driven residential property developer that focuses on developing properties catering to the demand of our target customers. Our products are designed to meet the needs of first-time home purchasers and those who intend to improve their existing living conditions, who currently constitute a significant portion of all property purchasers in the PRC. As a result, our products have been positioned in accordance with current market trends and government policies. We believe our strategic product positioning will help expand our potential customer base as a result of rapid economic growth and accelerating urbanization in the Yangtze River Delta region, and our rapid-asset-turnover model has been contributing and will continue to contribute to our growth in scale.

BUSINESS REVIEW

Property Development

In 2015, we achieved contracted sales of approximately RMB8,695.3 million and the total contracted GFA sold was approximately 810,817 sq.m.. Our contracted sales were primarily generated from Zhejiang Province and Jiangsu Province. The contracted sales (excluding car parks) generated from these two regions were approximately RMB5,003.4 million and RMB3,159.4 million, representing 57.5% and 36.3% of the total contracted sales, respectively.

Details of our contracted sales in 2015

The following table sets out the geographic breakdown of the Group's contracted sales in 2015:

Project Name	Contracted GFA Sold *sq.m.*	Contracted Sales *RMB million*	Contracted Average Selling Price ("ASP") *RMB/sq.m.*
Shanghai			
Shanghai Jingrui Fair Town	492	12	25,376
Shanghai Fengxiang Project	(448)	4	N/A
Tianjin			
Tianjin Jingrui Sunny City	5,370	39	7,230
Tianjin Jingrui England County	23,400	128	5,465
Chongqing			
Chongqing Jingrui Blue Vally	3,894	22	5,650
Chongqing Jingrui Royal Bay	38,872	230	5,913
Sub-total of centrally direct-controlled municipalities	**71,580**	**435**	**6,072**
Hangzhou			
Hangzhou Jingrui Royal Bay	16,598	100	5,998
Hangzhou Jingrui Royal Mansion	30,766	237	7,702
Hangzhou Jingrui Shenhua No. One (杭州景瑞•申花壹號院)	60,353	1,584	26,253
Ningbo			
Ningbo Jingrui Dignity Mansion	5,189	51	9,906
Ningbo Jingrui The Mansion	59,695	819	13,715
Ningbo Jingrui Majestic Mansion (寧波景瑞•紅翎台)	39,048	531	13,602
Ningbo Harbour City (寧波•海港城)	33,090	432	13,070
Shaoxing			
Shaoxing Jingrui The Mansion	119	1	7,435
Shaoxing Jingrui Dignity Mansion	24,065	248	10,292
Shaoxing Jingrui Nobility Mansion	19,777	113	5,705
Shaoxing Jingrui Lake of Dawn (紹興景瑞•曦之湖)	18,320	118	6,463
Huzhou			
Huzhou Jingrui Cin Cinnatti	2,197	34	15,450
Huzhou Jingrui Dignity Mansion	8,013	106	13,187
Zhoushan			
Zhoushan Jingrui Peninsula Bay	4,440	22	4,893

Project Name	Contracted GFA Sold *sq.m.*	Contracted Sales *RMB million*	Contracted Average Selling Price ("ASP") *RMB/sq.m.*
Taizhou			
Taizhou Jingrui Dignity Mansion (台州景瑞 • 望府)	43,653	608	13,919
Sub-total of Zhejiang Province	**365,323**	**5,004**	**13,696**
Suzhou			
Suzhou Jingrui Royal Bay	6,053	126	20,834
Suzhou Jingrui Jade Bay	8,549	69	8,081
Suzhou Jingrui Dignity Mansion (蘇州景瑞 • 望府)	34,209	327	9,545
Suzhou Jingrui Nobility Mansion (蘇州景瑞 • 御江山)	75,795	856	11,297
Changzhou			
Changzhou Jingrui Dawn City	(141)	(1)	N/A
Changzhou Jingrui Dignity Mansion	16,563	152	9,193
Wuxi			
Wuxi Jingrui Dignity Mansion (無錫景瑞 • 望府)	37,633	281	7,477
Nantong			
Nantong Jingrui Dignity Mansion	62,056	301	4,853
Nantong Jingrui Nobility Mansion	36,704	257	6,989
Nantong Jingrui Royal Mansion (南通景瑞 • 御府)	23,458	273	11,630
Yangzhou			
Yangzhou Jingrui Dignity Mansion	55,638	416	7,481
Taizhou			
Taizhou Jingrui Royal Bay	17,397	102	5,860
Sub-total of Jiangsu Province	**373,914**	**3,159**	**8,450**
Car park (lots)	1,258	97	–
Total	**810,817**[1]	**8,695**	**10,724**

