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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 2016

ANNUAL RESULTS HIGHLIGHTS

- Contracted sales for the year ended 31 December 2016 was approximately RMB16,784.9 million, representing an increase of 93.0% as compared to last year
- Revenue for the year ended 31 December 2016 was RMB15,051.3 million, representing an increase of 161.3% as compared to last year
- For the year ended 31 December 2016, the Group recorded a net profit for the year of RMB163.4 million
- Total assets as of 31 December 2016 was RMB38,041.9 million, representing an increase of 29.3% as compared to that of 31 December 2015
- As of 31 December 2016, net debt-to-adjusted-capital ratio was approximately 51%, representing an improvement of 84 percentage points as compared to last year. Total cash at bank and on hand (including restricted cash) reached RMB10,724.6 million
- The Board did not recommend any payment of final dividend for the year ended 31 December 2016

The board (the "**Board**") of directors (the "**Directors**") of Jingrui Holdings Limited ("**Jingrui**" or the "**Company**") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "**Group**" or "**we**" or "**us**" or "**our**") for the year ended 31 December 2016 (the "**Year**") together with the comparative figures for the year ended 31 December 2015 as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2016

	Note	Year ended 31 December 2016 RMB'000	2015 RMB'000
Revenue	3	**15,051,277**	5,759,116
Cost of sales	5	**(14,440,998)**	(5,585,933)
Gross profit		**610,279**	173,183
Fair value gains on investment properties		**81,059**	203,255
Selling and marketing costs	5	**(408,502)**	(230,734)
Administrative expenses	5	**(409,186)**	(269,074)
Other income		**79,763**	89,338
Other gains/(losses) – net	4	**964,323**	(52,706)
Operating profit/(loss)		**917,736**	(86,738)
Finance income	6	**46,124**	38,487
Finance costs	6	**(142,837)**	(95,841)
Finance costs – net		**(96,713)**	(57,354)
Share of results of joint ventures		**(35,978)**	4,833
Profit/(loss) before income tax		**785,045**	(139,259)
Income tax expense	7	**(621,621)**	(150,049)
Profit/(loss) for the year		**163,424**	(289,308)
Attributable to:			
Equity holders of the Company		**106,295**	(352,696)
Holders of perpetual capital instruments		**71,500**	50,136
Non-controlling interests		**(14,371)**	13,252
		163,424	(289,308)
Earnings/(loss) per share for profit/(loss) attributable to equity holders of the Company			
– Basic and diluted	8	**RMB0.08**	(RMB0.27)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2016

	Year ended 31 December	
	2016	2015
	RMB'000	*RMB'000*
Profit/(loss) for the year	**163,424**	(289,308)
Other comprehensive income that may be reclassified subsequently to profit or loss		
Changes in fair value of available-for-sale financial assets	**63,098**	2,469
Transfer of fair value gains previously taken to other reserves to consolidated income statement upon disposal of available-for-sale financial assets	**(5,054)**	–
Other comprehensive income for the year, net of tax	**58,044**	2,469
Total comprehensive income/(loss) for the year	**221,468**	(286,839)
Attributable to:		
Equity holders of the Company	**164,339**	(350,227)
Holders of perpetual capital instruments	**71,500**	50,136
Non-controlling interests	**(14,371)**	13,252
	221,468	(286,839)

CONSOLIDATED BALANCE SHEET

As at 31 December 2016

		As at 31 December	
		2016	2015
	Note	***RMB'000***	*RMB'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**33,473**	24,999
Investment properties		**3,201,772**	1,536,941
Intangible assets		**15,986**	4,478
Investments in joint ventures		**462,512**	541,651
Deferred income tax assets		**311,318**	335,932
Available-for-sale financial assets		**654,177**	69,400
Trade and other receivables and prepayments	*10*	**572,689**	–
		5,251,927	2,513,401
Current assets			
Prepayments for leasehold land		**348,089**	–
Properties held or under development for sale		**17,755,193**	21,677,299
Trade and other receivables and prepayments	*10*	**3,371,019**	1,239,500
Prepaid income taxes		**339,269**	311,058
Restricted cash		**1,277,442**	2,080,049
Cash and cash equivalents		**9,447,181**	1,603,064
Available-for-sale financial assets		**251,813**	–
		32,790,006	26,910,970
Total assets		**38,041,933**	29,424,371
OWNERS' EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital: nominal value		**79,361**	79,361
Reserves		**3,224,519**	3,301,866
		3,303,880	3,381,227
Perpetual capital instruments		**538,083**	512,111
Non-controlling interests		**716,106**	933,877
Total equity		**4,558,069**	4,827,215

CONSOLIDATED BALANCE SHEET (CONTINUED)
As at 31 December 2016

	Note	As at 31 December 2016 RMB'000	2015 RMB'000
LIABILITIES			
Non-current liabilities			
Borrowings		**9,261,009**	4,523,165
Deferred income tax liabilities		**889,615**	422,305
Financial liabilities for put options written on non-controlling interests		**13,612**	–
		10,164,236	4,945,470
Current liabilities			
Trade and other payables	*11*	**8,543,694**	3,500,671
Amounts due to non-controlling interests of subsidiaries		**320,628**	118,726
Finance lease liabilities		**4,107**	–
Advanced proceeds received from customers		**9,857,221**	9,777,283
Current income tax liabilities		**631,138**	434,006
Borrowings		**3,960,341**	5,812,994
Current portion of derivative financial instrument		**2,499**	8,006
		23,319,628	19,651,686
Total liabilities		**33,483,864**	24,597,156
Total equity and liabilities		**38,041,933**	29,424,371

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.

The annual results set out in this announcement do not constitute the Group's consolidated financial statements for the year ended 31 December 2016 but are extracted from those financial statements.

2 BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("**HKFRSs**") and disclosure requirements of the Hong Kong Companies Ordinance Cap. 622. The consolidated financial statements have been prepared 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 consolidated 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 standard, amendments and improvements of HKFRSs adopted by the Group in 2016

The following new standard, amendments and improvements to existing standards are mandatory for the first time for the financial year beginning on 1 January 2016 and are relevant to the Group's operations.

- HKFRS 14 "Regulatory Deferral Accounts";
- Amendment to HKFRS 11 on accounting for acquisitions of interests in joint operations;
- Amendments to HKAS 16 and HKAS 38 on clarification of acceptable methods of depreciation and amortization;
- Amendment to HKAS 27 on equity method in separate financial statements;
- Amendments from annual improvements 2012-2014 cycle, affecting the following 4 standards: HKFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", HKFRS 7 "Financial Instruments: Disclosures", HKAS 19 "Employee Benefits" and HKAS 34 "Interim Financial Reporting";
- Amendments to HKFRS 10, HKFRS 12 and HKAS 28 on investment entities: applying the consolidation exception;
- Amendments to HKAS 1 on disclosure initiative.

The adoption of the above new standard, amendments and improvements starting from 1 January 2016 did not give rise to any significant impact on the Group's results of operations and financial position for the year ended 31 December 2016.

The Group has not early adopted any new accounting and financial reporting standards or amendments to existing standards which have been issued but are not yet effective for the year ended 31 December 2016.The Group is in the process of making an assessment on the impact of these new standards and amendments and does not anticipate that the adoption when they become effective will result in any material impact on the Group's results of operations and financial position, except for the new financial reporting standard HKFRS 9 "Financial Instruments" (effective for annual periods beginning on or after 1 January 2018), HKFRS 15 "Revenue from Contracts with Customers" (effective for annual periods beginning on or after 1 January 2018) and HKFRS 16 "Leases" (effective for annual periods beginning on or after 1 January 2019) which the Group is not yet in a position to conclude.

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, provides management and security services to residential and commercial properties in the PRC, and is engaged in property decoration and other miscellaneous businesses.

