Chen Xing Development Holdings Limited
辰 興 發 展 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2286)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2016

FINANCIAL HIGHLIGHTS

— For the six months ended 30 June 2016 (the "**Reporting Period**"), the contracted sales amounted to approximately RMB622.4 million and the corresponding contracted gross floor area ("**GFA**") amounted to approximately 132,682 square metre ("**sq.m.**"), representing an increase of approximately 6.9% and approximately 19.8% as compared with the same period of last year, respectively;

— Revenue for the Reporting Period amounted to approximately RMB375.8 million, of which approximately RMB371.9 million was revenue from property development;

— Gross profit for the Reporting Period amounted to approximately RMB111.8 million, of which approximately RMB108.1 million was gross profit from property development;

— Net profit for the Reporting Period amounted to approximately RMB43.1 million, of which approximately RMB45.8 million was net profit attributable to equity holders of the Company; and

— Total GFA of land bank amounted to approximately 2.5 million sq.m. for the Reporting Period.

The board (the "**Board**") of directors (the "**Directors**") of Chen Xing Development Holdings Limited (the "**Company**") and its subsidiaries (collectively, the "**Group**") is pleased to announce to the Company's shareholders ("**Shareholders**") the interim results of the Group for the six months ended 30 June 2016 together with the comparative figures for the same period in 2015. The Group's interim results are unaudited but have been reviewed by the Company's audit committee.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June

	Notes	**Six months ended 30 June 2016** *RMB'000* **(unaudited)**	Six months ended 30 June 2015 *RMB'000* (unaudited)
REVENUE	*5*	**375,766**	273,766
Cost of sales		**(264,011)**	(188,177)
Gross profit		**111,755**	85,589
Other income and gains	*5*	**2,870**	1,851
Selling and marketing expenses		**(21,649)**	(19,906)
Administrative expenses		**(18,511)**	(26,703)
Other expenses		**(5,574)**	(27)
Finance costs		**(4,020)**	(1,627)
PROFIT BEFORE TAX	*6*	**64,871**	39,177
Income tax expense	*7*	**(21,730)**	(15,897)
PROFIT FOR THE PERIOD		**43,141**	23,280
Attributable to:			
Owners of the parent		**45,750**	23,391
Non-controlling interests		**(2,609)**	(111)
		43,141	23,280
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted — for profit for the period	*8*	**RMB0.09**	RMB0.06

INTERIM CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the six months ended 30 June

	Six months ended 30 June 2016 *RMB'000* **(unaudited)**	Six months ended 30 June 2015 *RMB'000* (unaudited)
PROFIT FOR THE PERIOD	**43,141**	23,280
OTHER COMPREHENSIVE INCOME		
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**2,664**	—
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	**2,664**	—
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**2,664**	—
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**45,805**	23,280
Attributable to:		
Owners of the parent	**48,414**	23,391
Non-controlling interests	**(2,609)**	(111)
	45,805	23,280

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at

	Notes	**As at 30 June 2016** *RMB'000* **(unaudited)**	As at 31 December 2015 *RMB'000* (audited)
NON-CURRENT ASSETS			
Property, plant and equipment	*9*	**67,964**	67,718
Investment properties		**161,000**	161,000
Properties under development		**275,524**	157,473
Intangible assets		**710**	711
Deferred tax assets		**48,615**	54,130
Prepaid land lease payments		**1,442**	1,464
Total non-current assets		**555,255**	442,496
CURRENT ASSETS			
Properties under development		**4,058,721**	3,689,517
Completed properties held for sale		**486,067**	569,910
Inventories		**2,430**	2,271
Trade receivables	*10*	**677**	—
Prepayments, deposits and other receivables		**247,449**	377,329
Tax recoverable		**15,602**	15,868
Due from a related party		**17**	159
Available-for-sale financial investments		**—**	91,900
Pledged deposits		**14,478**	42,159
Cash and cash equivalents		**408,204**	617,215
Total current assets		**5,233,645**	5,406,328
CURRENT LIABILITIES			
Trade payables	*11*	**1,044,481**	991,184
Other payables, deposits received and accruals		**1,207,180**	1,179,898
Advances from customers		**1,915,913**	1,689,073
Interest-bearing bank borrowings		**303,000**	369,000
Due to a related party		**2,232**	892
Due to a director		**89**	85
Tax payable		**62,577**	90,216
Provision		**—**	7,213
Total current liabilities		**4,535,472**	4,327,561

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

As at

	As at 30 June 2016 *RMB'000* **(unaudited)**	As at 31 December 2015 *RMB'000* (audited)
NET CURRENT ASSETS	**698,173**	1,078,767
TOTAL ASSETS LESS CURRENT LIABILITIES	**1,253,428**	1,521,263
NON-CURRENT LIABILITIES		
Interest-bearing bank borrowings	**295,000**	293,000
Due to a related party	**—**	80,000
Deferred tax liabilities	**1,068**	24,983
Total non-current liabilities	**296,068**	397,983
NET ASSETS	**957,360**	1,123,280
EQUITY		
Equity attributable to owners of the parent		
Share capital	**4,003**	4,003
Reserves	**871,562**	1,034,873
	875,565	1,038,876
Non-controlling interests	**81,795**	84,404
TOTAL EQUITY	**957,360**	1,123,280

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The Company was incorporated as a limited liability company in the Cayman Islands on 3 November 2014. The registered office address of the Company is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The head office and principal place of business in the People's Republic of China (the "**PRC**") is located at 18 Anning Street, Yuci District, Jinzhong City, Shanxi Province, the PRC, and the principal place of business in Hong Kong is located at 18/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.