Note:

(1) Excluding car parks

Land Bank

As at 31 December 2015, the total land bank of the Group was approximately 4,041,116 sq.m. or approximately 3,467,589 sq.m. on an attributable basis. The average cost of our total land bank based on the expected total GFA was approximately RMB2,877 per sq.m.. From 1 January 2016 to 30 March 2016, we acquired three additional land parcels with two located in Ningbo and one located in Suzhou. As at 30 March 2016, our total land bank was approximately 4,403,593 sq.m. or approximately 3,770,578 sq.m. on an attributable basis.

Breakdown of our land bank by cities for the year ended 31 December 2015

City	Total GFA	Percentage of the Group's Total GFA	GFA Attributable to the Group's Interests	Percentage of GFA Attributable to the Group's Interests
	(sq.m.)	%	*(sq.m.)*	%
Municipalities directly under the central government				
Shanghai	290,975	7.2	196,327	5.7
Tianjin	495,931	12.3	495,931	14.3
Chongqing	71,788	1.8	71,788	2.0
Subtotal	**858,694**	**21.3**	**764,046**	**22.0**
Zhejiang Province				
Hangzhou	470,384	11.6	366,265	10.5
Ningbo	387,473	9.6	321,301	9.3
Shaoxing	676,373	16.7	543,478	15.7
Taizhou	82,422	2.0	82,422	2.4
Huzhou	31,454	0.8	31,454	0.9
Zhoushan	90,950	2.3	90,950	2.6
Subtotal	**1,739,056**	**43.0**	**1,435,870**	**41.4**
Jiangsu Province				
Suzhou	595,362	14.7	562,280	16.2
Wuxi	201,458	5.0	114,347	3.3
Changzhou	118,686	2.9	63,186	1.8
Nantong	522,660	12.9	522,660	15.1
Yangzhou	3,162	0.1	3,162	0.1
Taizhou	2,038	0.1	2,038	0.1
Subtotal	**1,443,366**	**35.7**	**1,267,673**	**36.6**
Total	**4,041,116**	**100.0**	**3,467,589**	**100.0**

In 2015, we acquired seven parcels of land in cities such as Shanghai, Chongqing, Nantong and Ningbo, at a total consideration of approximately RMB2,244 million, increasing our total GFA of land reserves by approximately 703,249 sq.m., with the land cost per sq.m. (calculated based on the expected total GFA) amounting to approximately RMB3,191 per sq.m..

From 1 January 2016 to 30 March 2016, we acquired three land parcels, with an expected total GFA of approximately 362,477 sq.m. and an aggregate consideration of approximately RMB1,825 million.

Details of land acquisition for the year ended 31 December 2015

City	Project/Land Parcel	Land Use	Attributable Interest	Site Area	Expected Total GFA	Expected Total GFA Above Ground	Land Premium	Average Land Cost (based on the expected total GFA)	Average Land Cost (based on the expected total GFA above ground)
			%	*sq.m.*	*sq.m.*	*sq.m.*	*RMB million*	*RMB/sq.m.*	*RMB/sq.m.*
Shanghai	Shanghai @way (上海週道)	Commercial office	100	3,038	6,076	6,076	98	16,129	16,129
Shanghai	Shanghai Hongkou Project (上海虹口項目)	Residential	100	8,916	28,139	20,508	652	23,171	31,792
Shanghai	Shanghai Jingrui The French Lakeside Villa (上海景瑞•法蘭雲廷)	Residential	100	42,858	35,678	33,027	427	11,968	12,929
Ningbo	Ningbo Title of Nobility (寧波•紅翎台)	Residential	100	50,257	117,192	90,463	344	2,934	3,800
Ningbo	Ningbo Harbour City (寧波•海港城)	Commercial	50	33,506	132,344	98,907	280	2,116	2,831
Chongqing	Chongqing Online Family (重慶•西聯社)	Commercial office	100	6,290	39,368	25,160	104	2,642	4,134
Nantong	Nantong Royal Mansion (南通•御府)	Residential	100	119,097	344,452	262,000	339	984	1,294
Total				**263,962**	**703,249**	**536,141**	**2,244**	**3,191**	**4,185**