The CODM assesses the performance of the operating segments based on a measure of revenue and profit or loss 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	
	2016	2015
	RMB'000	*RMB'000*
Revenue from sales of properties	**14,737,396**	5,608,426
Revenue from property management	**164,905**	96,538
Revenue from decoration of properties	**69,181**	32,449
Rental income	**10,663**	8,561
Others	**69,132**	13,142
	15,051,277	5,759,116

(b) Segment information

	Year ended 31 December 2016				
	Property development *RMB'000*	**Property investment, management and others** *RMB'000*	**Total segment** *RMB'000*	**Elimination** *RMB'000*	**Total Group** *RMB'000*
Segment revenue	**14,737,396**	**640,742**	**15,378,138**	**(326,861)**	**15,051,277**
Segment profit before income tax expense	**656,451**	**121,619**	**778,070**	**6,975**	**785,045**
Finance income	**43,567**	**2,557**	**46,124**	**–**	**46,124**
Finance costs	**(140,234)**	**(2,603)**	**(142,837)**	**–**	**(142,837)**
Share of results of joint ventures	**(35,966)**	**(12)**	**(35,978)**	**–**	**(35,978)**
Depreciation and amortisation	**(7,900)**	**(5,226)**	**(13,126)**	**–**	**(13,126)**

A reconciliation to profit for the year is as follows:

Total segment profits before income tax expense	**785,045**
Income tax expense	**(621,621)**
Profit for the year	**163,424**

	As at 31 December 2016				
Segment assets	**69,808,687**	**9,342,824**	**79,151,511**	**(41,109,578)**	**38,041,933**
Segment assets include:					
Investments in joint ventures	**462,024**	**488**	**462,512**	**–**	**462,512**
Additions to non-current assets (other than financial instruments and deferred income tax assets)	**602,885**	**1,858,453**	**2,461,338**	**–**	**2,461,338**
Segment liabilities	**68,941,371**	**5,634,763**	**74,576,134**	**(41,092,270)**	**33,483,864**

	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

4 OTHER GAINS/(LOSSES)- NET

	Year ended 31 December	
	2016	2015
	RMB'000	*RMB'000*
Gains from disposal of shares in Tianjin Jingxiu Property Development Co., Ltd. ("**Tianjin Jingxiu**") (a)	**557,096**	–
Gains on re-measurement of the existing interests in Modern Jump Limited (b)	**50,916**	–
Gains from disposal of available-for-sale financial assets	**3,559**	–
Gains from disposal of shares in Shanghai Jiajing Investment Co., Ltd. ("**Shanghai Jiajing**") (c)	**358,712**	–
Gains from disposal of shares in Shanghai Garden City Real Estate Development Co., Ltd. ("**Shanghai Garden City**")	**15,384**	–
Loss from disposal of partial shares in Ningbo Jingrui Property Co., Ltd. ("**Ningbo Jingrui**")	**(10,837)**	–
Other loss in connection with acquisition of subsidiaries	**(1,978)**	–
Gains from disposal of partial shares in Shanghai Ruice Investment Co., Ltd. ("**Shanghai Ruice**")	**2,420**	–
Gains from disposal of property, plant and equipment	**157**	628
Changes in fair values of derivative financial instruments	**(229)**	9,032
Compensation and late payment charges	**(18,619)**	(60,670)
Fair value gains upon transfer of properties held for sale to investment properties	**8,700**	–
Others	**(958)**	(1,696)
	964,323	(52,706)

(a) In November 2016, the Group entered into a share transfer agreement with a third party, Hengda (Tianjin) Real Estate Group Co., Ltd., ("**Hengda Tianjin**") pursuant to which the Group disposed all its equity interests in Tianjin Jingxiu at a total consideration of RMB616,280,000. The transaction was completed in December 2016. The disposal gains of RMB557,096,000 were recognised as other gains for the year ended 31 December 2016.

(b) In December 2016, the Group acquired 43.24% equity interests of Modern Jump Limited, a joint venture of the Group in which the Group held 56.76% equity interests, at a total consideration of RMB287,877,000. Completion of the acquisition took place on 26 December 2016 and Modern Jump Limited therefore became a wholly owned subsidiary of the Group since then. Gains on re-measurement of the existing interests in Modern Jump Limited of RMB50,916,000 was recognised for the year ended 31 December 2016.

(c) In December 2016, the Group entered into a share transfer agreement with a third party, Hengda Real Estate Group Shanghai Shengjian Property Co., Ltd. ("**Hengda Shanghai**"), pursuant to which the Group agreed to transfer all of its equity interests in Shanghai Jiajing, which holds 49% equity interests in Shanghai Jingqi Property and Development Co., Ltd ("**Shanghai Jingqi**"), a property project company in Shanghai to Hengda Shanghai and also agreed to transfer the remaining 51% equity interests in Shanghai Jingqi, which is held by the Group through another subsidiary, to Hengda Shanghai, subject to certain conditions being satisfied, at a total consideration of RMB493,750,000.

The Group transferred all of its equity interests in Shanghai Jiajing to Hengda Shanghai in December 2016 and lost control over both Shanghai Jiajing and Shanghai Jingqi. The disposal gains of RMB358,712,000 were recognised as other gains for the year ended 31 December 2016.

As at 31 December 2016, the Group's remaining 51% equity interests in Shanghai Jingqi is recognised as available-for-sale financial assets in the consolidated balance sheet.

5 EXPENSES BY NATURE

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

	Year ended 31 December	
	2016	2015
	RMB'000	*RMB'000*
Cost of properties sold	**13,458,291**	4,885,277
Cost of decoration	**70,808**	–
Business tax and surcharges (a)	**657,270**	326,134
Accrual of provision for impairment of properties held or under development for sale	**92,793**	255,300
Depreciation of property, plant and equipment	**12,181**	10,282
Amortisation of intangible assets	**945**	1,104
Bank charges	**7,584**	13,488
Staff costs	**405,823**	269,433
Entertainment expenses	**19,939**	11,240
Stamp duty and other taxes	**25,951**	17,945
Professional fees	**90,442**	45,216
Auditors' remuneration		
– annual audit and interim review	**3,630**	3,580
– non-audit services	**1,847**	781
Sales commission	**61,777**	11,106
Advertising and publicity costs	**120,335**	96,371
Office and meeting expenses	**31,049**	20,889
Rental expenses	**14,706**	14,421
Travelling expenses	**14,963**	12,274
Reversal of provision for impairment of receivables	**(2,642)**	(2,645)
Other expenses	**170,994**	93,545
Total cost of sales, selling and marketing costs and administrative expenses	**15,258,686**	6,085,741

Note:

(a) Before 1 May 2016, 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. Since 1 May 2016, the PRC companies of the Group are subject to value added tax and surcharges.

6 FINANCE COSTS – NET

	Year ended 31 December	
	2016	2015
	RMB'000	*RMB'000*
Finance income		
– Interest income on bank deposits	**46,124**	38,487
Finance costs		
– Interest on bank loans, senior notes, trust financing arrangements and corporate bonds	**(1,253,709)**	(982,733)
– Net foreign exchange losses on financing activities	**(83,112)**	(76,681)
– Changes in discounted present value of financial liabilities for put option written on non-controlling interests	**(799)**	–
Less: Amount capitalised	**1,194,783**	963,573
	(142,837)	(95,841)
Net finance costs	**(96,713)**	(57,354)

7 INCOME TAX EXPENSE

	Year ended 31 December	
	2016	2015
	RMB'000	*RMB'000*
Current income tax		
– PRC land appreciation tax	**280,322**	74,308
– PRC corporate income tax	**242,661**	70,205
	522,983	144,513
Deferred income tax	**98,638**	5,536
Total income tax charged for the year	**621,621**	150,049

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 PRC for earnings generated beginning from 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 had 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 2016 (2015: Nil). 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 2016, the Group did not recognise deferred income tax for PRC withholding income tax with amount of RMB100,651,000 (31 December 2015: RMB72,759,000) on the remaining unremitted distributable profits generated by its PRC subsidiaries attributable to the investors outside the PRC with amount of RMB1,006,509,000 (31 December 2015: RMB727,587,000).

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.