The Company is an investment holding company and its subsidiaries are engaged in property development with focuses on development projects of residential and commercial properties.

2. BASIS OF PREPARATION

The unaudited interim condensed consolidated financial statements for the six months ended 30 June 2016 have been prepared in accordance with Hong Kong Accounting Standards ("**HKAS**") 34 "Interim Financial Reporting".

The unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2015.

The unaudited interim condensed consolidated financial statements have been prepared under the historical cost convention, except for investment properties and available-for-sale investments which have been measured at fair value. The consolidated financial statements are presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand except when otherwise indicated.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2015, except for the adoption of new standards and interpretations effective as of 1 January 2016:

Amendments to Hong Kong Financial Reporting Standards ("**HKFRS**") 10, HKFRS 12 and HKAS 28 (2011)	*Investment Entities: Applying the Consolidation Exception*
Amendments to HKFRS 11	*Accounting for Acquisitions of Interests in Joint operations*
HKFRS 14	*Regulatory Deferral Accounts*
Amendments to HKAS 1	*Disclosure Initiative*
Amendments to HKAS 16 and HKAS 38	*Clarification of Acceptable Methods of Depreciation and Amortisation*
Amendments to HKAS 16 and HKAS 41	*Agriculture: Bearer Plants*
Amendments to HKAS 27 (2011)	*Equity Method in Separate Financial Statements*
Annual Improvements 2012–2014 Cycle	Amendments to a number of HKFRSs

The adoption of these new and revised standards and amendments has had no significant financial effect on the interim condensed consolidated financial statements and there have been no significant changes to the accounting policies applied in the interim condensed consolidated financial statements.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is not organised into business units based on their products and services and only has one reportable operating segment. Management monitors the operating results of the Group's operating segment as a whole for the purpose of making decisions about resources allocation and performance assessment.

No geographical information is presented as the Group's revenue from the external customers is derived solely from its operation in Mainland China and no non-current assets of the Group are located outside Mainland China.

No information about major customers is presented as no single customer individually contributed to over 10% of the Group's revenue for the six months ended 30 June 2016 and 2015.

5. REVENUE, OTHER INCOME AND GAINS

Revenue represents income from the sale of properties and lease of properties, net of business tax and other sales related taxes and discounts allowed.

An analysis of revenue, other income and gains is as follows:

	Six months ended 30 June 2016 *RMB'000* **(unaudited)**	Six months ended 30 June 2015 *RMB'000* (unaudited)
Revenue		
Sale of properties	**392,900**	287,184
Property leasing income	**4,093**	3,150
	396,993	290,334
Less: Business tax and government surcharges	**(21,227)**	(16,568)
	375,766	273,766
Other income and gains		
Bank interest income	**757**	1,001
Income from available-for-sale investments	**200**	649
Gross rental income	**1,355**	—
Others	**558**	201
	2,870	1,851

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Six months ended 30 June 2016 *RMB'000* **(unaudited)**	Six months ended 30 June 2015 *RMB'000* (unaudited)
Cost of properties sold	**263,839**	188,177
Depreciation	**3,970**	2,940
Amortisation of intangible assets	**161**	143
Minimum lease payments under operating leases	**157**	157
Amortisation of land lease payments	**22**	22
Auditors' remuneration	**680**	750
Employee benefit expense (excluding directors' remuneration):		
Wages and salaries	**4,996**	4,504
Pension scheme contributions	**806**	659
Staff welfare expense	**440**	711
Impairment of completed properties held for sale	**5,158**	—
Bank interest income	**(757)**	(1,001)
Income from available-for sale investments	**(200)**	(649)

7. INCOME TAX

The Group is subject to income tax on an entity basis on profit arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

The major components of the Group's income tax expense are as follows:

	Six months ended 30 June 2016 *RMB'000* **(unaudited)**	Six months ended 30 June 2015 *RMB'000* (unaudited)
Current tax:		
Income tax charge	**35,693**	26,140
Land appreciation tax	**4,437**	5,312
Deferred tax	**(18,400)**	(15,555)
Total tax charge for the period	**21,730**	15,897

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of basic earnings per share attributable to ordinary equity holders of the parent is based on the following data:

	Six months ended 30 June 2016 *RMB'000* **(unaudited)**	Six months ended 30 June 2015 *RMB'000* (unaudited)
Earnings:		
Profit for the period attributable to ordinary equity holders of the parent	**45,750**	23,391

	Six months ended 30 June 2016 *'000* **(unaudited)**	Six months ended 30 June 2015 *'000* (unaudited)
Number of shares:		
Weighted average number of ordinary shares for the purpose of the basic earnings per share calculation	**500,000**	400,000

The Group did not have any dilutive potential ordinary shares during the six months ended 30 June 2016 and 2015.

9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2016, the Group acquired assets with a cost of RMB4,217,000 (the six months ended 30 June 2015: RMB4,824,000).

No asset was disposed of by the Group during the six months ended 30 June 2016 and 2015.

10. TRADE RECEIVABLES

	As at 30 June 2016 *RMB'000* (unaudited)	As at 31 December 2015 *RMB'000* (audited)
Trade receivables	**677**	—

The Group seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by senior management. Trade receivables are non-interest-bearing.

There was no provision provided for impairment of trade receivables during the six months ended 30 June 2016 and 2015.

