Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2017

INTERIM RESULTS HIGHLIGHTS

- For the six months ended 30 June 2017, the Group achieved contracted sales of RMB6.36 billion, representing an increase of approximately 3.8% as compared to the corresponding period last year.
- For the six months ended 30 June 2017, the Group achieved revenue of RMB2.81 billion, representing a decrease of approximately 30.0% as compared to the corresponding period last year, mainly due to a decrease in the number and GFA of delivered development property projects which was affected by the progress of project developments.
- As at 30 June 2017, the Group's total assets amounted to RMB39.36 billion, representing an increase of 3.5% as compared to 31 December 2016.
- As at 30 June 2017, land bank of the Group was approximately 3,799,985 sq.m.
- For the six months ended 30 June 2017, the gross profit of the Group was RMB0.37 billion, the significant increase of 10.6 percentage points in our gross profit margin as compared to the corresponding period of 2016 was mainly due to the increase in gross profit arising from projects delivered and the increase in the selling price of the real estate as a result of China's booming real estate market since last year.
- The Board has resolved not to declare any interim dividend in respect of the six months ended 30 June 2017.

The board (the "**Board**") of directors (the "**Directors**") of Jingrui Holdings Limited ("**Jingrui Holdings**" or the "**Company**") is pleased to announce the unaudited interim results of the Company and its subsidiaries (the "**Group**" or "**we**" or "**us**" or "**our**") for the six months ended 30 June 2017 (the "**Period under Review**") together with the comparative figures for the six months ended 30 June 2016 as follows:

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

For the six months ended 30 June 2017

	Note	Six months ended 30 June 2017 RMB'000 (Unaudited)	2016 RMB'000 (Unaudited)
Revenue	4	**2,810,089**	4,011,791
Cost of sales	8	**(2,438,670)**	(3,908,070)
Gross profit		**371,419**	103,721
Fair value gains on investment properties		**34,721**	11,877
Selling and marketing costs	8	**(185,421)**	(154,438)
Administrative expenses	8	**(275,915)**	(174,634)
Other income		**69,828**	22,299
Other gains/(losses) – net	7	**102,107**	(12,968)
Operating profit/(loss)		**116,739**	(204,143)
Finance income	9	**26,433**	25,234
Finance costs	9	**(157,693)**	(23,251)
Finance (costs)/income – net		**(131,260)**	1,983
Share of results of joint ventures		**(60,584)**	(20,847)
Share of results of associates		**(1,110)**	–
		(61,694)	(20,847)
Loss before income tax		**(76,215)**	(223,007)
Income tax expense	10	**(93,188)**	(11,448)
Loss for the period		**(169,403)**	(234,455)
Attributable to:			
Equity holders of the Company		**(138,486)**	(256,025)
Holders of perpetual capital instruments		**20,472**	35,750
Non-controlling interests		**(51,389)**	(14,180)
		(169,403)	(234,455)
Loss per share for loss attributable to equity holders of the Company			
– Basic and diluted	11	**RMB(0.11)**	RMB(0.20)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30 June 2017

	Six months ended 30 June	
	2017	2016
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Loss for the period	**(169,403)**	(234,455)
Other comprehensive income that may be reclassified subsequently to profit or loss		
Changes in fair value of available-for-sale financial assets, net of tax	**(64,390)**	5,814
Total comprehensive loss for the period	**(233,793)**	(228,641)
Attributable to:		
Equity holders of the Company	**(202,876)**	(250,211)
Holders of perpetual capital instruments	**20,472**	35,750
Non-controlling interests	**(51,389)**	(14,180)
	(233,793)	(228,641)

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET

As at 30 June 2017

	Note	**As at 30 June 2017 RMB'000 (Unaudited)**	As at 31 December 2016 RMB'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**36,219**	33,473
Investment properties		**4,617,454**	3,201,772
Intangible assets		**21,728**	15,986
Investments in joint ventures		**30,646**	462,512
Investments in associates		**66,215**	–
Deferred income tax assets		**419,096**	311,318
Available-for-sale financial assets		**764,609**	654,177
Trade and other receivables and prepayments	*5*	**739,583**	572,689
		6,695,550	5,251,927
Current assets			
Prepayments for leasehold land		**978,256**	348,089
Properties held or under development for sale		**20,446,239**	17,755,193
Trade and other receivables and prepayments	*5*	**3,156,198**	3,371,019
Prepaid income taxes		**419,475**	339,269
Restricted cash		**1,638,232**	1,277,442
Cash and cash equivalents		**5,742,423**	9,447,181
Derivative financial instrument		**32,382**	–
Available-for-sale financial assets		**251,813**	251,813
		32,665,018	32,790,006
Total assets		**39,360,568**	38,041,933
OWNERS' EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital: nominal value		**79,361**	79,361
Reserves		**2,635,283**	3,224,519
		2,714,644	3,303,880
Perpetual capital instruments		**–**	538,083
Non-controlling interests		**963,589**	716,106
Total equity		**3,678,233**	4,558,069

	Note	As at 30 June 2017 RMB'000 (Unaudited)	As at 31 December 2016 RMB'000 (Audited)
LIABILITIES			
Non-current liabilities			
Borrowings		**10,879,488**	9,261,009
Deferred income tax liabilities		**1,248,648**	889,615
Financial liabilities for put option written on non-controlling interests		**–**	13,612
		12,128,136	10,164,236
Current liabilities			
Trade and other payables	*6*	**4,000,811**	8,543,694
Amounts due to non-controlling interests of subsidiaries		**360,616**	320,628
Finance lease liabilities		**4,251**	4,107
Advanced proceeds received from customers		**14,012,734**	9,857,221
Current income tax liabilities		**448,363**	631,138
Borrowings		**4,504,890**	3,960,341
Derivative financial instrument		**–**	2,499
Financial liabilities for put option written on non-controlling interests		**222,534**	–
		23,554,199	23,319,628
Total liabilities		**35,682,335**	33,483,864
Total equity and liabilities		**39,360,568**	38,041,933

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.

The condensed consolidated interim financial statements are presented in thousands of Renminbi ("**RMB'000**"), unless otherwise stated and were approved and authorised for issue by the board of directors of the Company on 28 August 2017.

These condensed consolidated interim financial statements have not been audited.

2 BASIS OF PREPARATION

The condensed consolidated interim financial statements for the six months ended 30 June 2017 have been prepared under the historical cost convention, as modified by the revaluation of derivative financial instruments, investment properties and available-for-sale financial assets which are carried at fair value, and in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**").

The condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements of the Company for the year ended 31 December 2016, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the HKICPA.

3 ACCOUNTING POLICIES

The accounting policies applied in the preparation of the condensed consolidated interim financial statements are consistent with those of the annual consolidated financial statements of the Company for the year ended 31 December 2016, as described in those annual financial statements, except for the estimation of income tax for the interim periods using the tax rate that would be applicable to expected total annual earnings and the adoption of the new amendments of HKFRSs effective for the financial year ending 31 December 2017.

New amendments of HKFRSs effective for 2017

The following new amendments and interpretation of HKFRSs which are relevant to the Group's operations are effective for the first time for annual period beginning on 1 January 2017.