8 EARNINGS/(LOSS) PER SHARE

Basic earnings/(loss) per share for the years ended 31 December 2016 and 2015 are calculated by dividing the Group's profit/(loss) attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	Year ended 31 December	
	2016	2015
Group's profit/(loss) attributable to equity holders of the Company *(RMB'000)*	**106,295**	(352,696)
Weighted average number of shares in issue *(in thousand)*	**1,291,302**	1,291,302
Basic earnings/(loss) per share *(RMB)*	**0.08**	(0.27)

Diluted earnings/(loss) per share is equal to basic earnings/(loss) per share as there were no shares with a dilutive impact outstanding for both years ended 31 December 2016 and 2015.

9 DIVIDENDS

	Year ended 31 December	
	2016	2015
	RMB'000	*RMB'000*
Proposed no final dividend (2015: Nil)	**–**	–

Notes:

(a) The Board did not recommend any payment of dividend for the year ended 31 December 2016 (2015: Nil).

(b) 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 and 31 December 2016 was RMB1,379,000, which was included in dividend payable (Note 11).

10 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at 31 December	
	2016	2015
	RMB'000	*RMB'000*
Trade receivables	**161,564**	58,172
Less: Provision for impairment of trade receivables	**(205)**	(203)
Trade receivables – net	**161,359**	57,969
Amounts due from joint ventures	**1,561,307**	236,215
Prepaid business tax and surcharges (a)	**331,014**	548,417
Receivables arising from disposal of subsidiaries (b)	**540,401**	–
Loans due from disposed subsidiaries assumed by third parties (c)	**506,276**	–
Tender deposits (d)	**36,600**	21,600
Deposits with public housing fund centres (e)	**66,273**	61,481
Prepayments of construction costs	**43,517**	18,034
Temporary funding receivables (f)	**93,535**	119,306
Deposits paid for construction work	**274,239**	92,208
Amount due from non-controlling interests of a subsidiary (g)	**105,000**	13,000
Prepayments for investments (h)	**141,496**	–
Others	**91,632**	89,239
Less: Provision for impairment of other receivables	**(8,941)**	(17,969)
	3,943,708	1,239,500
Less: non-current portion (i)	**(572,689)**	–
	3,371,019	1,239,500

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 outstanding considerations of disposal of interests in Tianjin Jingxiu and Shanghai Jiajing.

(c) The balance represents the outstanding loans of RMB325,476,000 of Shanghai Jingqi and RMB180,800,000 of Tianjin Jingxiu, originally due by two disposed subsidiaries to the Group, which have been assumed and shall be paid off by Hengda Shanghai and Hengda Tianjin respectively according to the share transfer agreements.

(d) 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.

(e) 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.

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

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

(h) In December 2016, the Group made prepayments for investments to a third party with a total consideration of RMB141,496,000.

(i) The balances as at 31 December 2016 include the prepayments for investments of RMB141,496,000, and the amount due from Shanghai Ruice for outstanding principal of RMB407,340,000 and interest receivable balance of RMB23,853,000 of a shareholder's loan from the Group to Shanghai Ruice with annual interest rate of 8%. The shareholder loan will be matured till October 2019.

The aging analysis of trade receivables based on the property delivery or service rendered date is as follows:

	As at 31 December	
	2016	2015
	RMB'000	*RMB'000*
Less than 1 year	**150,511**	14,752
Between 1 and 2 years	**3,021**	40,415
Between 2 and 3 years	**5,874**	2,964
Over 3 years	**2,158**	41
	161,564	58,172

As at 31 December 2016, trade receivables of RMB157,550,000 (2015: RMB56,572,000) 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	
	2016	2015
	RMB'000	*RMB'000*
Less than 1 year	**146,560**	13,302
Between 1 and 2 years	**2,965**	40,306
Between 2 and 3 years	**5,867**	2,964
Over 3 years	**2,158**	–
	157,550	56,572

As at 31 December 2016, trade and other receivables of RMB9,146,000 (2015: RMB18,172,000) 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	
	2016	2015
	RMB'000	*RMB'000*
At beginning of the year	**18,172**	21,330
Reversal of provision for receivables impairment	**(2,642)**	(2,645)
Receivables written off as uncollectible	**–**	(513)
Reduction arising from disposal of a subsidiary	**(6,384)**	–
At end of the year	**9,146**	18,172

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 2016 and 2015, the fair value of trade and other receivables approximate their carrying amounts.

As at 31 December 2016 and 2015, the carrying amounts of trade and other receivables and prepayments are all denominated in RMB.

11 TRADE AND OTHER PAYABLES

	As at 31 December	
	2016	2015
	RMB'000	*RMB'000*
Trade payables	**2,919,814**	1,823,356
Notes payable	**31,216**	493,289
Amounts due to joint ventures	**4,921,010**	449,657
Amount due to a related party	**494**	807
Business and other taxes payable	**147,039**	122,734
Electricity fee and cleaning fee collected on behalf	**23,444**	24,499
Deed tax collected on behalf	**36,634**	17,112
Accrued payroll	**11,975**	24,017
Interest payable	**201,883**	114,911
Construction deposits received from suppliers	**24,255**	21,506
Deposits received from customers	**32,233**	97,223
Payables for sales commission	**28,184**	3,840
Deposit received in connection with the disposal of a subsidiary (a)	**–**	10,000
Payables for acquisition of Shanghai Fengxiang Property Development Co., Ltd ("**Shanghai Fengxiang**") (b)	**–**	91,213
Payables for acquisition of Suzhou Ailide Trade Co., Ltd. ("**Suzhou Ailide**") (c)	**–**	85,890
Payables for acquisition of Hangzhou Jiaheng Property Co., Ltd. ("**Hangzhou Jiaheng**") (d)	**16,500**	–
Remaining liability component of perpetual capital instruments	**–**	18,288
Dividend payable (Note 9(b))	**1,379**	1,379
Others	**147,634**	100,950
	8,543,694	3,500,671

Notes:

(a) The balance as at 31 December 2015 represents the deposit RMB10,000,000 received from a third party in 2013 for the transfer of 100% equity interests of Shanghai Garden City, a subsidiary of the Group. The equity transfer has been completed by 30 June 2016. The Group recognised a gain from disposal of shares in Shanghai Garden City amounting to RMB15,384,000 during the year ended 31 December 2016.

(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, which was fully paid during the year ended 31 December 2016.

(c) Pursuant to an equity transfer agreement entered into in October 2015 between an independent third party and the Group through its wholly-owned subsidiary Shanghai Xiaozhi Investment Co., Ltd., the Group acquired 50% equity interests of Suzhou Ailide in September 2015 at 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. These balances were settled during the year ended 31 December 2016.

(d) Pursuant to an equity purchase agreement entered into in April 2016 between two third parties and the Group through its wholly owned subsidiary, Shanghai Xiaoyi Investment Co., Ltd., the Group acquired 100% equity interests of Hangzhou Jiaheng at a total consideration of RMB296,000,000 in April 2016. As at 31 December 2016, consideration amount of RMB16,500,000 remaining unpaid was included in the trade and other payables.

The aging analysis of trade payables and notes payable based on the invoice date or service rendered date are as follows:

	As at 31 December	
	2016	2015
	RMB'000	*RMB'000*
Less than 1 year	**2,830,121**	2,082,663
Between 1 and 2 years	**87,060**	146,962
Between 2 and 3 years	**16,087**	19,612
Over 3 years	**17,762**	67,408
	2,951,030	2,316,645

As at 31 December 2016 and 2015, the fair value of trade and other payables approximate their carrying amounts.

As at 31 December 2016 and 31 December 2015, the carrying amounts of trade and other payables are denominated in below currencies:

	As at 31 December	
	2016	2015
	RMB'000	*RMB'000*
– RMB	**8,446,752**	3,421,729
– USD	**88,844**	78,135
– HKD	**8,098**	807
	8,543,694	3,500,671

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW

In 2016, the Group achieved contracted sales of approximately RMB16,784.9 million and total contracted gross floor area ("**GFA**") sold of approximately 1,353,371 square meters ("**sq.m.**"). At the same time, the Group implemented strong sales receivables collection management, and the amount collected from property sales was RMB16,128.6 million for the Year, accounting for approximately 96.1% of our contracted sales for the Year.