An aged analysis of the trade receivables, based on the invoice date, is as follows:

	As at 30 June 2016 *RMB'000* (unaudited)	As at 31 December 2015 *RMB'000* (audited)
Less than 1 year	**677**	—

The aged analysis of the trade receivables that are not individually nor collectively considered to be impaired is as follows:

	As at 30 June 2016 *RMB'000* (unaudited)	As at 31 December 2015 *RMB'000* (audited)
Neither past due nor impaired	**677**	—

Trade receivables that were neither past due nor impaired relate to an independent customer for whom there was no recent history of default.

11. TRADE PAYABLES

An aged analysis of the trade payables, based on the payment due dates, is as follows:

	As at 30 June 2016 *RMB'000* **(unaudited)**	As at 31 December 2015 *RMB'000* (audited)
Less than 1 year	**747,322**	685,943
1 to 2 years	**132,233**	254,540
2 to 3 years	**122,694**	8,250
3 to 4 years	**4,376**	3,360
4 to 5 years	**2,514**	3,780
Over 5 years	**35,342**	35,311
	1,044,481	991,184

Trade payables are unsecured and interest-free and are normally settled based on the progress of construction.

12. DIVIDENDS

A final dividend of HK$50 cents per ordinary share for the year ended 31 December 2015 of RMB211,725,000 was approved by shareholders on 19 May 2016 and paid on 31 May 2016.

The Board did not declare any interim dividend for the six months ended 30 June 2016 (the six months ended 30 June 2015: Nil).

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board, I am pleased to present the interim results of the Group for the six months ended 30 June 2016.

REVIEW OF FIRST HALF YEAR OF 2016

China's property market continued to recover during the first half year of 2016, easing the pressure on the property reserve, however, as cities differentiation intensified, city-by-city differences are materialized due to differences in policy regulations. Driven by favorable monetary policies and online financial businesses, first-tier cities and certain major second-to-third-tier cities have shown signs of overheated development, whereas other subsidiary cities still face burdersome inventory pressure. Meanwhile, long term strategies such as the new type of urbanization and regional integration have made steady progress, leading the property industry into the implementation stage of the transformation from business tax to value-added tax system.

According to the National Bureau of Statistics of the PRC, during the first half year of 2016, nationwide investments in property development amounted to RMB4,663.1 billion, representing a nominal growth of 6.1% as compared to the corresponding period of last year, among which, investments in residential properties amounted to RMB3,114.9 billion, representing an increase of 5.6% as compared to the corresponding period of last year, while the saleable area of commodity housing was 643.0 million sq.m., an increase of 27.9% as compared to the corresponding period of last year.

The Group stands by its business principle of creating high quality products for consumers and considerable values for investors to achieve steady development. Leveraging on the Group's efficient operation management and flexible sales strategies, for the six months ended 30 June 2016, the Company has recorded continuous and steady growth since its listing.

For the six months ended 30 June 2016, the Group achieved contracted sales of approximately RMB622.4 million, representing an increase of approximately 6.9% as compared to the same period of last year. Contracted GFA amounted to approximately 132,682 sq.m., an increase of approximately 19.8% as compared to the same period of last year. The Group recorded a sales revenue of approximately RMB375.8 million, representing an increase of approximately 37% as compared to the same period of last year, including revenue from property development of approximately RMB371.9 million, an increase of approximately 37% as compared to the same period of last year.

In respect of land bank, the Group continued its prudent strategy for land acquisitions and project site selections. For the six months ended 30 June 2016, the Group had a land bank of total GFA of approximately 2.5 million sq.m..

PROSPECTS FOR SECOND HALF YEAR OF 2016

As China's property market continued to return to its glory, in the second half year of 2016, subsidiary property markets will be driven by the high prices of properties in first-to-second-tier cities, as well as the forecast of favorable monetary policies. The Group anticipates a probable increase in both property transaction prices and quantity for the Group's major projects for sale.

The Group foresees that new type of urbanization will remain the principle driving force of property market development. The Group is dedicated to participating in local urbanization development. The Group is currently involved in the ongoing development of the Longtian project in Jinzhong Economic and Technology Development District, and the development preparation of the Beiliubao project, which have became the focus and landmark of the redevelopment project in the Chengzhongcun (城中村) in Jinzhong. The two projects are based on the Group's continuous research and exploration of the new type of urbanization. The Group believes that the continuous progress of the two projects will provide new paths for development, and bring considerable investment return to the Group.

In the second half year of 2016, the Group will conduct in depth analysis of the PRC development strategies and policies, and go with the trend to further implement the effective project operation management system, and base on the Group's innovative ideas to leverage on the Group's competitive advantages, such as low cost of land, solid developing ability, and flexible sales strategies, in order to achieve break-through in development. The Group shall adhere to its principle of "Good-faith Property Development (誠信地產)", and uphold the spirit of the faithful merchants, and unit with the Board and management team to bring fruitful returns to the shareholders.

ACKNOWLEDGEMENT

Finally, I would like to express my sincere gratitude on behalf of the Board to all the staff for their hard work, and heartfelt thanks to investors, customers and business partners for their strong support for and trust in the Group.

Bai Xuankui
Chairman

Jinzhong, Shanxi, the PRC
29 August 2016

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

For the six months ended 30 June 2016, the Group's total contracted sales were approximately RMB622.4 million, an increase of approximately 6.9% as compared to the same period of last year. For the six months ended 30 June 2016, the Group's revenue was approximately RMB375.8 million, an increase of approximately 37% as compared to the same period of last year, mainly attributable to the increase in income from property development. Revenue derived from property development was approximately RMB371.9 million, an increase of approximately 37% as compared to the same period of last year. For the six months ended 30 June 2016, the Group had a gross profit of approximately RMB111.8 million and a net profit of approximately RMB43.1 million of which earnings attributable to equity holders of the Company were approximately RMB45.8 million.