- Amendments to HKAS 12 "Income Tax" clarify how to account for deferred tax assets related to debt instruments measured at fair value.
- Amendments to HKAS 7 "Statement of Cash Flows" introduce an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financial activities.
- Amendments to HKFRS 12 "Disclosure of interests in Other Entities" clarify that the disclosure requirements of HKFRS 12 are applicable to interests in entities classified as held for sale except for summarised financial information.

The adoption of the above new amendments starting from 1 January 2017 did not give rise to any significant impact on the Group's results of operations and financial position for the six months ended 30 June 2017.

The Group has not early adopted any new accounting and financial reporting standards, amendments and interpretation to existing standards which have been issued but are not yet effective and is in the process of making assessments on the impacts of these new standards, amendments and interpretation, and has not yet in a position to conclude the assessments on the new financial reporting standard HKFRS 9 "Financial Instruments", HKFRS 15 "Revenue from Contracts with Customers" and HKFRS 16 "Leases".

4 SEGMENT INFORMATION

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

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

- Property development segment engages in real estate development in the PRC; and
- Property investment and management segment invests in properties for their rental income potential and/or for capital appreciation, and provides management and security services to residential and commercial properties in the PRC, as well as 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 for each of the six months ended 30 June 2017 and 2016 consists of the following revenue:

	Six months ended 30 June	
	2017	2016
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from sales of properties	**2,656,721**	3,873,377
Revenue from property management	**100,934**	66,659
Revenue from decoration of properties	**35,805**	67,198
Rental income	**15,396**	3,840
Others	**1,233**	717
	2,810,089	4,011,791

(b) Segment

	Six months ended 30 June 2017 (Unaudited)				
	Property development *RMB'000*	Property investment, management and others *RMB'000*	Total segment *RMB'000*	Elimination *RMB'000*	Total Group *RMB'000*
Segment revenue	**2,656,721**	**259,630**	**2,916,351**	**(106,262)**	**2,810,089**
Segment (loss)/profit before income tax expense	**(71,096)**	**3,617**	**(67,479)**	**(8,736)**	**(76,215)**
Finance income	**24,895**	**1,538**	**26,433**	**–**	**26,433**
Finance costs	**(147,998)**	**(9,695)**	**(157,693)**	**–**	**(157,693)**
Share of results of joint ventures	**(59,873)**	**(711)**	**(60,584)**	**–**	**(60,584)**
Share of results of associates	**(396)**	**(714)**	**(1,110)**	**–**	**(1,110)**
Depreciation and amortisation	**(2,141)**	**(3,025)**	**(5,166)**	**–**	**(5,166)**

A reconciliation to loss for the period is as follows:

Total segment losses before income tax expense	**(76,215)**
Income tax expense	**(93,188)**
Loss for the period	**(169,403)**

	As at 30 June 2017 (Unaudited)				
Segment assets	**46,439,912**	**5,720,950**	**52,160,862**	**(12,800,294)**	**39,360,568**
Segment assets include:					
Investments in joint ventures	**30,870**	**(224)**	**30,646**	**–**	**30,646**
Investments in associates	**28,929**	**37,286**	**66,215**	**–**	**66,215**
Additions to non-current assets (other than financial instruments and deferred tax assets)	**175,684**	**1,490,750**	**1,666,434**	**–**	**1,666,434**
Segment liabilities	**46,192,158**	**1,282,317**	**47,474,475**	**(11,792,140)**	**35,682,335**

	Six months ended 30 June 2016 (Unaudited)				
	Property development *RMB'000*	Property investment, management and others *RMB'000*	Total segment *RMB'000*	Elimination *RMB'000*	Total Group *RMB'000*
Segment revenue	3,873,377	243,543	4,116,920	(105,129)	4,011,791
Segment (loss)/profit before income tax expense	(221,926)	7,318	(214,608)	(8,399)	(223,007)
Finance income	23,499	1,735	25,234	–	25,234
Finance costs	(20,602)	(2,649)	(23,251)	–	(23,251)
Share of results of joint ventures	(20,847)	–	(20,847)	–	(20,847)
Depreciation and amortisation	(3,537)	(2,896)	(6,433)	–	(6,433)

A reconciliation to loss for the period is as follows:

Total segment losses before income tax expense	(223,007)
Income tax expense	(11,448)
Loss for the period	(234,455)

	As at 31 December 2016 (Audited)				
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 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

5 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at 30 June 2017 *RMB'000* **(Unaudited)**	As at 31 December 2016 *RMB'000* (Audited)
Trade receivables	**48,407**	161,564
Less: Provision for impairment of trade receivables	**(1,214)**	(205)
Trade receivables – net	**47,193**	161,359
Amounts due from joint ventures and associates	**903,989**	1,561,307
Prepaid business tax and surcharges (a)	**427,742**	331,014
Receivables arising from disposal of subsidiaries (b)	**384,870**	540,401
Loans due from disposed subsidiaries assumed by third parties (c)	**485,397**	506,276
Tender deposits (d)	**46,600**	36,600
Deposits with public housing fund centres (e)	**66,466**	66,273
Prepayments of construction costs	**12,912**	43,517
Temporary funding receivables (f)	**96,253**	93,535
Deposits paid for construction work	**410,085**	274,239
Amounts due from non-controlling interests of subsidiaries (g)	**331,960**	105,000
Deposits paid to secure borrowings	**140,111**	–
Deposits paid for acquisition of completed properties for sale (h)	**80,000**	–
Prepayments for acquisition of completed properties for sale (i)	**51,200**	–
Prepayments for investments (j)	**292,321**	141,496
Others	**130,639**	91,632
Less: Provision for impairment of other receivables	**(11,957)**	(8,941)
	3,895,781	3,943,708
Less: Non-current portion (k)	**(739,583)**	(572,689)
	3,156,198	3,371,019

Notes:

(a) Prior to 1 May 2016, 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 RMB191,280,000 (31 December 2016: RMB316,280,000) and RMB193,590,000 (31 December 2016: RMB224,121,000) for disposal of equity interests in Tianjin Jingxiu Property Investment Co., Ltd. ("**Tianjin Jingxiu**") and Shanghai Jiajing Investment Co., Ltd. ("**Shanghai Jiajing**") respectively.

(c) The balance represents the outstanding loans of RMB304,597,000 of Shanghai Jingqi Property Development Co., Ltd. ("**Shanghai Jingqi**") (31 December 2016: RMB325,476,000) and RMB180,800,000 of Tianjin Jingxiu (31 December 2016: RMB180,800,000), originally due by the two disposed subsidiaries to the Group, which have been assumed and shall be paid off by Hengda Real Estate Group Shanghai Shengjian Property Co., Ltd. and Hengda (Tianjin) Real Estate Group Co., Ltd. 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 amounts due from non-controlling interests of subsidiaries of the Group, which is non-interest bearing, unsecured and require immediate settlement on demand.

(h) The balance represents deposits of RMB80,000,000 paid to a third party for the selling rights of certain completed properties located in Hangzhou. The deposits were subsequently fully refunded after 30 June 2017.

(i) The balance represents the prepayments paid to third parties for the selling rights of certain completed properties located in Hangzhou.