During the Year, our contracted sales were mainly distributed across 26 development projects in 12 cities in the PRC accounting for approximately 94.0% of the total contracted sales. In 2016, we successively launched 10 new development projects pre-sold for the first time, mainly including Shanghai Jingrui Upper Riverside (上海景瑞•尚濱江), Shanghai Jingrui The French Lakeside Villa (上海景瑞•法蘭雲廷), Shanghai Jingrui @WAY Across (上海景瑞•@WAY遇道), Tianjin Jingrui Hyatt Mansion (天津景瑞•悦府), Hangzhou Jingrui Shenhua County (杭州景瑞•申花郡), Ningbo Jingrui Titian Garden (寧波景瑞•緹香郡), Ningbo Jingrui Headream Mansion (寧波景瑞•海志府), Chongqing Jingrui Online Family (重慶景瑞•西聯社), Suzhou Jingrui Happy Family Garden (蘇州景瑞•東環之歌) and Nanjing Jingrui The Spring Lake (南京景瑞•春風十里), the contracted sales of which accounted for approximately 27.3% of the total contracted sales. In the meantime, sales of existing projects continued to perform well, accounting for approximately 72.7% of the total contracted sales, mainly including Shanghai Jingrui City Park (上海景瑞•城中公園), Hangzhou Jingrui Shenhua No. One (杭州景瑞•申花壹號院), Ningbo Jingrui Majestic Mansion (寧波景瑞•紅翎台), Suzhou Jingrui Dignity Mansion (蘇州景瑞•望府), Suzhou Jingrui Nobility Mansion (蘇州景瑞•御江山), Wuxi Jingrui Dignity Mansion (無錫景瑞•望府) and Nantong Jingrui Royal Mansion (南通景瑞•御府). We adhered to our operating strategy of rapid turnover and sales, and strong sales receivables collection management, which have not only led to high investment return, improved cash flow and lower liquidity risks, but also brought about strong growth and sustainable development of the Group.

During the Year, income from property sales recognized by the Group amounted to RMB14,737.4 million, representing an increase of 162.8% as compared to last year. This was mainly attributable from the growth in property sales in projects such as Shanghai Jingrui The French Lakeside Villa (上海景瑞 • 法蘭雲廷), Suzhou Jingrui Nobility Mansion (蘇州景瑞 • 御江山), Suzhou Jingrui Dignity Mansion (蘇州景瑞 • 望府), Nantong Jingrui Dignity Mansion (南通景瑞 • 望府), Nantong Jingrui Nobility Mansion (南通景瑞 • 御江山), Taizhou Jingrui Dignity Mansion (台州景瑞 • 望府), Ningbo Jingrui Dignity Mansion (寧波景瑞 • 望府), Ningbo Jingrui The Mansion (寧波景瑞 • 上府), Ningbo Jingrui Harbour City (寧波景瑞 • 海港城), Hangzhou Jingrui Royal Bay (杭州景瑞 • 御藍灣), Hangzhou Jingrui Royal Mansion (杭州景瑞 • 御華府), Hangzhou Jingrui Shenhua No. One (杭州景瑞 • 申花壹號院) and Hangzhou Jingrui Shenhua County (杭州景瑞 • 申花郡). Revenue from property sales of the Group accounted for approximately 97.9% of our total revenue 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 2016, we acquired 10 projects in cities such as Shanghai, Hangzhou, Suzhou, Ningbo, Nanjing and Tianjin, at a total consideration of approximately RMB7,376 million, thereby increasing our total GFA of land reserves by approximately 986,150 sq.m., with the land cost per sq.m. (calculated based on the expected total GFA) amounting to approximately RMB7,480 per sq.m.. As at 31 December 2016, the total GFA of the land reserves held by us in aggregate amounted to approximately 3,022,635 sq.m.. The decrease in GFA as compared with last year was mainly due to (i) the GFA delivered during the Year increased by 92.9% as compared with last year; (ii) the decrease in GFA by approximately 468,939 sq.m. due to the disposal of Tianjin Jingrui England County (天津景瑞•英郡) and Shanghai Jingrui Hongkou Project (上海景瑞•虹口項目) during the Year and (iii) fierce competition in primary land market in the PRC in the second half of the year and prices of land stood at a high level, thereby the Company considered that it should remain cautious in making investment decision. We expect our land reserves to be sufficient to meet our development needs for the next two to three 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 March 2016, the Company's indirect wholly-owned subsidiary in the PRC, Jingrui Properties (Group) Co., Ltd. ("**Jingrui Properties (Group)**") issued domestic public corporate bonds of RMB1.5 billion at coupon rate of 5.88% with a term of 5 years (with the issuer's right to adjust the coupon rate and investors' option to require the issuer to repurchase the bonds, at the end of third year after the issue). In September 2016, Jingrui Properties (Group) non-publicly issued the first tranche of domestic corporate bonds of RMB1.0 billion at coupon rate of 6.75% with a term 3 years (with the issuer's right to adjust the coupon rate and a right of redemption exercisable by the holders at the end of the first year). We believe that the two issuances will reduce our finance costs effectively and further optimize our debt structure.

The strong performance of contracted property sales further strengthened our financial position during the Year. As of 31 December 2016, our cash at bank and on hand (including restricted cash) reached RMB10,724.6 million. At the same time, unutilized bank facilities amounted to approximately RMB3,123.0 million. As of 31 December 2016, our net debt-to-adjusted-capital ratio was approximately 51%. 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 sound risk control so as to lay a solid foundation for our sustained operations and steady future growth.

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 2016, we achieved contracted sales of approximately RMB16,784.9 million and the total contracted GFA sold was approximately 1,353,371 sq.m.. Our contracted sales were primarily generated from the Zhejiang and Jiangsu regions. The contracted sales (excluding car parks) generated from the Zhejiang and Jiangsu regions was approximately RMB6,494.9 million and RMB7,358.8 million, representing 38.7% and 43.8% of the total contracted sales, respectively.

Details of our contracted sales in 2016

The following table sets out the geographic breakdown of the Group's contracted sales in 2016:

Project Name	Contracted GFA Sold	Contracted Sales	Contracted Average Selling Price ("ASP")
	sq.m.	*RMB million*	*RMB/sq.m.*
Shanghai			
Shanghai Jingrui City Park	14,069	419	29,781
Shanghai Jingrui Upper Riverside	411	46	111,922
Shanghai Jingrui The French Lakeside Villa	28,554	807	28,262
Shanghai Jingrui@WAY Across	5,919	289	48,826
Tianjin			
Tianjin Jingrui Sunny City	512	3	5,859
Tianjin Jingrui England County	45,933	233	5,073
Tianjin Jingrui Hyatt Mansion	55,468	579	10,438
Chongqing			
Chongqing Jingrui Royal Bay	22,351	161	7,203
Chongqing Jingrui Online Family	15,958	137	8,585
Sub-total of centrally direct-controlled municipalities	**189,175**	**2,674**	**14,135**