Details of land acquisition from 1 January 2016 to 30 March 2016

City	Project/Land Parcel	Land Use	Attributable Interest	Site Area	Expected Total GFA	Expected Total GFA Above Ground	Land Premium	Average Land Cost (based on the expected total GFA)	Average Land Cost (based on the expected total GFA above ground)
			%	*sq.m.*	*sq.m.*	*sq.m.*	*RMB million*	*RMB/sq.m.*	*RMB/sq.m.*
Suzhou	The zone portions situated at the southwest side of the intersection of Songxing Road and Pangbei Road in the Wujiang Economic and Technological Development Zone, Suzhou	Residential	100	54,461	136,153	108,922	646	4,745	5,931
Ningbo	Core Residential Land No. 5, Jiangshan Town, Yinzhou District, Ningbo	Residential	47	45,066	112,665	90,132	362	3,213	4,016
Ningbo	Lot 5, East of Xurong Road, Qingfeng Lot, Ningbo	Residential	100	32,474	113,659	90,927	817	7,188	8,985
Total				**132,001**	**362,477**	**289,981**	**1,825**	**5,035**	**6,294**

Revenue from Sale of Properties

The revenue from sale of properties in 2015 was approximately RMB5,608.4 million, representing an increase of 8.2% as compared to last year, and its distribution is mainly as follows:

	Revenue	Percentage of Total Revenue	GFA	ASP
	RMB'000	*%*	*sq.m.*	*RMB/sq.m.*
Shanghai				
Shanghai Jingrui Fair Town	160,785	2.9	13,213	12,169
Shanghai Jingrui Fengxiang	8,930	0.2	402	22,214
Jiangsu Province				
Changzhou Jingrui England County	413,075	7.4	73,585	5,614
Changzhou Jingrui Dawn City	9,485	0.2	1,915	4,953
Suzhou Jingrui Nobility Mansion	471,839	8.4	33,362	14,143
Suzhou Jingrui Royal Bay	533,898	9.5	70,433	7,580
Suzhou Jingrui Jade Bay	52,240	0.9	4,787	10,913
Suzhou Jingrui Dignity Mansion	351,312	6.3	35,564	9,878
Nantong Jingrui Dignity Mansion	269,418	4.8	31,430	8,572
Taizhou Jingrui Royal Bay	535,074	9.5	103,679	5,161
Yangzhou Jingrui Dignity Mansion	775,968	13.8	104,667	7,414
Zhejiang Province				
Huzhou Jingrui Cin Cinnatti	2,455	0.0	374	6,563
Huzhou Jingrui Dignity Mansion	36,011	0.6	3,044	11,830
Zhoushan Jingrui Peninsula Bay	13,293	0.2	2,054	6,472
Shaoxing Jingrui Dignity Mansion	657,512	11.7	66,142	9,941
Shaoxing Jingrui The Mansion	313,532	5.6	49,739	6,304
Ningbo Jingrui Dignity Mansion	(16,460)	(0.2)	(723)	22,820
Hangzhou Jingrui Royal Bay	214,055	3.8	29,076	7,362
Tianjin				
Tianjin Jingrui Sunny City	299,339	5.3	47,952	6,242
Tianjin Jingrui England County	322	0.0	82	3,927
Chongqing				
Chongqing Jingrui Blue Valley	22,000	0.4	3,894	5,650
Chongqing Jingrui Royal Bay	401,605	7.2	60,789	6,607
Sub-total	**5,525,688**	**98.5**	**735,460**	**7,513**
Car park (lots)	82,738	1.5	1,295	–
Total	**5,608,426**	**100.0**	**–**	**–**

Employees and Remuneration Policies

As at 31 December 2015, we had a total of 2,364 full-time employees in the PRC and Hong Kong. 680 of our employees worked in the property development operations and 1,684 were engaged in property management, customer service and other related operations.

The remuneration package of our employees includes salaries and bonuses. In general, we determine employee salaries based on each employee's qualifications, experience, position and seniority. We have designed an annual review system to assess the performance of our employees, which forms the basis for us to determine salary raises, bonuses and promotion. We also review and adjust our remuneration package by referring to the relevant salary survey in real estate industry published by renowned consulting firms. We believe the salaries and benefits that our employees receive are competitive with market standards in each geographic location where we conduct business.