(j) In May 2017, Natural Apex Limited, a wholly owned subsidiary of the Group, entered into a sale and purchase agreement with a third party, HL Global Enterprises Limited, pursuant to which HL Global Enterprises Limited will transfer 100% equity interests of LKN Investment International Pte Ltd to the Group and RMB54,615,000 was prepaid by the Group as at 30 June 2017.

In June 2017, the Group made prepayments for investment in a property development company of RMB96,210,000.

In December 2016, the Group made prepayments for investments in a third party with a total consideration of RMB141,496,000 which have not been completed as at 30 June 2017.

(k) The balance as at 30 June 2017 includes the prepayments for investments of RMB292,321,000 (31 December 2016: RMB141,496,000) and a shareholder loan principal and interest receivable, totalling RMB447,262,000 (31 December 2016: RMB431,193,000), due from Shanghai Ruice Investment Co., Ltd.. The shareholder loan has an annual interest rate of 8% and 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 30 June 2017 *RMB'000* **(Unaudited)**	As at 31 December 2016 *RMB'000* (Audited)
Less than 1 year	**35,303**	150,511
Between 1 and 2 years	**6,099**	3,021
Between 2 and 3 years	**7**	5,874
Over 3 years	**6,998**	2,158
	48,407	161,564

As at 30 June 2017 and 31 December 2016, the fair value of trade and other receivables approximate their carrying amounts.

As at 30 June 2017 and 31 December 2016, the carrying amounts of trade and other receivables and prepayments are denominated in below currencies:

	As at 30 June 2017 *RMB'000* **(Unaudited)**	As at 31 December 2016 *RMB'000* (Audited)
– RMB	**3,817,156**	3,943,708
– USD	**78,625**	–
	3,895,781	3,943,708

6 TRADE AND OTHER PAYABLES

	As at 30 June 2017 *RMB'000* **(Unaudited)**	As at 31 December 2016 *RMB'000* (Audited)
Trade payables	**2,786,635**	2,919,814
Notes payable	**–**	31,216
Amounts due to joint ventures	**18,669**	4,921,010
Amount due to a related party	**494**	494
Business and other taxes payable	**84,528**	147,039
Electricity fee and cleaning fee collected on behalf	**25,003**	23,444
Deed tax collected on behalf	**20,160**	36,634
Accrued payroll	**10,344**	11,975
Interest payable	**231,555**	201,883
Construction deposits received from suppliers	**26,093**	24,255
Deposits received from customers	**22,959**	32,233
Payables for sales commission	**9,593**	28,184
Payables for the acquisition of 20% equity interests of Fengxiang Property Development Co., Ltd. ("**Shanghai Fengxiang**") (a)	**70,800**	–
Payables for acquisition of San Quan Apartments (b)	**54,729**	–
Advances from potential investors of subsidiaries (c)	**452,414**	–
Payables for acquisition of Hangzhou Jiaheng Property Co., Ltd. ("**Hangzhou Jiaheng**") (d)	**11,500**	16,500
Dividend payable *(Note 12)*	**1,379**	1,379
Others	**173,956**	147,634
	4,000,811	8,543,694

Notes:

(a) The balance represents the payables relating to the acquisition of 20% equity interests of Shanghai Fengxiang by the Group.

(b) The balance represents the payables relating to the acquisition of San Quan Apartments by the Group from an independent third party.

(c) The balance represents the prepayments for investments received from potential investors in certain property development projects of the Group.

(d) Pursuant to an equity purchase agreement entered into in April 2016 among 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 for 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. RMB5,000,000 was paid during the six months ended 30 June 2017.

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

	As at 30 June 2017 *RMB'000* (Unaudited)	As at 31 December 2016 *RMB'000* (Audited)
Less than 1 year	**2,702,757**	2,830,121
Between 1 and 2 years	**42,269**	87,060
Between 2 and 3 years	**29,155**	16,087
Over 3 years	**12,454**	17,762
	2,786,635	2,951,030

As at 30 June 2017 and 31 December 2016, the fair value of trade and other payables approximate their carrying amounts.

As at 30 June 2017 and 31 December 2016, the carrying amounts of trade and other payables are denominated in below currencies:

	As at 30 June 2017 *RMB'000* (Unaudited)	As at 31 December 2016 *RMB'000* (Audited)
– RMB	**3,848,959**	8,446,752
– USD	**143,981**	88,844
– HKD	**7,871**	8,098
	4,000,811	8,543,694

7 OTHER GAINS/(LOSSES) – NET

	Six months ended 30 June	
	2017 *RMB'000* (Unaudited)	2016 *RMB'000* (Unaudited)
Gain on re-measurement of the existing interests in Ningbo Jingrui Property Co., Ltd. ("**Ningbo Jingrui**") upon gain of its control	**72,976**	–
Gain from disposal of partial interests in Ningbo Jiamu Investment Co., Ltd.	**2,279**	–
Gain on re-measurement of the existing interests in Changzhou Jingshang Property Co., Ltd. upon gain of its control	**934**	–
Gain from disposal of interests in Shanghai Garden City Real Estate Development Co., Ltd.	**–**	15,384
Gains from disposal of property, plant and equipment	**7**	160
Loss from disposal of partial interests in Ningbo Jingrui	**–**	(10,837)
Compensation and late payments charges	**(8,187)**	(15,214)
Net foreign exchange losses	**(89)**	(1,582)
Changes in fair values of derivative financial instruments	**34,881**	(59)
Others	**(694)**	(820)
	102,107	(12,968)

8 EXPENSES BY NATURE

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

	Six months ended 30 June	
	2017	2016
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Cost of properties sold	**2,193,894**	3,576,612
Cost of property management	**45,612**	20,349
Cost of decoration	**36,297**	53,600
Business tax and surcharges (a)	**41,027**	207,085
Depreciation of property, plant and equipment	**4,630**	5,965
Amortisation of intangible assets	**536**	468
Bank charges	**3,816**	4,364
Staff costs	**235,448**	177,806
Entertainment expenses	**8,442**	7,743
Stamp duty and other taxes	**9,369**	11,254
Professional fees	**95,856**	36,584
Auditors' remuneration	**1,160**	1,080
Sales commission	**7,818**	8,081
Advertising and publicity costs	**62,744**	48,035
Office and meeting expenses	**14,857**	10,448
Rental expenses	**9,583**	7,699
Travelling expenses	**7,771**	5,817
Accrual of provision for impairment of properties held or under development for sale	**77,367**	12,076
Accrual of provision for impairment of receivables *(Note 5)*	**4,025**	–
Other expenses	**39,754**	42,076
Total cost of sales, selling and marketing costs and administrative expenses	**2,900,006**	4,237,142

Note:

(a) Before 1 May 2016, the PRC companies of the Group were subject to business tax and surcharges. Business tax was levied at 5% of revenue from sale of properties and rental income, while surcharges were 4% to 12% of business tax. Since 1 May 2016, the PRC companies of the Group are subject to value added tax and surcharges.