Contracted Sales

The Group's contracted sales for the six months ended 30 June 2016 and 2015 were approximately RMB622.4 million and RMB582.3 million, respectively, representing a growth of approximately 6.9%. Contracted total GFA was approximately 132,682 sq.m. and 110,792 sq.m., respectively, representing a growth of approximately 19.8% as compared to the same period of last year. The Group's contracted sales from Jinzhong, Taiyuan and Mianyang by geographic location were approximately RMB31.3 million, RMB245.5 million and RMB345.6 million, respectively, accounting for approximately 5.1%, 39.4% and 55.5% of the total contracted sales of the Group, respectively.

The table below sets forth the Group's contracted sales for the six months ended 30 June 2016 and 2015 by geographic location:

	Six months ended 30 June					
	Contracted Sales for 2016 *(RMB million)*	**Contracted Sales for 2015** *(RMB million)*	**Contracted GFA for 2016** *(sq.m.)*	**Contracted GFA for 2015** *(sq.m.)*	**Contracted Average Sales Price for 2016** *(RMB/sq.m.)*	**Contracted Average Sales Price for 2015** *(RMB/sq.m.)*
Jinzhong						
Riverside Gardens-Heshun (和順濱河小區)	1.6	—	833	—	1,920.7	—
Grand International Apartments (君豪公寓)	2.9	3.6	697	660	4,233.4	5,515.0
Grand International Mall (君豪商城)	—	0.6	—	58	—	10,080.0
Xin Xing International Cultural Town (新興國際文教城) (Phase III, Phase IV and Phase V)	26.8	76.4	6,970	14,363	3,838.8	5,318.1
Taiyuan						
Yosemite Valley Town — Taiyuan (龍城優山美郡) (Phase I)	245.5	412.1	45,155	75,246	5,437.0	5,477.1
Mianyang						
Mianyang (綿陽優山美郡)	50.8	17.7	12,742	4,206	3,983.6	4,196.9
Elite Gardens (綿陽天禦)	34.9	22.9	8,668	5,329	4,027.1	4,302.5
Chang Xing Star Gardens (綿陽長興星城)	259.9	49.0	57,617	10,930	4,510.7	4,487.4
Total	**622.4**	**582.3**	**132,682**	**110,792**	**4,690.9**	**5,255.8**

Note:

Contracted sales, total contracted GFA and contracted average sales price in the above table also include car parking spaces sold, if applicable.

Property Projects

The Group's property projects are divided into the following three categories depending on their development stage: completed properties, properties under development and properties held for future development. As some of the projects are developed successively in several phases, a single project may involve different development phases like completed, under development and held for future development.

As at 30 June 2016, the Group had a completed total GFA of 1,889,293 sq.m. and a land bank with a total GFA of 2,454,245 sq.m., comprising: (i) a total GFA of 180,391 sq.m. which is completed but unsold; (ii) a total GFA of 1,603,554 sq.m. which is under development; and (iii) a total planned GFA of 670,300 sq.m. held for future development.

The Group selectively retains the ownership of substantially all self-developed commercial properties with a strategic value to generate sustainable and stable revenue. As at 30 June 2016, the Group had investment properties with a total GFA of 21,613 sq.m..

Property Portfolio Summary

The table below sets forth the Group's property portfolio summary as at 30 June 2016:

Intended use[1]	**Completed Total GFA** *(sq.m.)*	**Under development GFA** *(sq.m.)*	**Held for future development Total GFA** *(sq.m.)*
Mid-rise（小高層）	786,167	—	145,023
High-rise（高層）	352,342	1,053,196	209,547
Townhouses（聯排）	27,625	—	—
Multi-story garden apartments（多層洋房）	576,778	21,735	54,452
Retail Outlets	118,731	196,905	124,013
SOHO apartments	6,931	—	15,791
Hotels	—	—	22,119
Parking Spaces	17,153	324,682	84,732
Ancillary[2]	3,566	7,036	14,623
Total GFA	**1,889,293**	**1,603,554**	**670,300**
Attributable GFA[3]	**1,850,101**	**1,335,498**	**567,109**

Notes:

(1) Comprises the portion of GFA held by the Group as utilities not saleable or leasable.

(2) Comprises primarily utilities which are not available for sale.

(3) Comprises the portion of the total GFA attributable to the Group based on the Group's effective interest in the relevant projects or project phases.

Completed Projects

The following table sets forth a summary of information on the Group's completed projects and corresponding project phases if any as at 30 June 2016:

Project	Project type	Actual completion date	Site area *(sq.m.)*	Completed GFA *(sq.m.)*	Saleable/ Leasable GFA remaining unsold *(sq.m.)*	GFA held for investment *(sq.m.)*	GFA sold *(sq.m.)*	Other GFA[(1)] *(sq.m.)*	Ownership Interest[(2)] *(%)*
Jinzhong									
1. East Lake Mall (東湖井)	Retail Outlet	July 2000	1,330	17,886	—	10,610	7,276	—	100
2. Grand International Mall & Apartments (君豪國際)	Residential/ Commercial	June 2007	7,465	65,543	11,173	8,241	46,129	—	100
3. Blossom Gardens (錦綉新城)	Residential	April 2007	5,261	39,080	—	—	39,080	—	100
4. Xin Xing International Cultural Town (新興國際文教城)									
Phase I	Residential	December 2005	5,600	24,602	—	—	24,602	—	100
Phase II	Residential/ Commercial	April 2012	17,968	93,060	161	—	92,748	151	100
Phase III	Residential/ Commercial	December 2009	255,918	545,046	3,582	—	541,464	—	100
Phase IV (partial)	Residential/ Commercial	September 2014	30,987	71,106	6,341	—	64,765	—	100
Phase V (partial)	Residential/ Commercial	May 2016	22,578	50,370	12,115	—	37,220	1,035	100
5. Upper East Gardens (上東庭院)									
Phase I	Residential/ Commercial	November 2006	19,361	47,926	—	—	47,926	—	100
Phase II	Residential/ Commercial	December 2011	24,343	75,889	2,219	—	73,670	—	100
6. Riverside Gardens — Zuoquan (左權濱河嘉園)	Residential/ Commercial	December 2007	73,035	98,545	—	—	97,990	555	100
7. SOLO Apartments (尚座公寓)	Commercial/ Complex	September 2009	2,411	9,783	312	—	9,471	—	100
8. Riverside Gardens — Heshun (和順濱河小區)									
Phase I	Residential	June 2008	60,100	62,507	—	—	62,167	340	100
Phase II	Residential	October 2012	5,898	51,217	—	—	51,217	—	100
9. Mandarin Gardens — Taigu (太谷文華庭院)	Residential/ Commercial	May 2011	30,690	51,525	—	—	51,525	—	100
10. Shuncheng Street Underground Space (順城街地下空間)	Retail Outlet	August 2015	—	897	—	—	897	—	100

Project	Project type	Actual completion date	Site area (sq.m.)	Completed GFA (sq.m.)	Saleable/ Leasable GFA remaining unsold (sq.m.)	GFA held for investment (sq.m.)	GFA sold (sq.m.)	Other GFA[1] (sq.m.)	Ownership Interest[2] (%)
Taiyuan									
1. Yosemite Valley Town — Phase I (Southern District) (龍城優山美郡一期南區)	Residential/ Commercial	December 2014	115,050	341,040	66,308	—	274,732	—	100
Mianyang									
1. Yosemite Valley Town — Mianyang (綿陽優山美郡)	Residential/ Commercial	May 2012	74,124	126,395	40,562	—	83,988	1,845	83.89
2. Elite Gardens (綿陽天禦)	Residential/ Commercial	September 2014	68,529	116,876	37,618	—	78,571	687	83.89
Total			**820,648**	**1,889,293**	**180,391**	**18,851**	**1,685,438**	**4,613**	
Total Attributable GFA[3]			**797,667**	**1,850,101**	**167,796**	**18,851**	**1,659,250**	**4,205**	

Notes:

(1) Comprises the portion of GFA held by the Group as utilities not saleable or leasable.

(2) Calculates based on the Group's effective ownership interest in the respective project companies.

(3) Comprises the portion of the total GFA attributable to the Group based on the Group's effective interest in the relevant projects or project phases.

Properties under Development and Properties Held for Future Development

The following table sets forth a summary of information on the Group's projects under development and corresponding project stages if any and properties held for future development as at 30 June 2016:

Project	Project Type	Site area	Actual/ Estimated completion date	Under development			Held for future developmen		
				GFA under development	Saleable/ Leasable GFA	GFA pre-sold	Planned GFA	GFA with the land use right certificate not yet obtained	Ownership Interest[1]
		(sq.m.)		*(sq.m.)*	*(sq.m.)*	*(sq.m.)*	*(sq.m.)*	*(sq.m.)*	*(%)*
Jinzhong									
1. Xin Xing International Cultural Town (新興國際文教城)		**—**		**19,768**	**8,840**	**—**	**—**	**—**	**100**
Phase IV (partial)	Parking Space	—	September 2016	10,949	8,840	—	—	—	100
Phase V (partial)	Parking Space	—	September 2016	8,819	—	—	—	—	100
2. Phase I of Longtian Project (龍田項目一期)		**129,049**		**449,634**	**428,000**	**—**	**—**	**—**	**51**
Stage I	Residential/ Commercial/ Parking Space	14,346	September 2016	78,954	74,203	—	—	—	51
Stage II	Residential/ Commercial/ Parking Space	24,367	September 2016	110,725	101,386	—	—	—	51
Stage III	Residential/ Commercial/ Parking Space	26,682	December 2016	126,120	121,061	—	—	—	51
Stage IV	Commercial/ Parking Space	13,422	September 2016	28,819	28,819	—	—	—	51
Stage V	Commercial/ Parking Space	50,232	September 2016	105,016	102,531	—	—	—	51
3. Beiliubao (北六堡)		**63,173**		**—**	**—**	**—**	**161,196**	**—**	**51**
Phase I	Residential	46,763	December 2018	—	—	—	117,039	—	51
Phase II	Commercial	16,410	December 2019	—	—	—	44,157	—	51
Taiyuan									
1. Yosemite Valley Town — Taiyuan (龍城優山美郡)		**303,440**		**837,848**	**748,753**	**216,430**	**232,693**	**—**	**100**
Phase I (Southern District)	Commercial/ Parking Space	2,078	December 2016	72,399	72,325	—	—	—	100
Phase I (Northern District)	Residential/ Commercial	108,005	May 2017	396,865	321,252	216,430	—	—	100
Phase II	Residential/ Commercial	111,477	December 2018	368,584	355,176	—	8,893	—	100
Phase III	Residential/ Commercial	60,080	December 2019	—	—	—	212,400	—	100
Phase IV	Primary School	21,800	December 2017	—	—	—	11,400	—	100