Project Name	Contracted GFA Sold	Contracted Sales	Contracted Average Selling Price ("ASP")
	sq.m.	*RMB million*	*RMB/sq.m.*
Hangzhou			
Hangzhou Jingrui Royal Bay	14,168	107	7,552
Hangzhou Jingrui Royal Mansion	61,677	559	9,063
Hangzhou Jingrui Shenhua No. One	40,048	1,350	33,710
Hangzhou Jingrui Shenhua County	15,662	434	27,710
Ningbo			
Ningbo Jingrui Dignity Mansion	3,240	38	11,728
Ningbo Jingrui The Mansion	17,488	240	13,724
Ningbo Jingrui Majestic Mansion	51,237	575	11,222
Ningbo Jingrui Harbour City	13,343	157	11,766
Ningbo Jingrui Titian Garden	84,200	1,095	13,005
Ningbo Jingrui Headream Mansion	16,248	395	24,311
Shaoxing			
Shaoxing Jingrui The Mansion	(404)	(4)	N/A
Shaoxing Jingrui Dignity Mansion	56,885	570	10,020
Shaoxing Jingrui Nobility Mansion	38,180	231	6,050
Shaoxing Jingrui Lake of Dawn	62,563	398	6,361
Huzhou			
Huzhou Jingrui Cin Cinnatti	369	2	5,420
Huzhou Jingrui Dignity Mansion	16,746	213	12,719
Zhoushan			
Zhoushan Jingrui HOPSCA	177	1	5,649
Zhoushan Jingrui Peninsula Bay	20,800	108	5,192
Taizhou			
Taizhou Jingrui Dignity Mansion	2,987	26	8,704
Sub-total of Zhejiang Province	**515,614**	**6,495**	**12,596**
Suzhou			
Suzhou Jingrui Royal Bay	2,323	28	12,053
Suzhou Jingrui Jade Bay	36,438	287	7,876
Suzhou Jingrui Dignity Mansion	71,854	1,222	17,007
Suzhou Jingrui Nobility Mansion	93,321	1,498	16,052
Suzhou Jingrui Happy Family Garden	41,133	628	15,268

Project Name	Contracted GFA Sold	Contracted Sales	Contracted Average Selling Price ("ASP")
	sq.m.	*RMB million*	*RMB/sq.m.*
Nanjing			
Nanjing Jingrui The Spring Lake	7,738	163	21,065
Changzhou			
Changzhou Jingrui Dignity Mansion	34,994	387	11,059
Wuxi			
Wuxi Jingrui Dignity Mansion	119,220	994	8,338
Nantong			
Nantong Jingrui Dignity Mansion	1,832	10	5,459
Nantong Jingrui Royal Mansion	200,367	1,860	9,283
Nantong Jingrui Nobility Mansion	37,306	270	7,237
Yangzhou			
Yangzhou Jingrui Dignity Mansion	–	(1)	N/A
Taizhou			
Taizhou Jingrui Royal Bay	2,056	13	6,323
Sub-total of Jiangsu Province	**648,582**	**7,359**	**11,346**
Car park (lots)	2,200	257	–
Total	**1,353,371(1)**	**16,785**	**12,402**

Note:

(1) Excluding the area of car parks

Land Bank

As at 31 December 2016, the total land bank of the Group was approximately 3,022,635 sq.m. or approximately 2,472,881 sq.m. on an attributable basis. The average cost of our total land bank based on the expected total GFA was approximately RMB3,708.8 per sq.m. From 1 January 2017 to 29 March 2017, we disposed the share of 60% of Lot 3 Jiangshan Ningbo, and acquired 60 properties located in Beijing and 25% equity interests in Ningbo Panhuo Project. As at 29 March 2017, our total land bank was approximately 3,053,497 sq.m. or approximately 2,418,879 sq.m. on an attributable basis.

Breakdown of our land bank by cities for the year ended 31 December 2016

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	243,913	8.1	204,074	8.3
Tianjin	112,366	3.7	78,656	3.2
Chongqing	54,461	1.8	38,332	1.5
Subtotal	**410,740**	**13.6**	**321,062**	**13.0**
Zhejiang Province				
Hangzhou	252,590	8.4	191,386	7.7
Ningbo	548,065	18.1	389,611	15.8
Shaoxing	514,981	17.0	380,662	15.4
Taizhou	2,484	0.1	2,484	0.1
Huzhou	21,269	0.7	21,269	0.9
Zhoushan	70,008	2.3	70,008	2.8
Subtotal	**1,409,397**	**46.6**	**1,055,420**	**42.7**
Jiangsu Province				
Suzhou	498,009	16.5	469,730	19.0
Nanjing	37,291	1.2	37,291	1.5
Wuxi	167,623	5.6	167,623	6.8
Changzhou	168,631	5.6	90,811	3.6
Nantong	326,446	10.8	326,446	13.2
Yangzhou	3,015	0.1	3,015	0.1
Taizhou	1,483	0.0	1,483	0.1
Subtotal	**1,202,498**	**39.8**	**1,096,399**	**44.3**
Total	**3,022,635**	**100.0**	**2,472,881**	**100.0**

In 2016, we acquired 10 projects in cities such as Shanghai, Hangzhou, Suzhou, Ningbo, Nanjing and Tianjin, at a total consideration of approximately RMB7,376 million, increasing our total GFA of land reserves by approximately 986,150 sq.m., with the land cost per sq.m. (calculated based on the expected total GFA) amounting to approximately RMB7,480 per sq.m..

From 1 January 2017 to 29 March 2017, we acquired 60 properties located in Beijing and 25% equity interests in Ningbo Panhuo Project, with an expected total GFA of approximately 30,862 sq.m. and an aggregate consideration of approximately RMB820 million.

Details of land acquisition for the year ended 31 December 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.*
Shanghai	Shanghai Jingrui Upper Riverside (上海景瑞•尚濱江)	Commercial	100	8,280	31,466	19,273	1,353	42,999	70,202
Hangzhou	Hangzhou Majestic Mansion (杭州景瑞•天賦)	Residential	51	32,666	107,865	71,865	1,411	13,081	19,634
Hangzhou	Hangzhou Jingrui Shenhua County (杭州景瑞•申花郡)	Residential	100	24,952	73,940	54,894	460	6,221	8,380
Suzhou	Suzhou Jingrui Happy Family Garden (蘇州景瑞•東環之歌)	Residential	100	54,461	136,057	108,922	646	4,748	5,931
Suzhou	Suzhou Jingrui Majestic Mansion (蘇州景瑞•無雙)	Residential	100	77,910	133,871	78,689	1,551	11,586	19,711
Ningbo	Ningbo Jingrui Titian Garden (寧波景瑞•緹香郡)	Residential	47	45,066	120,832	90,132	362	2,996	4,016
Ningbo	Ningbo Jingrui Headream Mansion (寧波景瑞•海志府)	Residential	50	32,474	120,927	90,927	817	6,756	8,985
Ningbo	Lot 3, Jiangshan, Ningbo	Residential	100	41,088	111,188	82,176	348	3,130	4,235
Nanjing	Nanjing Jingrui The Spring Lake (南京景瑞•春風十里)	Residential	100	18,158	37,638	27,036	257	6,828	9,506
Tianjin	Tianjin Jingrui Hyatt Mansion (天津景瑞•悦府)	Residential	70	61,986	112,366	92,979	171	1,522	1,839
Total				**397,041**	**986,150**	**716,893**	**7,376**	**7,480**	**10,289**

Details of land acquisition from 1 January 2017 to 29 March 2017

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.*
Beijing	Sanquan Apartment Project	Residential	100	3,000	6,661	6,661	643	96,532	96,532
Ningbo	Panhuo Project	Residential	25	16,134	24,201	24,201	177	7,314	7,314
Total				**19,134**	**30,862**	**30,862**	**820**	**26,570**	**26,570**

Revenue from Sale of Properties

The revenue from sale of properties in 2016 was approximately RMB14,737.4 million, representing an increase of 162.8% 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 @WAY Across	259,115	1.8	5,597	46,295
Shanghai Jingrui City Park	142,559	1.0	6,980	20,424
Shanghai Jingrui The French Lakeside Villa	547,393	3.7	19,995	27,376
Jiangsu Province				
Suzhou Jingrui Nobility Mansion	727,105	4.9	79,438	9,153
Suzhou Jingrui Jade Bay	159,771	1.1	16,128	9,906
Suzhou Jingrui Dignity Mansion	1,266,032	8.6	109,832	11,527
Nantong Jingrui Dignity Mansion	980,503	6.7	137,068	7,153
Nantong Jingrui Nobility Mansion	921,419	6.2	128,190	7,188
Yangzhou Jingrui Dignity Mansion	393,459	2.7	51,213	7,683
Wuxi Jingrui Dignity Mansion	277,307	1.9	44,322	6,257