9 FINANCE (COSTS)/INCOME – NET

	Six months ended 30 June	
	2017	2016
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Finance income		
– Interest income on bank deposits	**26,433**	25,234
Finance costs		
– Interest on bank loans, senior notes, trust financing arrangements and corporate bonds	**(602,285)**	(687,159)
– Net foreign exchange gains/(losses) on financing activities	**39,932**	(18,372)
– Changes in discounted present value of financial liabilities for put option written on non-controlling interests	**(752)**	(108)
– Less: Amounts capitalised	**405,412**	682,388
	(157,693)	(23,251)
Net finance (costs)/income	**(131,260)**	1,983

10 INCOME TAX EXPENSE

	Six months ended 30 June	
	2017	2016
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current income tax		
– PRC land appreciation tax	**77,074**	12,127
– PRC corporate income tax	**98,191**	15,863
	175,265	27,990
Deferred income tax	**(82,077)**	(16,542)
Total income tax charged for the period	**93,188**	11,448

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 mainland China 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 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 of the Company 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 six months ended 30 June 2017 and 2016 as the Group's PRC subsidiaries did not earn any distributable profit as a whole in those two periods. As at 31 December 2016, the Group accrued for PRC withholding income tax with an amount of RMB7,748,000 based on the tax rate of 10% on a portion of the earnings generated by its PRC subsidiaries after 30 June 2013. As at 30 June 2017, the accrued amount remained unchanged. The Group controls the dividend policies of these subsidiaries and it has been determined that the remaining earnings will not be distributed in the foreseeable future.

As at 30 June 2017, the Group did not recognise deferred income tax for PRC withholding income tax with amount of RMB92,075,000 (31 December 2016: RMB100,651,000) on the remaining unremitted distributable profits generated by its PRC subsidiaries attributable to the investors outside the PRC with amount of RMB920,754,000 (31 December 2016: RMB1,006,509,000).

The Group did not recognise deferred income tax assets of RMB361,047,000 (31 December 2016:RMB326,614,000) in respect of tax losses amounting to RMB1,444,188,000 (31 December 2016: RMB1,306,456,000) as at 30 June 2017. All these tax losses will expire within five years.

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.

11 LOSS PER SHARE

Basic loss per share for the six months ended 30 June 2017 and 2016 is calculated by dividing the Group's loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30June	
	2017	2016
	(Unaudited)	(Unaudited)
Group's loss attributable to equity holders of the Company *(RMB'000)*	**(138,486)**	(256,025)
Weighted average number of ordinary shares in issue *(in thousand)*	**1,291,302**	1,291,302
Basic loss per share *(RMB)*	**(0.11)**	(0.20)

Diluted loss per share is equal to basic loss per share as there was no dilutive potential share outstanding for the six months ended 30 June 2017 and 2016.

12 DIVIDENDS

The board of the directors did not recommend any payment of interim dividend for the six months ended 30 June 2017 (Six months ended 30 June 2016: Nil).

At a board meeting held on 29 March 2017, the board of the directors did not recommend any payment of dividend for the year ended 31 December 2016.

The dividend payable as at 31 December 2016 and 30 June 2017 of RMB1,379,000 is the remaining unpaid final dividend declared in 2015 relating to year ended 31 December 2014 (Note 6).

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET OVERVIEW

In the first half of 2017, the global economy grew steadily and saw mild recovery, which was largely attributable to US President Trump's administrative and foreign policies within market expectations, as well as the presidential elections in major European nations such as Britain, the Netherlands, France and Italy, finally all won by their respective conservative parties or those political parties with intermediate political affiliation. The PRC economy harvested a year-on-year GDP growth of 6.9% in the first half of 2017. It grew by 6.9% and 6.9% for the first and second quarters of 2017, respectively, which were better than market expectations, demonstrating an overall economic recovery and bringing about a stronger market confidence. In the first half of 2017, the ultimate goal of market control in the real estate industry was to maintain "a steady and healthy growth", emphasizing the residential purpose of housings, whereby the central government stepped up the construction and improvement of a long-term effective mechanism to promote the steady and healthy growth in the real estate market and local governments continued to implement their respective localized industry policies, curb housing prices, prevent property bubbles and reduce housing inventories.

In view of the macroeconomic situation of the real estate industry in the first half of 2017, Jingrui Holdings took a faster pace in strategic transformation and upgrading. In response to the market control over the real estate industry in cities, the Group made appropriate adjustments to its project sales strategy and project launch schedule, further strengthened and enhanced its asset-light operation, capitalised on the huge growth potential and opportunities of the asset-light operation market, and carried on the "Real Estate + Finance" operation model, thereby realizing a steady growth in both operating results and profits. We also continued to meet market and customers' expectations on the idea of "home" and livelihood with different branded products and services, and put into practice the mission of "constructing a wonderful life with heart (用心建築精彩生活)".

FUTURE PROSPECT

Looking forward to the future, Jingrui Holdings will grasp market opportunities to fully transform itself from a residential developer into a high-valued asset management service provider. Focusing on asset-light operation, we will further move towards the "refined asset-light" service model. By fostering its diversified investment capabilities with three major operation platforms, namely Yan Capital (優鉞資產), Jingrui Properties and Co-Fortune Capital (合福資本), on the upstream and downstream industrial chains of the real estate industry, we will carry out internal and external integration of various external resources, develop a vibrant ecological cycle, operate different types of businesses, and further enhance our operation capabilities to serve customers and coordinate urban developments. Jingrui Holdings will also attach great importance to efficient operation, pay more attention to home purchasers and investors and broaden the sources of earnings from a single profit from development projects to multi-channel profits including investment profits, management fees and income from holding and operation of properties, thereby realizing a steady growth in business performance.

Thanks to its capability to grasp the development trend of the real estate market, Jingrui Holdings will consider the situation and unswervingly move forward to realize the goal of rapid expansion in the scale of asset management, build up its outstanding fund management capability and project operation capability and establish a good brand reputation, so as to attract and retain quality investors.

BUSINESS REVIEW

Property Development

In the first half of 2017, we achieved contracted sales of approximately RMB6,359.0 million and the total contracted gross floor area ("**GFA**") sold was approximately 409,063 square meters ("**sq.m.**"). Our contracted sales (excluding car parks) were primarily generated from Zhejiang and Jiangsu provinces, which were approximately RMB2,980.4 million and RMB2,205.3 million, representing 46.9% and 34.7% of the total contracted sales, respectively.

The following table sets out the geographic breakdown of the Group's contracted sales from January to June 2017:

Project Name	**Contracted GFA Sold** *sq.m.*	**Contracted Sales** *RMB'000*	**Contracted Average Selling Price ("ASP")** *RMB/sq.m.*
Shanghai			
Shanghai Jingrui City Park	14,175	548,200	38,674
Shanghai Jingrui Upper Riverside	1,588	173,768	109,426
Shanghai Jingrui The French Lakeside Villa	545	21,384	39,237
Tianjin			
Tianjin Jingrui Sunny City	436	8,039	18,438
Tianjin Jingrui Hyatt Mansion	1,954	22,078	11,299
Chongqing			
Chongqing Jingrui Royal Bay	15,441	101,307	6,561
Chongqing Jingrui Online Family	6,007	87,948	14,641
Chongqing Jingrui Blue Valley	788	4,300	5,457
Sub-total of centrally direct-controlled municipalities	**40,934**	**967,024**	**23,624**
Hangzhou			
Hangzhou Jingrui Royal Bay	1,211	19,138	15,803
Hangzhou Jingrui Royal Mansion	3,538	55,927	15,808
Hangzhou Jingrui Shenhua No. One	3,396	141,041	41,532
Hangzhou Jingrui Shenhua County	2,901	84,607	29,165
Ningbo			
Ningbo Jingrui Dignity Mansion	553	7,936	14,351
Ningbo Jingrui Harbour City	5,339	101,991	19,103
Ningbo Jingrui Titian Garden	2,407	39,495	16,408
Ningbo Jingrui Headream Mansion	34,717	865,344	24,926