Project	Project Type	Site area	Actual/ Estimated completion date	Under development: GFA under development	Under development: Saleable/ Leasable GFA	Under development: GFA pre-sold	Held for future developmen: Planned GFA	Held for future developmen: GFA with the land use right certificate not yet obtained	Ownership Interest[1]
		(sq.m.)		*(sq.m.)*	*(sq.m.)*	*(sq.m.)*	*(sq.m.)*	*(sq.m.)*	*(%)*
Mianyang									
1. Chang Xing Star Gardens (綿陽長興星城)		**104,308**		**296,304**	**291,754**	**99,911**	**150,250**	**–**	**83.89**
Phase I	Residential/ Commercial/ Hotel	68,150	January 2017	296,304	291,754	99,911	–	–	83.89
Phase II	Residential/ Commercial	36,158	May 2019	–	–	–	150,250	–	83.89
Wuzhishan		**92,522**		**–**	**–**	**–**	**126,161**	**–**	**100**
Phase I	Commercial	28,745	December 2017	–	–	–	43,117	–	100
Phase II	Residential	23,827	October 2018	–	–	–	28,592	–	100
Phase III	Residential	18,244	October 2018	–	–	–	21,893	–	100
Phase IV	Residential	21,706	October 2019	–	–	–	32,559	–	100
Total		**692,492**		**1,603,554**	**1,477,347**	**316,341**	**670,300**	**–**	
Total Attributable GFA[2]				**1,335,498**	**1,220,625**	**300,245**	**567,109**	**–**	

Notes:

(1) Calculates based on the Group's effective ownership interest in the respective project companies.

(2) Comprises the portion of the total GFA attributable to the Group based on the Group's effective interest in the relevant projects or project phases.

The table below sets forth a summary of information on the Group's investment properties as at 30 June 2016:

Project	**Type of property**	**Total GFA held for Investment**	**Effective leased GFA**	**Occupancy rate**	**Rental income for the six months ended 30 June**	
					2016	**2015**
		(sq.m.)	*(sq.m.)*	*(%)*	*(RMB million)*	
Grand International Mall & Apartments (君豪國際)	Retail Outlet	8,241	4,234	87.4	1.7	0.8
East Lake Mall (東湖井)	Retail Outlet	10,610	9,584	100	1.5	—
Office Building of West Yingbin Street (迎賓西街辦公室)	Retail Outlet	2,762	2,762	100	0.7	—
Total		**21,613**	**16,580**		**3.9**	**0.8**

Land Bank

The table below sets forth a summary of the Group's land bank as at 30 June 2016 by geographic location:

	Completed Saleable/ Leasable GFA remaining unsold	**Under development GFA Under Development**	**Future development Planned GFA**	**Total land bank[1] Total GFA**	**% of total land bank**	**Average land cost**
	(sq.m.)	*(sq.m.)*	*(sq.m.)*	*(sq.m.)*	*(%)*	*(RMB/sq.m.)*
Jinzhong	35,903	469,402	161,196	666,501	27.2	817.3
Taiyuan	66,308	837,848	232,693	1,136,849	46.3	393.5
Mianyang	78,180	296,304	150,250	524,734	21.4	643.5
Wuzhishan	—	—	126,161	126,161	5.1	1,238.4
Total	**180,391**	**1,603,554**	**670,300**	**2,454,245**	**100.0**	**657.6**

Note:

(1) Land bank equals the sum of (i) saleable/leasable GFA remaining unsold, (ii) total GFA under development and (iii) total planned GFA held for future development.

The table below sets forth a summary of the Group's land bank as at 30 June 2016 by type of property:

	Completed Saleable/ Leasable GFA remaining unsold (sq.m.)	Under development GFA Under Development (sq.m.)	Future development Planned GFA (sq.m.)	Total land bank[1] Total GFA (sq.m.)	% of total land bank (%)
Mid-rise（小高層）	14,721	—	145,023	159,744	6.5
High-rise（高層）	46,737	1,053,196	209,547	1,309,480	53.4
Townhouses（聯排）	3,033	—	—	3,033	0.1
Multi-story garden apartments（多層洋房）	59,917	21,735	54,452	136,104	5.6
Retail Outlets	39,885	196,905	124,013	360,803	14.7
SOHO apartments	113	—	15,791	15,904	0.6
Hotels	—	—	22,119	22,119	0.9
Parking	15,985	324,682	84,732	425,399	17.3
Ancillary[2]	—	7,036	14,623	21,659	0.9
Total	**180,391**	**1,603,554**	**670,300**	**2,454,245**	**100.0**

Notes:

(1) Land bank equals the sum of (i) saleable/leasable GFA remaining unsold, (ii) total GFA under development and (iii) total planned GFA held for future development.

(2) Comprises primarily utilities which are not available for sale.

FINANCIAL REVIEW

Revenue

For the six months ended 30 June 2016, the Group's revenue was approximately RMB375.8 million, representing an increase of approximately 37% from approximately RMB273.8 million as compared to the same period of last year. The increase was mainly due to the completion of phase V of Xin Xing International Cultural Town which generated a substantial increase in revenue.

Revenue from property development for the six months ended 30 June 2016 was approximately RMB371.9 million, representing an increase of approximately 37% as compared to the same period of last year. The increase was mainly due to an increase in revenue from property development of the Group in relation to phase V of Xin Xing International Cultural Town.