	Revenue	Percentage of Total Revenue	GFA	ASP
	RMB'000	*%*	*sq.m.*	*RMB/sq.m.*
Zhejiang Province				
Huzhou Jingrui Dignity Mansion	191,192	1.3	14,587	13,107
Zhoushan Jingrui Peninsula Bay	125,379	0.8	24,376	5,144
Shaoxing Jingrui Dignity Mansion	413,545	2.8	39,953	10,351
Shaoxing Jingrui The Mansion	389,495	2.6	71,328	5,461
Taizhou Jingrui Dignity Mansion	692,094	4.7	48,045	14,405
Ningbo Jingrui Dignity Mansion	784,979	5.3	87,113	9,011
Ningbo Jingrui The Mansion	1,279,746	8.7	93,767	13,648
Ningbo Jingrui Harbour City	546,507	3.7	45,774	11,939
Hangzhou Jingrui Royal Bay	754,365	5.1	116,867	6,455
Hangzhou Jingrui Royal Mansion	1,309,781	8.9	140,780	9,304
Hangzhou Jingrui Shenhua No. One	1,277,704	8.7	53,307	23,969
Hangzhou Jingrui Shenhua County	840,648	5.7	41,210	20,399
Chongqing				
Chongqing Jingrui Royal Bay	181,595	1.2	27,128	6,694
Other projects	102,415	0.7	15,722	6,514
Subtotal	**14,564,108**	**98.8**	**1,418,720**	**10,266**
Car park	173,288	1.2	8,111	–
Total	**14,737,396**	**100.0**	**–**	**–**

Employees and Remuneration Policies

As at 31 December 2016, we had a total of 2,540 fulltime employees in the PRC and Hong Kong. 1,907 of our employees worked in property development operations and 364 were engaged in property management, customer services 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 the 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. The Group's staff costs for the year ended 31 December 2016 amounted to RMB405.8 million (for the year ended 31 December 2015: RMB269.4 million). Staff costs include a remuneration expense in relation to share-based payments of RMB4.4 million recognized for the Year (for the year ended 31 December 2015: RMB14.6 million).

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 skills and leadership capabilities. 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 2016, the revenue of the Group reached RMB15,051.3 million, representing an increase of 161.3% as compared to RMB5,759.1 million last year. Our revenue consists of revenue from (i) sales of properties, (ii) property management, (iii) decoration of properties, (iv) rental income and (v) others. 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

	2016		2015		
		Percentage of the total revenue		Percentage of the total revenue	Year-on-year change
	RMB'000	***(%)***	*RMB'000*	*(%)*	*(%)*
Sales of properties	**14,737,396**	**97.9**	5,608,426	97.4	162.8
Property management	**164,905**	**1.1**	96,538	1.7	70.8
Decoration of properties	**69,181**	**0.5**	32,449	0.6	113.2
Rental income	**10,663**	**0.1**	8,561	0.1	24.5
Others	**69,132**	**0.4**	13,142	0.2	426.0
Total	**15,051,277**	**100.0**	5,759,116	100.0	161.3

Revenue from sales of properties has constituted, and is expected to continue to constitute, a substantial majority of our total revenue, representing approximately 97.9% 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 presales 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 Shanghai Jingrui The French Lakeside Villa, Suzhou Jingrui Nobility Mansion, Suzhou Jingrui Dignity Mansion, Nantong Jingrui Dignity Mansion, Nantong Jingrui Nobility Mansion, Taizhou Jingrui Dignity Mansion, Ningbo Jingrui Dignity Mansion, Ningbo Jingrui The Mansion, Ningbo Jingrui Harbour City, Hangzhou Jingrui Royal Bay, Hangzhou Jingrui Royal Mansion, Hangzhou Jingrui Shenhua No. One and Hangzhou Jingrui Shenhua County. Revenue from sales of properties increased by approximately 162.8% to approximately RMB14,737.4 million in 2016 from approximately RMB5,608.4 million in 2015, 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 2016, property management revenue of the Group was approximately RMB164.9 million, representing an increase of approximately 70.8% as compared to that of last year. The absolute amount of our property management revenue increased steadily, primarily due to the continued growth in the total area of our completed properties.

Revenue from decoration of properties represents realised revenue generated from decoration works we provided. In 2016, such revenue of the Group was approximately RMB69.2 million, representing an decoration of 113.2% as compared to that of last year, which was mainly due to the increase in decoration business during the Year.

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 2016, rental income of the Group was approximately RMB10.7 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 158.5% from RMB5,585.9 million in 2015 to RMB14,441.0 million in 2016, primarily due to (i) the GFA delivered during the Year increased by 92.9% as compared to last year and (ii) the increase in the unit cost per sq.m. of those properties delivered in 2016.

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

	2016		2015	
	RMB'000	*%*	*RMB'000*	*%*
Construction costs	**5,850,775**	**40.5**	2,937,834	52.6
Land use right costs	**6,473,495**	**44.8**	1,638,923	29.3
Capitalized interest	**1,134,021**	**7.9**	308,520	5.6
Subtotal: Total cost of properties	**13,458,291**	**93.2**	4,885,277	87.5
Business tax and surcharges	**657,270**	**4.6**	326,134	5.9
Provision for impairment of properties held or under development for sale	**92,793**	**0.6**	255,300	4.6
Others costs [1]	**232,644**	**1.6**	119,222	2.0
Total	**14,440,998**	**100.0**	5,585,933	100.0
Total GFA delivered (sq.m.)	**1,418,720**		735,460	
Average cost of properties per sq.m. sold (RMB)[2]	**9,486**		6,642	
Average cost per sq.m. as % of ASP	**92.4**		88.4	

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 increased by 252.4% from RMB173.2 million in 2015 to RMB610.3 million in 2016. We recorded gross profit margin of approximately 4.1% for the year ended 31 December 2016, compared to that of approximately 3.0% for the year ended 31 December 2015. Our gross profit margin slightly increased as compared to that of last year, which 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 decreased by 60.1% from RMB203.3 million in 2015 to RMB81.1 million in 2016. Fair value gains in 2015 were primarily due to the appreciation of self-owned commercial areas of Shanghai Jingrui Life Square and Shanghai Jingrui City Park, while fair value gains in 2016 were primarily due to the appreciation of Ningbo Jingrui Harbour City.

Selling and Marketing Costs

Our selling and marketing costs increased by 77.0% from RMB230.7 million in 2015 to RMB408.5 million in 2016. Such increase was primarily due to the presales and sales of an increasing number of properties under our newly launched projects.

Administrative Expenses

Our administrative expenses increased by 52.1% from RMB269.1 million in 2015 to RMB409.2 million in 2016. Such increase was primarily due to increase in staff costs and the expenses arising from our business expansion.

Other Income and Other Gains/(Losses), Net

Other income decreased by 10.7% from RMB89.3 million in 2015 to RMB79.8 million in 2016.

We recorded other gains of RMB964.3 million in 2016, compared to other losses of RMB52.7 million in 2015. Other gains recorded in 2016 were primarily due to gains from disposal of Tianjin Jingxiu and Shanghai Jiajing. The gain from disposal of Tianjin Jingxiu and Shanghai Jiajing recognised by the Group during the Year was approximately RMB557.1 million and RMB358.7 million, respectively. Other losses recorded in 2015 were primarily due to overdue payment for a piece of land located in Hangzhou.

Finance (Costs)/Income, Net

Our finance income increased by 19.7% from RMB38.5 million in 2015 to RMB46.1 million in 2016, primarily as a result of the increase in interest income on bank deposits. Our finance costs increased by 49.1% from RMB95.8 million in 2015 to RMB142.8 million in 2016. This is mainly caused by the impact of the foreign exchange losses of RMB66.5 million recognized on our senior notes denominated in US dollars in 2016 due largely to the depreciation of exchange rate of RMB against US dollar in 2016.

Income Tax Expense

Our income tax expense increased by 314.4% from RMB150.0 million in 2015 to RMB621.6 million in 2016, primarily due to (i) provision for PRC corporate income tax has been made for the gains from the disposal of Tianjin Jingxiu and Shanghai Jiajing; and (ii) projects completed during the Year and revenue posted a significant increase as compared to last year.