Project Name	Contracted GFA Sold *sq.m.*	Contracted Sales *RMB'000*	Contracted Average Selling Price ("ASP") *RMB/sq.m.*
Shaoxing			
Shaoxing Jingrui The Mansion	380	3,755	9,882
Shaoxing Jingrui Dignity Mansion	56,529	775,173	13,713
Shaoxing Jingrui Lake of Dawn	12,841	114,834	8,943
Shaoxing Jingrui Nobility Mansion	73,689	582,458	7,904
Huzhou			
Huzhou Jingrui Dignity Mansion	11,084	166,649	15,035
Taizhou			
Taizhou Jingrui Dignity Mansion	662	13,360	20,181
Zhoushan			
Zhoushan Jingrui Peninsula Bay	1,306	8,720	6,677
Sub-total of Zhejiang Province	**210,553**	**2,980,428**	**14,155**
Suzhou			
Suzhou Jingrui Jade Bay	35,757	443,150	12,393
Suzhou Jingrui Dignity Mansion	12,393	180,747	14,585
Suzhou Jingrui Nobility Mansion	126	1,553	12,325
Suzhou Jingrui Happy Family Garden	38,888	572,298	14,717
Suzhou Jingrui Majestic Mansion	3,164	100,155	31,655
Changzhou			
Changzhou Jingrui Dignity Mansion	9,732	116,207	11,941
Wuxi			
Wuxi Jingrui Dignity Mansion	10,433	123,246	11,813
Nantong			
Nantong Jingrui Dignity Mansion	1,173	14,050	11,978
Nantong Jingrui Nobility Mansion	1,109	18,973	17,108
Nantong Jingrui Royal Mansion	28,780	296,141	10,290
Nanjing			
Nanjing Jingrui The Spring Lake	16,021	338,733	21,143
Sub-total of Jiangsu Province	**157,576**	**2,205,253**	**13,995**
Car park (lots)	2,306	206,256	
Total	**409,063**(1)	**6,358,961**	**15,545**

Note:

(1) Excluding the area of car parks

Land Bank

As at 30 June 2017, the total land bank of the Group was approximately 3,799,985 sq.m. or approximately 2,927,242 sq.m. on an attributable basis. In the first half of 2017, we secured 14 land parcels and property projects in Shanghai, Hangzhou, Suzhou, Ningbo and Nanjing. From 1 July 2017 to 28 August 2017, the Group acquired the remaining 35% equity interests of Hangzhou Jingrui Greenview Mansion (杭州景瑞•春暖花都) and Lot G18, Liuhe, Nanjing, and disposed of the 49% equity interests of Lot 8, Jiangshan Ningbo. As at 28 August 2017, the Group's total land bank was approximately 3,906,318 sq.m. or approximately 3,099,173 sq.m. on an attributable basis.

Breakdown of the Group's land bank by cities as at 30 June 2017

City	Total GFA	Approximate Percentage of the Group's Total GFA	GFA Attributable to the Group's Interests	Approximate Percentage of GFA Attributable to the Group's Interests
	sq.m.	*%*	*sq.m.*	*%*
Municipalities directly under the central government				
Shanghai	267,251	7.0	267,251	9.1
Beijing	6,661	0.2	6,661	0.2
Tianjin	112,366	3.0	78,656	2.7
Chongqing	40,707	1.0	24,578	0.8
Subtotal	**426,985**	**11.2**	**377,146**	**12.8**
Zhejiang Province				
Hangzhou	416,446	11.0	291,983	10.0
Ningbo	1,066,178	28.1	783,814	26.8
Shaoxing	432,433	11.4	298,114	10.2
Taizhou	3,993	0.1	3,993	0.1
Huzhou	8,231	0.2	8,231	0.3
Zhoushan	70,008	1.8	70,008	2.4
Subtotal	**1,997,289**	**52.6**	**1,456,143**	**49.8**
Jiangsu Province				
Suzhou	619,953	16.3	484,590	16.6
Nanjing	213,670	5.6	67,275	2.3
Wuxi	91,917	2.4	91,917	3.1
Changzhou	129,214	3.4	129,214	4.4
Nantong	317,942	8.4	317,942	10.9
Yangzhou	3,015	0.1	3,015	0.1
Subtotal	**1,375,711**	**36.2**	**1,093,953**	**37.4**
Total	**3,799,985**	**100.0**	**2,927,242**	**100.0**

Details of land and property acquisition for the six months ended 30 June 2017

City	Project/Land Parcel	Land Use	Attributable Interest	Site Area	Expected Total GFA	Expected Total GFA Above Ground	Land Premium/ Acquisition Price	Average Land /Acquisition Cost (based on the expected total GFA)	Average Land /Acquisition 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
Ningbo	Hongtang Project	Residential	100	25,250	78,712	51,971	364	4,624	7,004
Ningbo	Huaguang City Project	Commercial and residential	28	14,727	53,486	38,290	424	7,927	11,073
Ningbo	Chunxiao Project	Residential	50	106,266	299,240	223,122	873	2,917	3,913
Ningbo	Lot 8, Jiangshan	Residential	100	33,937	86,712	61,086	709	8,176	11,607
Shanghai	Shanghai Jingrui Shenxin Tower	Commercial	100	–	3,361	3,361	102	30,348	30,348
Shanghai	Shanghai Jingrui Keyuan Tower	Composite	100	663	10,061	9,360	300	29,818	32,051
Shanghai	Shanghai Jingrui Elite Residences	Residential	100	1,440	9,916	9,159	395	39,835	43,127
Hangzhou	Hangzhou Jingrui Greenview Mansion	Residential	65	55,156	121,826	92,245	726	5,959	7,870
Suzhou	The project in Meili Town, Changshu	Residential	25	34,798	85,615	62,514	364	4,252	5,823
Suzhou	Lot 16, Qidu	Residential	100	7,585	14,550	8,343	30	2,062	3,596
Suzhou	Lot 17, Qidu	Composite	100	5,759	20,928	17,250	30	1,433	1,739
Nanjing	Chunhua Project	Residential	17	66,267	176,379	132,534	1,493	8,465	11,265
Total				**370,982**	**991,648**	**740,097**	**6,630**	**6,686**	**8,958**

Details of land and property acquisition from 1 July 2017 to 28 August 2017

City	Project/Land Parcel	Land Use	Attributable Interest	Site Area	Expected Total GFA	Expected Total GFA Above Ground	Land Premium/ Acquisition Price	Average Land /Acquisition Cost (based on the expected total GFA)	Average Land /Acquisition Cost (based on the expected total GFA above ground)
			%	*sq.m.*	*sq.m.*	*sq.m.*	*RMB million*	*RMB/sq.m.*	*RMB/sq.m.*
Nanjing	Lot G18, Liuhe, Nanjing	Composite	100	28,500	106,333	94,129	540	5,078	5,737
Hangzhou	Hangzhou Jingrui Greenview Mansion	Residential	35	29,700	65,598	49,671	391	5,961	7,872
Total				**58,200**	**171,931**	**143,800**	**931**	**5,415**	**6,474**