We have also established systematic training programs for our employees based on their positions and expertise. For example, training programs for members of our management teams focus on improving their management and leadership skills. We also provide trainings designed to improve sales capabilities for our marketing and sales personnel. In addition to the internal trainings, we also engage external experts or sponsor continuing educations for our employees from time to time.

FINANCIAL REVIEW

Revenue

For the year ended 31 December 2015, the revenue of the Group reached RMB5,759.1 million, representing an increase of 9.2% as compared to RMB5,273.0 million last year. Our revenue consists of revenue from (i) sales of properties, (ii) provision of property management services, (iii) rental income and (iv) other operations. The table below sets forth our revenue for each of the businesses described above and the percentage on total revenue represented for the periods indicated:

Revenue by business segments

	2015	**Percentage of the total revenue**	2014	Percentage of the total revenue	Year-on-year change
	RMB'000	***(%)***	*RMB'000*	*(%)*	*(%)*
Sales of properties	**5,608,426**	**97.4**	5,183,382	98.3	8.2
Property management	**96,538**	**1.7**	74,640	1.4	29.3
Rental income	**8,561**	**0.1**	6,004	0.1	42.6
Others	**45,591**	**0.8**	8,927	0.2	410.7
Total	**5,759,116**	**100.0**	5,272,953	100.0	9.2

Revenue from sales of properties has constituted, and is expected to continue to constitute, a substantial majority of our total revenue, representing approximately 97.4% of our total revenue for the Year.

Our operating results for any given period are dependent upon the GFA and the selling prices of the properties we deliver during such period and the market demand for those properties. Consistent with industry practice, we typically enter into purchase contracts with customers while the properties are still under development but after satisfying the conditions for pre-sales in accordance with PRC laws and regulations. In general, there is typically at least one year between the time we commence the pre-sales of properties under development and the completion of the construction of such properties. We do not recognize any revenue from the pre-sales of the properties until such properties are completed and the possession of such properties has been delivered to the customers.

During the Year, the properties delivered by the Group were mainly Shaoxing Jingrui Dignity Mansion, Yangzhou Jingrui Dignity Mansion, Suzhou Jingrui Nobility Mansion (蘇州景瑞•御江山), Suzhou Jingrui Royal Bay, Suzhou Jingrui Dignity Mansion (蘇州景瑞•望府) and Chongqing Jingrui Royal Bay. Revenue from sales of properties increased by approximately 8.2% to approximately RMB5,608.4 million in 2015 from approximately RMB5,183.4 million in 2014, mainly due to more GFA delivered during the Year than that of last year.

Our property management revenue represents revenue generated from property management services we provide through our wholly-owned subsidiary, Shanghai Jingrui Property Management Co., Ltd., to owners of all our properties and certain properties developed by third parties. Property management revenue is recognized over the period when our property management services are rendered. In 2015, property management revenue of the Group was approximately RMB96.5 million, representing an increase of approximately 29.3% as compared to last year. Revenue from property management, both in an absolute amount and as a percentage of total revenue, increased steadily, primarily due to the continued growth of our properties completed.

Rental income mainly includes operating revenue from leasing our investment properties and certain other completed properties and is recognized on a straight line basis over the relevant lease terms. We currently focus on the development of residential properties but usually develop certain ancillary retail areas in our projects, which increases the value of such projects and enables us to better serve residents of our property projects. A substantial portion of our rental income was generated from leasing the retail areas of Shanghai Jingrui Life Square. In 2015, rental income of the Group was approximately RMB8.6 million, representing an increase over last year.

Cost of Sales

Our cost of sales primarily represents the costs we incur directly for the property development activities as well as our property management and leasing operations. The principal components of cost of sales for our property development include cost of properties sold, which represents direct construction costs, land use right costs and capitalized interest costs on related borrowings for the purpose of property development during the period of construction.

Our cost of sales increased by 29.6% from RMB4,308.6 million in 2014 to RMB5,585.9 million in 2015, primarily due to the 63% increase in GFA delivered during the Year compared to last year.