Sales and Services Cost

The Group's sales and services cost increased by approximately 40% from approximately RMB188.2 million for the six month ended 30 June 2015 to approximately RMB264.0 million for the six months ended 30 June 2016, which was mainly due to a corresponding increase in the cost of sale with the increase in the revenue.

Gross Profit

For the six months ended 30 June 2016, the Group's gross profit was approximately RMB111.8 million, representing an increase of approximately 31% from approximately RMB85.6 million as compared to the same period of last year. The gross profit margin for the six months ended 30 June 2016 was approximately 30%, as compared to approximately 31% for the same period of last year.

For the six months ended 30 June 2016, the gross profit of property development was approximately RMB108.1 million, representing an increase of approximately 31% from approximately RMB82.6 million as compared to the same period of last year. The increase in the gross profit of property development of the Group was mainly due to revenue from delivery of some properties of the project of phase V of Xin Xing International Cultural Town during the six months ended 30 June 2016. The gross profit margin of property development for the six months ended 30 June 2015 and 2016 were approximately 31% and 29%, respectively.

Other Income and Gains

The Group's other income and gains were approximately RMB1.9 million for the six months ended 30 June 2015, while other income and gains were approximately RMB2.9 million for the six months ended 30 June 2016.

Selling and Marketing Expenses

The Group's selling and marketing expenses increased by approximately 9% from approximately RMB19.9 million for the six months ended 30 June 2015 to approximately RMB21.6 million for the six months ended 30 June 2016, which was mainly due to the fact that more marketing efforts were put on the Group's projects, including Yosemite Valley Town — Taiyuan and Chang Xing Star Gardens.

Administrative Expenses

The Group's administrative expenses decreased by approximately 31% from approximately RMB26.7 million for the six months ended 30 June 2015 to approximately RMB18.5 million for the six months ended 30 June 2016. This was mainly due to the listing expenditures for the listing process of the Group on the Stock Exchange in the first half year of 2015 which did not occur in the first half year of 2016.

Other Expenses

The Group's other expenses increase significantly from approximately RMB0.03 million for the six months ended 30 June 2015 to approximately RMB5.6 million for the six months ended 30 June 2016, which was mainly due to the impairment provided for completed properties held for sale as a result of the discounted sale of the remaining units of Yosemite Valley Town and Elite Gardens in Mianyang developed by the Group.

Finance Costs

The Group's finance costs increased by approximately 150% from approximately RMB1.6 million for the six months ended 30 June 2015 to approximately RMB4.0 million for the six months ended 30 June 2016, which was mainly due to new loans were obtained by the Group in 2016.

Income Tax Expense

The Group's income tax expense increased by approximately 36% from approximately RMB15.9 million for the six months ended 30 June 2015 to approximately RMB21.7 million for the six months ended 30 June 2016, which was mainly due to the Group recorded an increase in profit in the first half year of 2016. The PRC corporate income tax and land appreciation tax of the Group for the six months ended 30 June 2016 were approximately RMB17.3 million and RMB4.4 million, respectively.

Profit and Total Comprehensive Income for the Period

As a result of the foregoing, the Group's profit and total comprehensive income for the period increased from approximately RMB23.3 million for the six months ended 30 June 2015 to approximately RMB45.8 million for the six months ended 30 June 2016.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

Cash Position

As at 30 June 2016, the Group's bank balance and cash were approximately RMB408.2 million, representing an decrease of approximately 34% as compared to approximately RMB617.2 million as at 31 December 2015.

Net Operating Cash Flow

The Group recorded a positive operating cash flow of approximately RMB136.1 million for the six months ended 30 June 2016, while the Group recorded a positive operating cash flow of approximately RMB128.9 million for the six months ended 30 June 2015.

Borrowings and Pledged Assets

The Group had aggregate borrowings of RMB598.0 million as at 30 June 2016, of which RMB303.0 million are due within one year, while the remaining RMB295.0 million are due within three years. As at 30 June 2016, some of the Group's outstanding bank borrowings were secured by one or more than one of the followings: properties under development, investment properties, and properties, plants and equipment with a carrying value of approximately RMB1,582.1 million.

The Group's domestic bank loans carried a floating interest rate linked with the base lending rate of The People's Bank of China. As at 30 June 2016, the Group was exposed to interest rate risk, primarily in relation to the Group's bank loans bearing floating interest rates, which amounted to be RMB598.0 million.

Financial Guarantees and Contingent Liabilities

In line with market practice, the Group has entered into schemes of arrangement with various banks for the provision of mortgage financing to its customers. The Group does not conduct any independent credit checks on customers, but rely on credit checks conducted by mortgagee banks. As with other property developers in the PRC, the banks usually require the Group to guarantee its customers' obligation to repay the mortgage loans on the properties. The guarantee period normally lasts until the bank receives the strata-title building ownership certificate (分戶產權證) from the customer as security of the mortgage loan granted. As at 30 June 2016, the Group's outstanding guarantees in respect of the mortgages of its customers amounted to approximately RMB1,000 million.

As at 30 June 2016, the Group has no material contingent liabilities.

Material Acquisitions and Disposals and Significant Investments

The Group did not have any material acquisitions and disposals and significant investments during the six months ended 30 June 2016.

Future Plans for Material Investments or Capital Assets

The Group will continue to invest in property development projects and acquire suitable land parcels in selected cities, if it thinks fit. It is expected that internal resources and bank borrowings will be sufficient to meet the necessary funding requirements. Save as disclosed in the prospectus of the Company dated 22 June 2015 (the "**Prospectus**") and in this announcement, the Group did not have any future plans for material investments as of the date of this announcement.