Revenue from the Sale of Properties

Our revenue from the sale of properties from 1 January 2017 to 30 June 2017 was approximately RMB2,656.7 million, representing a decrease of 31.4% as compared to the corresponding period last year, and its distribution is mainly as follows:

	Revenue *RMB'000*	Percentage of Total Revenue *%*	GFA *sq.m.*	ASP *RMB/sq.m.*
Shanghai				
Shanghai Jingrui @WAY Across	9,632	0.4	188	51,274
Shanghai Jingrui The French Lakeside Villa	244,287	9.2	8,302	29,425
Jiangsu Province				
Suzhou Jingrui Nobility Mansion	585,707	22.1	31,914	18,353
Nantong Jingrui Dignity Mansion	10,732	0.4	1,153	9,308
Nantong Jingrui Nobility Mansion	22,290	0.8	1,104	20,190
Wuxi Jingrui Dignity Mansion	26,304	1.0	2,093	12,568
Changzhou Jingrui Dignity Mansion	204,798	7.7	21,862	9,368
Zhejiang Province				
Huzhou Jingrui Dignity Mansion	180,677	6.8	13,679	13,208
Shaoxing Jingrui Dignity Mansion	712,964	26.9	63,427	11,241
Shaoxing Jingrui The Mansion	9,673	0.4	986	9,810
Ningbo Jingrui Harbour City	91,474	3.4	5,723	15,984
Hangzhou Jingrui Royal Bay	32,860	1.2	3,240	10,142
Hangzhou Jingrui Royal Mansion	46,054	1.7	3,893	11,830
Hangzhou Jingrui Shenhua No. One	203,870	7.7	9,407	21,672
Hangzhou Jingrui Shenhua County	110,304	4.2	3,991	27,638
Chongqing				
Chongqing Jingrui Royal Bay	83,548	3.1	12,816	6,519
Other Projects	19,602	0.7	2,572	7,621
Sub-total	**2,594,776**	**97.7**	**186,350**	**13,924**
Car parks	61,945	2.3	1,128[(1)]	–
Total	**2,656,721**	**100.0**	**–**	**–**

Note:

(1) Represents the number of car parks sold.

Employees and Remuneration Policies

On 30 June 2017, we had a total of 2,360 full-time employees in the PRC and Hong Kong. 602 of our employees worked in property development operations and 1,758 were engaged in property management, customer service and other related operations.

The remuneration package of our employees includes salaries and bonuses. In general, we determine employee salaries based on each employee's qualifications, experience, position and seniority. We have designed an annual review system to assess the performance of our employees, which forms the basis for us to determine salary increment, 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 as compared with the market standards in each geographic location where we conduct businesses. The Group's staff costs for the six months ended 30 June 2017 amounted to RMB235.4 million (for the six months ended 30 June 2016: RMB177.8 million).

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

FINANCIAL REVIEW

Revenue

For the six months ended 30 June 2017, the revenue of the Group reached RMB2,810.1 million, representing a decrease of 30.0% as compared to RMB4,011.8 million for the corresponding period 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.

Revenue by business segments

	Six months ended 30 June				
	2017		2016		
		Percentage of the total revenue		Percentage of the total revenue	Year-on-Year change
	RMB million	**%**	*RMB million*	%	%
Sales of properties	**2,656.7**	**94.5**	3,873.4	96.5	(31.4)
Property management	**100.9**	**3.6**	66.7	1.7	51.3
Decoration of properties	**35.8**	**1.3**	67.2	1.7	(46.7)
Rental income	**15.4**	**0.6**	3.8	0.1	305.3
Others	**1.3**	**0.0**	0.7	0.0	85.7
Total	**2,810.1**	**100.0**	4,011.8	100.0	(30.0)

The sales revenue of properties has been constituted, and is expected to continue to constitute, a substantial majority of our total revenue. For the six months ended 30 June 2017, it accounted for 94.5% of our total revenue.

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 our properties. Consistent with industry practice, we typically enter into purchase contracts with customers while the properties are still under development but after satisfying the conditions for pre-sales in accordance with PRC laws and regulations. In general, there is typically at least one year between the time we commence the pre-sales of properties under development and the completion of the construction of such properties. We do not recognize any revenue from the pre-sales of the properties until such properties are completed and the possession of such properties has been delivered to the customers.

During the Period under Review, the properties delivered by the Group were mainly Shaoxing Jingrui Dignity Mansion, Suzhou Jingrui Nobility Mansion, Shanghai Jingrui The French Lakeside Villa, Changzhou Jingrui Dignity Mansion, Hangzhou Jingrui Shenhua No. One, Huzhou Jingrui Dignity Mansion and Ningbo Jingrui Harbour City. Revenue from sales of properties was RMB2,656.7 million for the first half of 2017 (corresponding period in 2016: RMB3,873.4 million), representing a decrease of 31.4% as compared to the corresponding period last year, mainly due to a decrease in the number and GFA of delivered development property projects which was affected by the progress of project developments.

The 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 the first half of 2017, property management revenue of the Group was approximately RMB100.9 million, representing an increase of approximately 51.3% as compared with the corresponding period last year. The increase in revenue from property management was primarily due to the continued growth in the total GFA of our properties delivered.

Revenue from decoration of properties represents realised revenue generated from decoration works we provided. In the first half of 2017, such revenue of the Group was approximately RMB35.8 million, representing a decrease of 46.7% as compared with the corresponding period last 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. Our rental income was mainly generated from leased properties of Shanghai Jingrui Life Square and Shanghai Jingrui Upper Riverside. In the first half of 2017, rental income of the Group was approximately RMB15.4 million, representing an increase of 305.3% as compared with the corresponding period 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 amounted to RMB2,438.7 million, representing a decrease of 37.6% as compared with RMB3,908.1 million for the corresponding period last year, mainly due to a decrease in GFA delivered during the first half of 2017 as compared to the corresponding period of 2016.

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

	Six months ended 30 June			
	2017		2016	
	RMB'000	*%*	*RMB'000*	*%*
Construction costs	**768,208**	**31.5**	1,827,090	46.8
Land use right costs	**1,217,574**	**49.9**	1,529,250	39.1
Capitalized interest	**208,112**	**8.5**	220,272	5.6
Subtotal: Total cost of properties	**2,193,894**	**89.9**	3,576,612	91.5
Business tax and surcharges	**41,027**	**1.7**	207,085	5.3
Provision for impairment of properties held or under development for sale	**77,367**	**3.2**	12,076	0.3
Other costs [(1)]	**126,382**	**5.2**	112,297	2.9
Total	**2,438,670**	**100.0**	3,908,070	100.0
Total GFA delivered (sq.m.)	**186,350**		487,820	
Average cost of properties per sq.m. sold (RMB) [(2)]	**11,773**		7,332	
Average cost per sq.m. as % of ASP	**84.6**		93.1	

Notes:

(1) Includes costs associated with property management, leasing, decoration 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

For the six months ended 30 June 2017, the gross profit of the Group was RMB371.4 million (corresponding period in 2016: RMB103.7 million), and the gross profit margin of the Group was 13.2% (corresponding period in 2016: 2.6%). The significant increase of 10.6 percentage points in our gross profit margin as compared to the corresponding period of 2016 was mainly due to the increase in gross profit arising from the projects delivered during the period and the rise in the selling price of properties as a result of China's booming real estate market since last year.