The table below sets forth information relating to our cost of sales and as a percentage of total cost of sales:

	2015		2014	
	RMB'000	*%*	*RMB'000*	*%*
Construction costs	**2,937,834**	**52.6**	1,930,987	44.8
Land use right costs	**1,638,923**	**29.3**	1,591,739	36.9
Capitalized interest	**308,520**	**5.6**	272,398	6.3
Subtotal: Total cost of properties	**4,885,277**	**87.5**	3,795,124	88.0
Business tax and surcharges	**326,134**	**5.9**	302,379	7.0
Provision for impairment of properties held or under development for sale	**255,300**	**4.6**	101,575	2.4
Other costs[1]	**119,222**	**2.0**	109,522	2.6
Total	**5,585,933**	**100.0**	4,308,600	100.0
Total GFA delivered (sq.m.)	**735,460**		450,922	
Average cost of properties per sq.m. sold (RMB)[2]	**6,642**		8,416	
Average cost per sq.m. as % of ASP	**88.4**		73.9	

Notes:

(1) Includes costs associated with property management, leasing and other operations.

(2) Refers to cost of properties sold for a period divided by total GFA delivered (excluding car parks) in that period.

Gross Profit and Gross Profit Margin

Our gross profit decreased by 82.0% from RMB964.4 million in 2014 to RMB173.2 million in 2015. We recorded gross profit margin of approximately 3.0% for the year ended 31 December 2015, compared to that of approximately 18.3% for the year ended 31 December 2014. The year-on-year decrease in the gross profit margin was mainly due to an adjustment in our overall strategy, changing our focus from third tier and fourth tier cities to first tier and second tier cities, proactively reducing our footprint in third tier and fourth tier cities and increasing our efforts to sell our stock of properties in third tier and fourth tier cities.

Fair Value Gains on Investment Properties

Our fair value gains on investment properties increased by 183.1% from RMB71.8 million in 2014 to RMB203.3 million in 2015. Fair value gains in 2014 were primarily due to the transfer of certain self-held retail areas of Changzhou Jingrui Dawn City from properties held for sale to investment properties, while fair value gains in 2015 were primarily due to the appreciation of self-owned commercial areas of Shanghai Baoshan Life Square (上海寶山生活廣場) and Shanghai Fengxiang project.

Selling and Marketing Costs

Our selling and marketing costs increased by 4.3% from RMB221.1 million in 2014 to RMB230.7 million in 2015. Such increase was primarily due to the increase in pre-sales and sales of more properties.

Administrative Expenses

Our administrative expenses increased by 11.4% from RMB241.6 million in 2014 to RMB269.1 million in 2015. Such increase was primarily due to increase in staff costs and the expenses arising from our business expansion.

Other Income and Other Losses, Net

Our income increased by 663.25% from RMB11.7 million in 2014 to RMB89.3 million in 2015, primarily due to the negative goodwill of approximately RMB72.0 million arising from the acquisition of Suzhou Ailide Trade Co., Ltd. in October 2015.

We recorded other losses of RMB52.7 million in 2015, compared to other losses of RMB29.1 million in 2014. We recorded other losses in 2015, primarily due to overdue payment for a piece of land located in Hangzhou.

Finance (Costs)/Income, Net

Our finance income increased by 66.0% from RMB23.2 million in 2014 to RMB38.5 million in 2015, primarily as a result of the increase in interest income on bank deposits. Our finance costs increased by 755.36% from RMB11.2 million in 2014 to RMB95.8 million in 2015. This is mainly caused by the impact of the foreign exchange losses of RMB76.7 million recognized in 2015 mainly due to the depreciation of RMB against US dollar in 2015 on our senior notes denominated in US dollars.

Income Tax Expense

Our income tax expense decreased by 45.6% from RMB275.7 million in 2014 to RMB150.0 million in 2015, primarily due to (i) the reversal of prepaid land appreciation tax of certain projects recognized in previous years and (ii) the provision of deferred income tax assets for the projects which recorded losses during the year.

(Loss)/Profit for the Year

Loss attributable to our equity holders was RMB352.7 million in 2015. Loss attributable to equity holders of the Company without taking into account the changes in fair values of investment properties and relevant deferred tax was RMB505.1 million in 2015.

Profit attributable to non-controlling interests increased by 215.2% from RMB4.2 million in 2014 to RMB13.3 million in 2015.