Profit/(loss) for the Year

Profit for the Year reached RMB163.4 million, of which profit attributable to our equity holders was RMB106.3 million in 2016. Profit for the Year without taking into account the changes in fair values of investment properties and relevant deferred tax was RMB82.6 million in 2016.

Profit attributable to the holders of perpetual capital instruments increased by 42.7% from RMB50.1 million in 2015 to RMB71.5 million in 2016.

Profit attributable to non-controlling interests decreased by 208.3% from a profit of RMB13.3 million in 2015 to a loss of RMB14.4 million in 2016.

LIQUIDITY AND CAPITAL RESOURCES

The industry in which the Group engages is a capital-intensive industry. The Group met and expects to continue meeting its operating capital, capital expenditure and other capital needs with proceeds from pre-sale and sale of properties, loans from commercial banks and other individuals, capital injections from shareholders and issuance of new shares. The Group's need for short-term liquid capital is associated with loan repayment and capital need for operation, the Group's short-term liquid capital comes from cash balance, proceeds from pre-sale and sale of properties and new loans. The Group's need for long-term liquid capital is associated with capital allocated for new property development projects and repayment of long-term loan, and the Group's sources of liquid capital include loans, capital injections from shareholders and issuance of new shares.

Cash Positions

As at 31 December 2016, our cash at bank and on hand (including restricted cash) was RMB10,724.6 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 and guarantees in respect of mortgage facilities for certain purchasers of the Group's properties.

Borrowings

Our total outstanding borrowings increased from RMB10,336.2 million as at 31 December 2015 to RMB13,221.4 million as at 31 December 2016. As at 31 December 2016, we had approximately RMB3,123.0 million unutilized banking facilities. All of the Group's secured borrowings were secured by one or a combination of the following methods: land use rights, properties under development, investment properties, properties, shares of the Company's subsidiaries, bank deposits and/or guarantees by the Company's subsidiaries. Our borrowings are mainly denominated in RMB and US dollars.

Breakdown of our borrowings by categories

	As at 31 December		
	2016	2015	Year-on-year change
	RMB'000	*RMB'000*	*%*
Current Borrowings:			
Bank loans, secured	**562,850**	2,773,367	(79.7)
Bank loans, unsecured	**–**	100,000	(100.0)
Trust financing arrangements, secured:			
– conventional loan	**2,155,271**	79,200	2,621.3
Add: current portion of long-term borrowings:			
Bank loans, secured	**1,013,220**	2,565,900	(60.5)
Trust financing arrangements, secured	**229,000**	294,527	(22.2)
Total Current Borrowings	**3,960,341**	5,812,994	(31.9)
Non-Current Borrowings			
Bank loans, secured	**3,749,770**	4,316,400	(13.1)
Trust financing arrangements, secured:			
– conventional loan	**2,615,000**	699,100	274.1
– equity with repurchase obligation	**580,000**	453,027	28.0
Senior notes due 2019, secured	**638,838**	952,334	(32.9)
Senior notes due 2018, secured	**445,974**	962,731	(53.7)
Corporate bonds due 2021	**1,484,530**	–	N/A
Corporate bonds due 2019	**989,117**	–	N/A
Less: current portion of long-term borrowings:			
Bank loans, secured	**(1,013,220)**	(2,565,900)	(60.5)
Trust financing arrangements, secured	**(229,000)**	(294,527)	(22.2)
Total Non-Current Borrowings	**9,261,009**	4,523,165	104.7
Total	**13,221,350**	10,336,159	27.9

Breakdown of our borrowings by maturity profiles

	As at 31 December			
	2016		2015	
	RMB'000	*%*	*RMB'000*	*%*
Within 1 year	**3,960,341**	**30.0**	5,812,994	56.3
Between 1 and 2 years	**3,788,514**	**28.6**	1,851,100	17.9
Between 2 and 5 years	**5,433,495**	**41.1**	2,555,065	24.7
Over 5 years	**39,000**	**0.3**	117,000	1.1
Total	**13,221,350**	**100.0**	10,336,159	100.0

The proportion of the Group's long-term borrowings in the total borrowings was 70% as at 31 December 2016, ensuring the healthy and stable cash flow of the Group in the future.

Borrowing Costs

The Group's weighted average effective interest rates on bank and other borrowings were 8.46% and 9.68% as at 31 December 2016 and 2015 respectively. The Group's bank and other borrowings as at 31 December 2016 were primarily borrowings at fixed interest rates.

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

	Year ended 31 December		
	2016	2015	Year-on-year change
	RMB'000	*RMB'000*	*%*
Finance costs			
– Interest expensed	**58,926**	19,160	207.5
– Net foreign exchange losses on financing activities expensed	**83,112**	76,681	8.4
– Amount capitalized	**1,194,783**	963,573	24.0
Total	**1,336,821**	1,059,414	26.2

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	
	2016	2015
Bank loans	**7.30%**	8.39%
Trust financing arrangements	**10.01%**	10.27%
Senior notes	**14.20%**	14.20%
Corporate bonds	**6.28%**	–
Weighted average effective interest rates	**8.46%**	9.68%

Net Debt-to-Adjusted-Capital Ratio

As at 31 December 2016, our net debt-to-adjusted capital ratio was 51%. 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 improved 84 percentage points as compared to 135% as at 31 December 2015.

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 maybe 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 2016, 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 RMB14,273.5 million (2015: RMB7,219.3 million). In addition, we provide guarantee for certain bank loans amounting to RMB1,420 million for our joint ventures.

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 disclosed above, as of 31 December 2016, 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 the PRC 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.

AVAILABLE-FOR-SALE FINANCIAL ASSETS

As at 31 December 2016, the fair value of the Group's available-for-sale financial assets increased by 1,205.5% to approximately RMB906.0 million from approximately RMB69.4 million as at 31 December 2015. The fair value of the current portion of the available-for-sale financial assets of approximately RMB251.8 million represents the remaining equity interests in Shanghai Jingqi held by the Group, and the fair value of the non-current portion of approximately RMB654.2 million mainly represents the investments in unlisted equity securities and liquid opportunity fund.

MATERIAL ACQUISITION AND DISPOSAL

On 18 July 2016, the Group entered into the sale and purchase agreement with Wing Tai Properties (China) (No.2) Limited and Keen Achieve Limited ("**Sellers**") to purchase the entire issued share capital in Property Sky Limited. Closing took place on 15 August 2016 and the Group paid to the Sellers an aggregate amount of HK$915,605,297 and repaid other loans owed by Property Sky Limited to certain other parties of an aggregate amount of RMB91,214,448.25 (equivalent to approximately HK$107,843,609). Upon closing, each of Property Sky Limited, Estate Success Limited and Fengyong (Shanghai) Property Co., Limited has become a wholly-owned subsidiary of the Group and their financial results have been consolidated into the financial statements of the Group. Please refer to the announcement relating to the acquisition of Property Sky Limited published by the Company on 18 July 2016 and the shareholders' circular dated 23 September 2016 for further details.

In early December 2016, the Group entered into the equity transfer agreement with Hengda Shanghai, pursuant to which, the Group transferred the entire equity interests in Shanghai Jiajing, a wholly-owned subsidiary of the Group and indirectly transferred 49% equity interests in Shanghai Jingqi held by Shanghai Jiajing to Hengda Shanghai. In addition, the Group agreed to transfer the remaining 51% equity interests in Shanghai Jingqi to Hengda Shanghai, subject to certain conditions being satisfied (collectively, the "**Hongkou Disposal**"). In December 2016, the Group transferred 100% equity interests in Shanghai Jiajing to Hengda Shanghai, and the relevant transitional arrangements were carried out. Pursuant to the undertakings by the Group to Hengda Shanghai under the equity transfer agreement concerning certain transitional management arrangement, the effective control of Shanghai Jingqi has been passed to Hengda Shanghai in December 2016. As a result, from an accounting perspective, the financial results as well as the assets and liabilities of Shanghai Jiajing and Shanghai Jingqi were no longer consolidated into the financial statements of the Group as indirect wholly owned subsidiaries of the Company from December 2016. The remaining 51% equity interests in Shanghai Jingqi held by the Group has been accounted for as available-for-sale financial assets measured at fair value in the Company's consolidated financial statements. Until completion of the Hongkou Disposal, when the Company will no longer hold any interest in Shanghai Jingqi, the available-for-sale financial assets will be derecognized from the Company's consolidated financial statements. The consideration for the Hongkou Disposal is RMB1.16 billion, of which RMB831 million will be settled by cash and RMB326 million will be settled by way of an assignment of a loan. Please refer to the announcement relating to the Hongkou Disposal published by the Company on 1 December 2016 and the shareholders' circular dated 24 January 2017 for further details.