Fair Value Gains on Investment Properties

For the six months ended 30 June 2017, our fair value gains on investment properties were RMB34.7 million (corresponding period in 2016: RMB11.9 million). Fair value gains in the first half of 2017 were primarily due to property appreciation derived from Shanghai Jingrui City Park, Shanghai Jingrui Upper Riverside and Shanghai Jingrui Shenxin Tower (上海景瑞 • 申信大廈).

Selling and Marketing Costs

For the six months ended 30 June 2017, our selling and marketing costs were RMB185.4 million (corresponding period in 2016: RMB154.4 million), representing a year-on-year increase of 20.1%. Such increase was primarily due to the increase in presales and sales of more properties in the first half of 2017.

Administrative Expenses

For the six months ended 30 June 2017, our administrative expenses were RMB275.9 million (corresponding period in 2016: RMB174.6 million), representing a year-on-year increase of 58.0%. Such increase was primarily due to increase in staff costs and the expenses arising from our business expansion in the first half of 2017.

Other Income and Other Gains/(Losses), Net

For the six months ended 30 June 2017, our other income recorded a gain of RMB69.8 million (corresponding period in 2016: gain of RMB22.3 million), which mainly includes the government grants of RMB31.4 million received by the Group and the interest income of RMB16.1 million from the Group's lending to a joint venture.

For the six months ended 30 June 2017, we recorded other gains of RMB102.1 million (corresponding period in 2016: losses of RMB13.0 million). Other gains recorded in the first half of 2017 is mainly attributable to the appreciation of the existing equity interests arising from the share repurchase by Ningbo Jingrui and the fair value appreciation due to the early redemption of the senior notes due 2019.

Finance (Costs)/Income, Net

For the six months ended 30 June 2017, our finance income was RMB26.4 million (corresponding period in 2016: RMB25.2 million). Our finance costs were RMB157.7 million (corresponding period in 2016: RMB23.3 million). As a result, our net finance costs was RMB131.3 million, representing an increase of RMB133.3 million as compared to that of RMB2.0 million in net finance income for the corresponding period last year, primarily due to a cessation in the capitalization of part of the interest expenses as a result of the projects carried forward.

Share of Results of Joint Ventures/Associates

In the six months ended 30 June 2017, our share of results of joint ventures/associates was a loss of RMB61.7 million (corresponding period in 2016: RMB20.8 million), representing an increase of 196.6% as compared with the corresponding period in 2016, mainly due to the increase in the number of joint ventures/associates as a result of the Group's expansion of the real estate projects under the cooperation with the other real estate developers, which were in the stage of mass development and has not reached the delivery and revenue recognition stage.

Income Tax Expense

For the six months ended 30 June 2017, our income tax expense was RMB93.2 million (corresponding period in 2016: RMB11.4 million), representing a year-on-year increase of 717.5%, primarily due to the substantial increase in land appreciation tax as result of the high profit margin projects carried forward during the first half of 2017.

Loss for the Period

For the six months ended 30 June 2017, we recorded a loss of RMB169.4 million (corresponding period in 2016: loss of RMB234.5 million).

For the six months ended 30 June 2017, the loss of the Group attributable to equity holders of the Company was RMB138.5 million (corresponding period in 2016: loss of RMB256.0 million).

LIQUIDITY AND CAPITAL RESOURCES

The industry in which the Group operates is a capital-intensive industry. The Group has been meeting and is expected to continue meeting its needs of 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 Position

On 30 June 2017, the Group's cash at bank and on hand (including restricted cash) decreased by approximately 31.2% to approximately RMB7,380.7 million from approximately RMB10,724.6 million as at 31 December 2016. The Group's cash at bank and on hand are mainly denominated in RMB and US dollars. Restricted cash of the Group mainly comprised deposits pledged for borrowings and guarantees in respect of mortgage facilities provided for certain purchasers of the Group's properties.

Borrowings

Our total outstanding borrowings increased from RMB13,221.4 million as at 31 December 2016 to RMB15,384.4 million as at 30 June 2017. As at 30 June 2017, we had approximately RMB8,310.3 million in 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.

In April 2017, the Company issued US$400 million 7.75% senior notes due 2020 to refinance existing indebtedness of the Group, to finance project acquisition and development and for general corporate purposes.

Breakdown of our borrowings by categories

	30 June 2017	31 December 2016	Change
	RMB'000	*RMB'000*	*%*
Current Borrowings:			
Bank loans, secured	**1,015,102**	562,850	80.4
Trust financing arrangements, secured			
– conventional loan	**362,880**	2,155,271	(83.2)
Add: current portion of long-term borrowings			
– Bank loans, secured	**1,255,358**	1,013,220	23.9
– Trust financing arrangements, secured	**1,434,980**	229,000	526.6
– Senior notes due 2018, secured	**436,570**	–	N/A
Total Current Borrowings	**4,504,890**	3,960,341	13.8
Non-Current Borrowings:			
Bank loans, secured	**4,624,185**	3,749,770	23.3
Trust financing arrangements, secured			
– conventional loan	**2,594,990**	2,615,000	(0.8)
– equity with repurchase obligation	**580,000**	580,000	0.0
Senior notes due 2018, secured	**436,570**	445,974	(2.1)
Senior notes due 2019, secured[(1)]	**625,555**	638,838	(2.1)
Senior notes due 2020, secured	**2,667,877**	–	N/A
Corporate bonds due 2019	**991,020**	989,117	0.2
Corporate bonds due 2021	**1,486,199**	1,484,530	0.1
Less: current portion of long-term borrowings			
– Bank loans, secured	**(1,255,358)**	(1,013,220)	23.9
– Trust financing arrangements, secured	**(1,434,980)**	(229,000)	526.6
– Senior notes due 2018, secured	**(436,570)**	–	N/A
Total Non-Current Borrowings	**10,879,488**	9,261,009	17.5
Total	**15,384,378**	13,221,350	16.4

Note:

(1) In August 2017, the Company redeemed all of the outstanding senior notes due 2019 with an aggregate amount of approximately US$106.5 million, representing 106.813% of the principal amount of approximately US$93.7 million.

Breakdown of our borrowings by maturity profiles

	30 June 2017		31 December 2016	
	RMB'000	*%*	*RMB'000*	*%*
Within 1 year	**4,504,890**	**29.3**	3,960,341	30.0
Between 1 and 2 years	**3,045,550**	**19.8**	3,788,514	28.6
Between 2 and 5 years	**7,833,938**	**50.9**	5,433,495	41.1
Above 5 years	**–**	**–**	39,000	0.3
Total	**15,384,378**	**100.0**	13,221,350	100.0

The proportion of the Group's long-term borrowings in the total borrowings was 70.7% as of 30 June 2017, ensuring the healthy and stable cash flow of the Group in the future. As of 30 June 2017, our borrowings with fixed interest rate and floating interest rate represents 88.6% and 11.4% of the Group's total borrowings, respectively.