LIQUIDITY AND CAPITAL RESOURCES

Cash Positions

As at 31 December 2015, our cash at bank and on hand (including restricted cash) was RMB3,683.1 million. Our cash at bank and on hand are mainly dominated in RMB and US dollars. Restricted cash of the Group mainly comprised deposits pledged for borrowings.

Borrowings

Our total outstanding borrowings increased from RMB9,618.6 million as at 31 December 2014 to RMB10,336.2 million as at 31 December 2015. As at 31 December 2015, we had approximately RMB3,631.0 million unutilized banking facilities. Our borrowings are mainly denominated in RMB and US dollars.

Breakdown of our borrowings by categories

	As at 31 December		
	2015	2014	Year-on-year change
	RMB'000	*RMB'000*	*%*
Current Borrowings:			
Bank loans, secured	**2,773,367**	1,422,086	95.0
Bank loans, unsecured	**100,000**	–	N/A
Trust financing arrangements, secured:			
– conventional loan	**79,200**	200,000	(60.4)
– equity with repurchase obligation	**–**	97,400	(100.0)
Add: current portion of long-term borrowings:			
Bank loans, secured	**2,565,900**	2,116,697	21.2
Trust financing arrangements, secured	**294,527**	1,222,143	(75.9)
Total Current Borrowings	**5,812,994**	5,058,326	62.6
Non-Current Borrowings			
Bank loans, secured	**4,316,400**	5,621,597	(23.2)
Trust financing arrangements, secured:			
– conventional loan	**699,100**	–	N/A
– equity with repurchase obligation	**453,027**	1,384,170	(67.3)
Senior notes due 2018, secured	**962,731**	–	N/A
Senior notes due 2019, secured	**952,334**	893,317	6.6
Less: current portion of long-term borrowings:			
Bank loans, secured	**(2,565,900)**	(2,116,697)	21.2
Trust financing arrangements, secured	**(294,527)**	(1,222,143)	(75.9)
Total Non-Current Borrowings	**4,523,165**	4,560,244	(0.8)
Total	**10,336,159**	9,618,570	7.5

Breakdown of our borrowings by maturity profiles

	As at 31 December			
	2015		2014	
	RMB'000	*%*	*RMB'000*	*%*
Within 1 year	**5,812,994**	**56.3**	5,058,326	52.6
Between 1 and 2 years	**1,851,100**	**17.9**	2,824,927	29.4
Between 2 and 5 years	**2,555,065**	**24.7**	1,558,317	16.2
Above 5 years	**117,000**	**1.1**	177,000	1.8
Total	**10,336,159**	**100.0**	9,618,570	100.0

Borrowing Costs

The Group's weighted average effective interest rates on bank and other borrowings were 9.68% and 9.67% as at 31 December 2015 and 2014 respectively.

Interest and foreign exchange losses generated from bank loans, senior notes and trust financing arrangements

	Year ended 31 December		Year-on-year change
	2015	2014	
	RMB'000	*RMB'000*	*%*
Finance costs			
– Interest expensed	**19,160**	11,194	71.2
– Net foreign exchange losses on financing activities expensed	**76,681**	–	–
– Amount capitalized	**963,573**	928,281	3.8
Total	**1,059,414**	939,475	4.6

The table below sets forth the weighted average effective interest rates on our bank and other borrowings as at the dates indicated:

	As at 31 December	
	2015	*2014*
Bank loans	**8.39%**	7.92%
Trust financing arrangements	**10.27%**	13.85%
Senior notes	**14.20%**	14.44%
Weighted average effective interest rates	**9.68%**	9.67%

Net Debt-to-Adjusted-Capital Ratio

As at 31 December 2015, our net debt-to-adjusted-capital ratio was 135%. Net debt-to-adjusted capital ratio is calculated as net borrowings at the end of the period divided by the aggregate of total equity and amounts due to non-controlling interests of subsidiaries, and multiplied by 100%. Net debt is calculated as total borrowings minus cash and cash equivalents and restricted cash. Our net debt-to-adjusted capital ratio increased 32 percentage points as compared to 103% as at 31 December 2014.