Employees and Remuneration Policies

As at 30 June 2016, the Group had 197 employees. For the six months ended 30 June 2016, the Group incurred employee costs of approximately RMB7.2 million. Remuneration for the employees generally includes salary and performance-based quarterly bonuses. As required by applicable PRC laws and regulations, the Group participates in various employee benefit plans of the municipal and provincial governments, including housing provident funds, pension, medical, maternity, occupational injury and unemployment benefit plans.

Gearing Ratio

As at 30 June 2016, the Group's gearing ratio (calculated by total debt divided by total equity; total debt includes interest-bearing bank and other borrowings) was approximately 62.46% (31 December 2015: approximately 66.14%).

Foreign Currency Risks

The Group mainly operates in the PRC. The Group's functional currency and the currency in which the Group denominates and settles substantially all of its transactions are RMB. Any fluctuation in the rate of RMB would affect the value of any dividends that the Group pays to the Shareholders outside of the PRC. The Group currently do not engage in hedging activities designed or intended to manage foreign exchange rate risk.

INTERIM DIVIDEND

The Board has resolved not to pay any interim dividend for the six months ended 30 June 2016 to the shareholders of the Company (30 June 2015: Nil).

USE OF NET PROCEEDS FROM LISTING

The net proceeds of the Company from its initial public offering (after deducting underwriting fees and related expenses) amounted to approximately HK$239.4 million are intended to be applied in the manner consistent with that set out in the Prospectus.

CORPORATE GOVERNANCE

The Company always commits to maintain high standards of corporate governance with a view to assure the conduct of management of the Company and protect the interests of the Shareholders. The Company are fully aware that transparency and accountability in corporate governance are crucially important to the Shareholders. The Board considers that sound corporate governance maximizes the Shareholders' interest.

The Company has adopted the Corporate Governance Code (the "**CG Code**") as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange ("**Listing Rules**") as its own code of corporate governance. During the Reporting Period, the Company has complied with the code provisions as set out in the CG Code, except for code provision A.1.8, which requires an issuer to arrange appropriate insurance cover in respect of legal action against its Directors. The Company is selecting suitable insurance plans and shall arrange suitable liability insurance cover for Directors when appropriate, so as to protect them against liability claims arising from corporate activities.

The Company shall continue to strengthen its corporate governance practices, and rely on the assistance from the domestic and Hong Kong legal consultants and compliance advisor to enhance its internal control and risks management, so as to ensure the compliance to the CG Code.

The Board currently consists of 4 executive Directors and 3 independent non-executive Directors. The Board is responsible for the overall leadership of the Group. It oversees strategic decision-making and monitors the business and performance of the Group. The Board has delegated the day-to-day management and operation powers and duties to the senior management. The independent non-executive Directors possess professional qualifications and related management experience in the areas of financial accounting, corporate governance, etc. and have contributed to the Board with their professional opinions. Mr. Bai Xuankui ("**Chairman Bai**") is an executive Director and the Chairman of the Board. He is responsible for the management of the Board and the overall strategic planning, business development and corporate governance functions. The Company believes that Chairman Bai has been serving as the Director and chairman of the Board since its establishment, which facilitates the Company in formulating appropriate development strategies. Regarding business operations, the Company's senior management, which comprises experienced and high caliber individuals from various sectors, will ensure decisions made by the Board are thoroughly implemented.

THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

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 for securities transactions by Directors. Having made specific enquiries with all the Directors, each of the Directors has confirmed that he has complied with the Model Code during the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF SECURITIES OF THE COMPANY

During the Reporting Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities. A16.46 (2)

SUBSEQUENT EVENTS

Subsequent to 30 June 2016, neither the Company nor the Group has any substantial subsequent events that need to be disclosed.

AUDIT COMMITTEE

The Company has established an audit committee (the "**Audit Committee**") with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph C.3 of the CG Code. The Audit Committee consists of three independent non-executive Directors including Mr. Gu Jiong, Mr. Tian Hua and Mr. Qiu Yongqing. The Audit Committee is chaired by Mr. Gu Jiong.

The Audit Committee has reviewed with the management, the accounting principles and policies adopted by the Company, as well as laws and regulations, and discussed internal control, risk management and financial reporting matters of the Group, including review of the interim results of the Company for the six months ended 30 June 2016. The Audit Committee considered that the interim results are in compliance with the applicable accounting principles and policies, laws and regulations, and the Company has made appropriate disclosures thereof. A16.46 (6)

PUBLICATION OF THE INTERIM RESULTS ANNOUNCEMENT AND THE INTERIM REPORT FOR THE SIX MONTHS ENDED 30 JUNE 2016

In accordance with the requirements under the Listing Rules, this interim results announcement is published on the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.chen-xing.cn).

In accordance with the requirements under the Listing Rules, the interim report for the six months ended 30 June 2016 of the Company (which contained the information about the Company) will he dispatched to the shareholders in due course, and will be published on the respective websites of the Stock Exchange and the Company.

By order of the Board
Chen Xing Development Holdings Limited
Bai Xuankui
Chairman

Hong Kong, 29 August 2016

As at the date of this announcement, the executive directors of the Company are Mr. Bai Xuankui, Mr. Bai Wukui, Mr. Bai Guohua and Mr. Dong Shiguang and the independent non-executive directors of the Company are Mr. Gu Jiong, Mr. Tian Hua and Mr. Qiu Yongqing.