Borrowing Costs

The Group's weighted average effective interest rate on bank and other borrowings was 7.74% as at 30 June 2017, as compared to 8.46% as at 31 December 2016.

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

	For the six months ended 30 June		
	2017	2016	Change
	RMB'000		*%*
Finance costs			
– Interest expensed	**196,873**	4,771	4,026.5
– Net foreign exchange (gains)/losses on financing activities	**(39,932)**	18,372	(317.4)
– Changes in discounted present value of financial liabilities for put option written on non-controlling interests	**752**	108	596.3
– Interest capitalized	**405,412**	682,388	(40.6)
Total	**563,105**	705,639	**(20.2)**

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

	30 June 2017	31 December 2016
Bank loans	**6.75%**	7.30%
Trust financing arrangements	**9.06%**	10.01%
Corporate bonds	**6.28%**	6.28%
Senior notes	**10.83%**	14.20%
Consolidated weighted average effective interest rates	**7.74%**	8.46%

Net Debt-to-Adjusted-Capital Ratio

As of 30 June 2017, our net debt-to-adjusted-capital ratio was 198%. 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 showed an increase of 147 percentage points as compared to 51% as of 31 December 2016.

CONTINGENT LIABILITIES

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

As of 30 June 2017, the contingent liabilities incurred for our provision of guarantees to financial institutions in respect of the mortgage loans they provided to our property purchasers were approximately RMB7,131.2 million (31 December 2016: approximately RMB14,273.5 million). In addition, we provide guarantee for certain bank loans amounting to RMB1,120.0 million for our joint ventures (31 December 2016: RMB1,420.0 million).

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 30 June 2017, we did not have any outstanding loan capital issued or agreed to be issued, bank overdrafts, loans, debt securities, borrowings or 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 banks, trust financing providers, senior notes and corporate bonds. Borrowings at floating rates expose us to cash flow interest rate risks, while borrowings at fixed rates expose us to fair value interest rate risks. We have not hedged our cash flow or fair value interest rate risks.

Our Directors do not anticipate significant impact on interest-bearing assets resulting from the changes in interest rates, because the interest rates of bank balances are not expected to change significantly.

FOREIGN EXCHANGE RISK

We are engaged in the development, sale and management of properties solely in China with almost all our transactions denominated in RMB. In addition, the majority of our assets and liabilities are denominated in RMB. Accordingly, we are not exposed to significant foreign currency risks, except for US dollars bank deposits and our senior notes issued in 2014, 2015 and 2017, respectively, 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 in 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 of 30 June 2017, the fair value of the Group's available-for-sale financial assets increased by 12.2% to approximately RMB1,016.4 million from approximately RMB906.0 million as of 31 December 2016. 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 fair value of the non-current portion of approximately RMB764.6 million mainly represents the investments in unlisted equity securities and liquid opportunity fund.

MATERIAL ACQUISITION AND DISPOSAL

On 2 June 2017, the Group entered into an equity transfer agreement with Meihao Holdings Group Co., Ltd. to acquire 65% of the equity interest in Hangzhou Xiaoying Real Estate Development Co., Ltd. (杭州銷穎房地產開發有限公司) ("**Hangzhou Xiaoying**"). The transaction was completed on 7 June 2017, and a total consideration of RMB725,654,171 was paid by the Group to Meihao Holdings Group Co., Ltd.. Upon completion, Hangzhou Xiaoying became a subsidiary of the Group. For details, please refer to the announcement in relation to the acquisition of 65% equity interest in Hangzhou Xiaoying published by the Company on 2 June 2017.

On 17 July 2017, the Group entered into an equity transfer agreement with Hangzhou Yuhang Supply and Marketing Holdings Group Co., Ltd. (杭州余杭供銷控股集團有限公司) to acquire the remaining 35% equity interest in Hangzhou Xiaoying. The transaction was completed on 28 July 2017, and a total consideration of RMB390,738,400 was paid by the Group to the seller. Upon completion, Hangzhou Xiaoying became a wholly owned subsidiary of the Group. For details, please refer to the announcement in relation to the acquisition of 35% equity interest in Hangzhou Xiaoying published by the Company on 17 July 2017.

On 1 August 2017, the Group entered into a cooperation agreement with Ningbo Yinzhou Jinbing Enterprise Management Consulting Co., Ltd. (寧波市鄞州金丙企業管理諮詢有限公司) (the "**Buyer**") for the disposal of the Company's 49% equity interest in its subsidiary Ningbo Xiangjun Investment Co., Ltd. (寧波翔竣投資有限公司) ("**Ningbo Xiangjun**"). The transaction was completed on 2 August 2017, and the Group has received from the Buyer the total consideration of RMB708,604,560. Upon completion, Ningbo Xiangjun became an indirect non-wholly owned subsidiary of the Company from an indirect wholly-owned subsidiary of the Company. For details, please refer to the announcement in relation to the disposal of equity interest in Ningbo Xiangjun published by the Company on 1 August 2017.

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 in the Group's ordinary business of property development and the identification of potential independent third party investors for respective project companies.

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend in respect of the six months ended 30 June 2017.

PREVIOUS FUND RAISING ACTIVITIES

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	RMB1,500 million	To improve the debt structure of the Company
September 2016	Issue of RMB1.0 billion 6.75% corporate bonds due 2019	RMB1,000 million	To improve the debt structure of the Company
April 2017	Issue of US$400 million 7.75% senior notes due 2020 ("**2020 Notes**")	US$393 million	To further finance the existing debts of the Group

CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of shareholders and 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 six months ended 30 June 2017 except for the deviation from the code provision set out in paragraph A.2.1 of the CG Code stating that 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 another 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 considers 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 administrative functions and day-to-day business management 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 two 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 high level of independence in its composition. The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG code.

REVIEW OF INTERIM RESULTS

The audit committee of the Company is comprised of three independent non-executive directors, namely Mr. Qian Shi Zheng (Chairman of the audit committee), Dr. Lo Wing Yan William and Mr. Han Jiong.

The audit committee and the management of the Company and external auditor of the Company have reviewed its unaudited interim results for the six months ended 30 June 2017 and the accounting principles and practices adopted by the Company.

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 six months ended 30 June 2017.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the six months ended 30 June 2017, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

The Company has redeemed all the outstanding 2019 Notes with an aggregate principal amount of approximately US$93.7 million on 8 August 2017 at the redemption price equal to 106.813% of the principal amount thereof, being approximately US$100.1 million, plus accrued and unpaid interest of approximately US$6.4 million to the redemption date. The total redemption price paid by the Company on the redemption date is approximately US$106.5 million. The Company considers that the redemption will have no material impact on its financial position. Upon completion of the redemption, the 2019 Notes have been cancelled. There are no outstanding 2019 Notes in issue after the redemption. The 2019 Notes was delisted from the Stock Exchange on 16 August 2017.

PUBLICATION OF THE UNAUDITED INTERIM RESULTS AND 2017 INTERIM REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.jingruis.com) and the 2017 interim report containing all the information required by the Listing Rules will be dispatched to the shareholders of the Company and published on the respective websites of the Stock Exchange and the Company in due course for inspection.

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

Hong Kong, 28 August 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*