Contingent Liabilities

We provide mortgage guarantees to banks in respect of the mortgage loans they provided to our customers in order to secure the repayment obligations of such customers. The mortgage guarantees are issued from the date of grant of the relevant mortgage loans and released upon the earlier of (i) the transfer of the relevant real estate ownership certificate to the customer, or (ii) the settlement of mortgage loans by the customers. If a purchaser defaults on a mortgage loan, we may be required to repurchase the underlying property by paying off the mortgage. If we fail to do so, the mortgagee bank may auction the underlying property and recover any additional amount outstanding from us as the guarantor of the mortgage loans.

As at 31 December 2015, the material contingent liabilities incurred for our provision of guarantees to financial institutions in respect of the mortgage loans they provided to our property purchasers were approximately RMB7,219.3 million (2014: RMB5,091.4 million). In addition, we provide guarantee for certain bank loans amounting to RMB220.0 million of Wuxi Jingrui Property Development Co., Ltd., our joint venture company.

Our Directors confirm that we have not encountered defaults by purchasers in which we provided mortgage guarantees that, in aggregate, had a material adverse effect on our financial condition and results of operations.

Off-Balance Sheet Commitments and Arrangements

Except for the contingent liabilities, as of 31 December 2015, we did not have any outstanding loan capital issued or agreed to be issued, bank overdrafts, loans, debt securities, borrowings and other similar indebtedness, liabilities under acceptances (other than normal trade bills), acceptance credits, debentures, mortgages, charges, finance leases or hire purchase commitments, guarantees or other material contingent liabilities.

Interest Rate Risk

Our income and operating cash flows are substantially independent of changes in market interest rates. Except for bank deposits bearing stable interest rates, we have no other significant interest-bearing assets.

Our exposure to changes in interest rates is mainly attributable to our borrowings from bank and trust financing providers. Borrowings at floating rates expose us to cash flow interest rate risk, while borrowings at fixed rates expose us to fair value interest rate risk. We have not hedged our cash flow or fair value interest rate risk. Our Directors do not anticipate significant impacts on interest-bearing assets resulting from the changes in interest rates, because the interest rates of bank balances are not expected to change significantly.

Foreign Exchange Risk

We are engaged in the development, sale and management of properties solely in China with almost all our transactions denominated in RMB. In addition, the majority of our assets and liabilities are denominated in RMB. Accordingly, we are not exposed to significant foreign currency risks, except for bank deposits and our senior notes which were issued in 2014 and 2015, which were denominated in US dollars.

Nonetheless, as we expand our operations, we may incur a certain portion of our cash flows in currencies other than RMB and thereby, may increase our exposure to fluctuations on exchange rates. We currently do not have a foreign currency hedging policy but our Directors will manage our exposure through constant monitoring to limit as much as possible the amount of our foreign currency exposures.

Prospects

We believe that 2016 is a year of transformation and reform, and is full of opportunities. Increasingly intensified concentration in the real estate industry is expected to result in more drastic competition among real estate enterprises, setting higher demands for real estate enterprises in terms of innovation and transformation in the "Silver Era".

In order to grasp emerging development opportunities, while capitalising on our extensive experience and expertise as a long-established real estate enterprise with a history of over two decades, the Company has recognised "customization" as our core breakthrough point through our keen market vision, and has formed a differentiated customization development trend with "Jingrui" characteristics, aiming to become a "customized lifestyle service provider". Along with the completion of a number of customized projects under our "Jingrui" brand, including Hangzhou Jingrui West Mansion (杭州景瑞悦西台) and Shanghai Jingrui The French Lakeside Villa (上海景瑞法蘭雲廷), the Company has been constantly improving its four core customized modules covering customized space, customized fine decoration, customized houseware and customized services. Upgrading of our full range of customized services and products is expected to bring substantial added value to the Company.

Meanwhile, as 2015 marked the first year we implemented our three-year strategy of "Promoting One Reform Mechanism with Two Focuses and Two Leading Positions", the Company has started realising the transformation of its organizational mechanism known as "strategic headquarters with operating frontlines" to motivate frontline employees so as to effectively enhance the Group's overall refined operating capability. The Company has also optimized and rationalized its business presence by shifting its investment priority to Shanghai and second tier core cities, maintaining its primary focus on the Yangtze River Delta region, as well as first tier and second tier cities such as Tianjin and Chongqing, and fully implementing its "1+7+X" hierarchical deployment model which consists of base cities, strategic cities and potential cities. Following the acquisition of 4 land parcels in major cities including Shanghai, Ningbo and Chongqing, the Company believe that it has replenished its land bank in Shanghai and second tier core cities such as Suzhou, Hangzhou and Ningbo.