FUTURE PLANS FOR MATERIAL INVESTMENT

The Directors confirmed that as at the date of this results announcement, there is no current plan for any material investment other than the Group's ordinary business of property development and proposed acquisitions of (i) the entire equity interests in Shanghai Hutai Real Estate Development Co., Ltd. and (ii) 60% equity interest in Qingdao Copthorne Hotel (please refer to the announcement on the memorandum of understanding in relation to the proposed acquisition published by the Company on 13 February 2017).

PROSPECTS

In 2017, challenges as well as opportunities will co-exist in the real estate industry. Following more stringent control over major first-tier and second-tier cities, together with fiercer competition in the land market, the market will once again see a short-cycle turning point. However, with moderately easing monetary policy, inevitable trend of rapid urbanization, as well as customized needs in the Industry 4.0 era, the real estate industry will be further promoted to transform from excessive development to industrial capacity upgrade, and it is no doubt that there is still tremendous potential for the development of the real estate industry in the PRC. Jingrui will carefully analyse and assess the situation, consolidate and develop the core development strategy based on "customer insights" and "asset-light", so as to enhance overall development capability and potential.

Looking ahead, Jingrui will strive to build a dual-drivers powered business model with "customers' value orientation", strengthen new additional residential development business, while expanding the existing business. Jingrui will gradually develop its core assets management capability with "fund raising, investment, management and divestment" and core value-design capability with "customer insights" and "excellent product strength".

Jingrui will gradually deploy the "asset-light" approach to its operation model and profitability model comprehensively. In the long run, through exploring development projects thoroughly in cities with great potential under the fund operation model, as well as office buildings, service apartments and other quality operational assets in first-tier cities such as Beijing and Shanghai, Jingrui will also build a fund structure to fully tap funds from various channels for investment in new and existing assets, so as to develop and consolidate its assets management service and customers' value-oriented service with the core "fund raising, investment, management and divestment" strategy.

Meanwhile, Jingrui will provide professional services by focusing on "customers' value design", with an aim to create and give play to a systematic capability. It will build product R&D and business models with customers as the core from five aspects, being "customers", "value", "exchange price", "interaction" and "implementation", form a methodology, a series of tool kits and specific products and solutions to provide comprehensive lifestyle services for customers and realize the corporate mission of "committed to creating wonderful life" of Jingrui.

In the future, Jingrui will gradually transform from the "heavily extensive" real estate development mode to the "asset-light and sophisticated" service mode, so as to achieve the vision of becoming the assets management service provider and value designer with best customer insights to bring continuous momentum for better performance and create value for our shareholders and investors.

DIVIDEND

The Board did not recommend any payment of final dividend for the year ended 31 December 2016 (2015: not to pay any final dividend).

CLOSURE OF THE REGISTER OF MEMBERS

The register of members of the Company will be closed from Sunday, 14 May 2017 to Wednesday, 24 May 2017, 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 Wednesday, 24 May 2017. 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 Friday, 12 May 2017.

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 ("**2019 Notes**")	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 13.250% senior notes due 2018 ("**2018 Notes**")	US$147 million	To further finance the existing debts of the Group
March 2016	Issue of RMB1.5 billion 5.88% corporate bonds due 2021	RMB 1,500 million	To improve the debt structure of the Company
September 2016	Issue of RMB1.0 billion 6.75% corporate bonds due 2019	RMB 1,000 million	To improve the debt structure of the Company

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 (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") 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 2016 save for a deviation from the code provision set out in paragraph A.2.1 of the CG Code with respect of the roles of chairman and chief executive should be separate and should not be performed by the same individual. Since the listing of the Company, Mr. Yan Hao ("**Mr. Yan**") has acted as the co-chairman and the chief executive officer of the Company. Notwithstanding the corporate governance measures adopted by the Company and the appointment of Mr. Chen Xin Ge ("**Mr. Chen**") as the other co-chairman with an aim to balance the power and authority of Mr. Yan, this is a deviation from the code provision set out in paragraph A.2.1 of the CG Code. Mr. Yan, as one of the founders of the Group, is instrumental to the Company's growth and business expansion since 1999. The Board considered that vesting the roles of co-chairman and chief executive officer of the Company in Mr. Yan facilitates and maximizes the effectiveness of the execution of the Group's business strategies. The executive functions and day-to-day management of the business are carried out by Mr. Yan as the chief executive officer of the Company. In addition, the Board believes that the powers and authorities of the co-chairmen of the Company have not been concentrated as the responsibilities have been shared between the co-chairmen of the Company. The Board also believes that the balance of power and authority is adequately ensured by the operations of senior management of the Company and the Board, which comprises experienced and high calibre individuals. The Board currently comprises four executive Directors (including Mr. Yan) and three independent non-executive Directors and therefore has a strong independence element in its composition. 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 of the Company the annual results of the Company and the accounting principles and practices adopted by the Company, and discussed with them the audit, risk management, internal control and financial reporting matters of the Company, including review of the financial statements for the Year.

The figures in respect of the Group's consolidated income statement, consolidated statement of comprehensive income, consolidated balance sheet and the related notes thereto for the year ended 31 December 2016 as set out in this results announcement have been agreed by the Group's auditor, PricewaterhouseCoopers ("**PwC**"), to the amounts set out in the Group's audited consolidated financial statements for the Year. The work performed by PwC in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PwC on this announcement.

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 2016.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Save as disclosed below, during the year ended 31 December 2016, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

On 20 July 2016, the Company purchased part of the 2019 Notes in the aggregate principal amount of US$56.3 million for an aggregate consideration, including unpaid accrued interest, of approximately US$57.2 million (the "**Repurchased 2019 Notes**") and part of the 2018 Notes in the aggregate principle amount of US$14.7 million for an aggregate consideration, including unpaid accrued interest, of approximately US$15.4 million (the "**Repurchased 2018 Notes**"). The Repurchased 2019 Notes and the Repurchased 2018 Notes were duly cancelled on 22 July 2016, pursuant to the terms of the indentures governing each of the 2016, pursuant to the terms of the indentures governing each of the 2019 Notes and 2018 Notes.

On 7 September 2016, the Company purchased part of the 2018 Notes in the aggregate principle amount of US$50.0 million for an aggregate consideration, including unpaid accrued interest, of approximately US$53.3 million. The Repurchased 2018 Notes was duly cancelled on 8 September 2016, pursuant to the terms of the indentures governing each of the 2018 Notes.

On 14 November 2016, the Company purchased part of the 2018 Notes in the aggregate principle amount of US$20.5 million for an aggregate consideration, including unpaid accrued interest, of approximately US$21.9 million. The Repurchased 2018 Notes was duly cancelled on 15 November 2016, pursuant to the terms of the indentures governing each of the 2018 Notes.

After the above cancellation, the aggregate principal amount of the 2019 Notes and 2018 Notes remaining outstanding would be US$93.7 million and US$64.8 million, respectively, representing approximately 62.5% and 43.2% of the initial principal amount of the 2019 Notes and 2018 Notes, respectively.

The Board considers that the purchases of the Repurchased 2019 Notes and the Repurchased 2018 Notes will reduce the Company's future financial expenses and lower its financial gearing level, and hence is in the interest of the Company and its shareholders as a whole.

PUBLICATION OF THE AUDITED CONSOLIDATED ANNUAL RESULTS AND 2016 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 2016 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, 29 March 2017

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*