We are of the view that there is an upward trend for land prices in Shanghai and second tier core cities in the Yangtze River Delta Region, as more and more new middle to high-end residential properties are built, and residential prices in Shanghai and second tier core cities in the Yangtze River Delta Region will see an upward momentum in the future. Furthermore, following the launch of four projects in Shanghai and a number of new projects in Suzhou, Ningbo and other cities in 2016, we expect that there will be an increase in sales revenue of the Company. While increasing efforts to promote development in first tier and second tier core cities, the Company will leverage on existing government policies and market opportunities to promote sales and reduce residential inventory in third tier and fourth tier cities so as to reduce operating risk; currently, the Company has significantly reduced the proportion of its inventory in third tier and fourth tier cities.

Meanwhile, we remain cautiously optimistic about the future development of China's real estate market. In order to cater to market development and seize opportunities, we will continue to deepen our transformation through "customization", improve financing channels, reduce financing costs and further optimize the debt structure of the Company. Leveraging on a model of asset light and high turnover, we will opt for a development model driven by dual-drivers, that is, through bidding, auction and listing on one hand and through mergers and acquisitions on the other hand, taking into consideration the regional characteristics of different cities and sectors. We will further enhance our land bank and investment and development in first tier and second tier cities in the Yangtze River Delta Region. In particular, we will enhance strategic deployments in our base city Shanghai and expand our market share in core cities so as to deepen our presence in such areas. In addition, we will strive for rapid growth in scale and speed up our development to become an influential "customized lifestyle service provider" that enjoys respect from both our peers and customers.

The Group has set an internal contracted sales target of RMB10 billion for the year ending 31 December 2016.

DIVIDEND

The Board has resolved not to declare any final dividend for the year ended 31 December 2015 (2014: RMB6 cents per share).

CLOSURE OF THE REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 17 May 2016 to Friday, 27 May 2016, both days inclusive, in order to determine the identity of the shareholders who are entitled to attend the forthcoming annual general meeting to be held on Friday, 27 May 2016. All transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Monday, 16 May 2016.

PREVIOUS FUND RAISING EXERCISE

Date	Fund raising activity	Net proceeds raised (approximately)	Use of the net proceeds
October 2013	Initial public offering	HK$1,358 million	The Company has fully utilized the net proceeds from its initial public offering in the following manner: (i) approximately 10% (of about HK$136 million) on general working capital; and (ii) approximately 90% (of about HK$1,222 million) on the acquisition of the land parcels located in Hangzhou, Zhejiang Province, in January 2014.
August 2014	Issue of US$150 million 13.625% senior notes due 2019	US$144 million	To fund existing and new property projects
November 2014	Issue of 37,610,744 rights shares	HK$128 million	To enhance the capital structure and strengthen the equity base and raise funds for general working capital
April 2015	Issue of US$150 million 13.25% senior notes due 2018	US$147 million	To further finance the existing debts of the Group

CORPORATE GOVERNANCE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the "**CG Code**") contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") as its own code of corporate governance. The Company has been in compliance with the code provisions set out in the CG Code for the year ended 31 December 2015. The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG code.

REVIEW BY AUDIT COMMITTEE

The audit committee of the Company has reviewed with the management the accounting principles and practices adopted by the Company, and discussed with them the audit, internal control and financial reporting matters of the Company, including review of the financial statements for the Year.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. Specific enquiries have been made to all the Directors and each of the Directors has confirmed that he has complied with the Model Code during the year ended 31 December 2015.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 December 2015, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

PUBLICATION OF THE AUDITED CONSOLIDATED ANNUAL RESULTS AND 2015 ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.jingruis.com) and the 2015 Annual Report containing all the information required by the Listing Rules will be despatched to the shareholders of the Company and published on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board
Jingrui Holdings Limited
Yan Hao Chen Xin Ge
Co-chairmen

Hong Kong, 30 March 2016

As at the date of this announcement, the Board comprises Yan Hao, Chen Xin Ge, Yang Tie Jun and Xu Chao Hui, as executive Directors; Han Jiong, Qian Shi Zheng and Lo Wing Yan William, as independent non-executive Directors.

* *For identification purpose only*