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 2019

INTERIM RESULTS HIGHLIGHTS

- For the six months ended 30 June 2019, the Group achieved contracted sales of RMB10,136.2 million, representing an increase of approximately 6.4% as compared to the corresponding period last year.
- For the six months ended 30 June 2019, the Group achieved revenue of RMB2,185.9 million, gross profit of RMB566.8 million and gross profit margin of 25.9%. Both the revenue and gross profit maintained stable as compared to the corresponding period last year.
- For the six months ended 30 June 2019, the net profit of the Group was RMB354.3 million, representing an increase of 16.4% as compared to the corresponding period last year.
- As at 30 June 2019, the Group's total assets amounted to RMB54,647.9 million, representing an increase of 14.1% as compared to 31 December 2018.
- As at 30 June 2019, land bank of the Group was approximately 5,461,003 sq.m..
- As at 30 June 2019, the net debt-to-capital ratio was approximately 72%, representing an increase of 8 percentage points as compared to the net debt-to-capital ratio as at 31 December 2018. The total amount of bank deposits and cash on hand (including restricted cash) was RMB14,198.7 million.
- The Board has resolved not to declare any interim dividend for the six months ended 30 June 2019 (six months ended 30 June 2018: Nil).

The board (the "**Board**") of directors (the "**Directors**") of Jingrui Holdings Limited ("**Jingrui" 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 2019 (the "**Period under Review**") together with the comparative figures for the six months ended 30 June 2018 as follows:

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

For the six months ended 30 June 2019

	Note	Six months ended 30 June 2019 RMB'000 (Unaudited)	2018 RMB'000 (Unaudited)
Revenue	5	**2,185,931**	2,163,576
Cost of sales	10	**(1,619,173)**	(1,574,983)
Gross profit		**566,758**	588,593
Gains arising from appreciation of investment properties under office and apartment platform		**26,972**	186,936
Fair value gains on investment properties under other platforms		**95,022**	137,941
Selling and marketing costs	10	**(132,756)**	(133,390)
Administrative expenses	10	**(304,006)**	(292,724)
Other income	8	**135,419**	14,848
Other gains – net	9	**58,344**	160,741
Operating profit		**445,753**	662,945
Finance income	11	**49,442**	28,117
Finance costs	11	**(215,669)**	(137,867)
Finance costs – net		**(166,227)**	(109,750)
Share of results of joint ventures		**116,913**	(19,344)
Share of results of associates		**(2,608)**	10,916
		114,305	(8,428)
Profit before income tax		**393,831**	544,767
Income tax expense	12	**(39,574)**	(240,314)
Profit for the period		**354,257**	304,453
Attributable to:			
Equity holders of the Company		**280,037**	269,257
Non-controlling interests		**74,220**	35,196
		354,257	304,453
Earnings per share for profit attributable to equity holders of the Company			
– Basic earnings per share	13	**RMB0.20**	RMB0.21
– Diluted earnings per share	13	**RMB0.20**	RMB0.21

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2019

	Six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Profit for the period	**354,257**	304,453
Other comprehensive income/(losses) that will not be reclassified to profit or loss		
Changes in fair value of equity investment at fair value through other comprehensive income, net of tax	**7,779**	(72,550)
Total comprehensive income for the period, net of tax	**362,036**	231,903
Attributable to:		
Equity holders of the Company	**287,816**	196,707
Non-controlling interests	**74,220**	35,196
	362,036	231,903

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET
As at 30 June 2019

	Note	As at 30 June 2019 RMB'000 (Unaudited)	As at 31 December 2018 RMB'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**66,019**	71,427
Investment properties		**7,415,600**	7,154,272
Intangible assets		**2,946**	2,845
Investments in joint ventures		**1,261,502**	605,828
Investments in associates		**665,950**	583,558
Deferred income tax assets		**284,176**	166,276
Financial assets at fair value through profit or loss		**827,792**	551,606
Financial assets at fair value through other comprehensive income		**481,416**	472,104
Trade and other receivables and prepayments	*6*	**117,005**	325,783
		11,122,406	9,933,699
Current assets			
Prepayments for leasehold land		**787,591**	–
Properties held or under development for sale		**19,358,717**	18,541,307
Trade and other receivables and prepayments	*6*	**8,483,308**	6,099,232
Prepaid income taxes		**388,830**	103,312
Restricted cash		**3,087,308**	1,354,871
Cash and cash equivalents		**11,111,384**	11,715,378
Contract acquisition costs		**99,110**	42,241
Financial assets at fair value through profit or loss		**209,286**	92,555
		43,525,534	37,948,896
Total assets		**54,647,940**	47,882,595
OWNERS' EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital: nominal value		**86,634**	86,634
Reserves		**4,554,694**	4,600,358
		4,641,328	4,686,992
Non-controlling interests		**4,791,340**	4,126,155
Total equity		**9,432,668**	8,813,147

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET (CONTINUED)
As at 30 June 2019

	Note	**As at 30 June 2019** *RMB'000* **(Unaudited)**	As at 31 December 2018 *RMB'000* (Audited)
LIABILITIES			
Non-current liabilities			
Borrowings		**10,584,268**	12,017,359
Deferred income tax liabilities		**1,390,708**	1,321,233
Lease liabilities		**157,686**	–
Derivative financial instruments		**23,776**	–
		12,156,438	13,338,592
Current liabilities			
Trade and other payables	*7*	**14,212,132**	13,472,373
Amounts due to non-controlling interests of subsidiaries		**320,469**	377,894
Contract liabilities		**7,412,650**	4,181,540
Current income tax liabilities		**711,883**	1,000,160
Borrowings		**10,380,454**	6,683,404
Lease liabilities		**21,246**	–
Financial liabilities for put option written on non-controlling interests		**–**	15,485
		33,058,834	25,730,856
Total liabilities		**45,215,272**	39,069,448
Total equity and liabilities		**54,647,940**	47,882,595

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 29 August 2019.

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 2019 have been prepared under the historical cost convention, as modified by the revaluation of investment properties, financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and derivative financial instruments 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 2018, 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 2018, as described in those annual financial statements, except for 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 standards, amendments and interpretation of HKFRSs effective for the financial year ending 31 December 2019.

New standards, amendments and interpretation of HKFRSs effective for 2019

The following new standards of HKFRSs which are relevant to the Group's operations are effective for the first time for annual period beginning on 1 January 2019.

- HKFRS 16 Leases ("**HKFRS 16**")

The impact of the adoption of HKFRS 16 is disclosed in Note 4 below. The other newly effective standards, amendments and interpretation to existing standards did not have any significant impact on the Group's results of operation and financial position for the six months ended 30 June 2019.

There are no standards, amendments and interpretations to existing standards that are not effective and would be expected to result in any significant impact on the Group's financial positions and result of operations.

4 CHANGES IN ACCOUNTING POLICIES

The Group has adopted HKFRS 16 from 1 January 2019, but has not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the standard. The adjustments arising from HKFRS 16 are therefore recognised in the opening balance sheet on 1 January 2019.

(a) The following table shows the adjustments recognised for each individual line item. Line items that were not affected by the changes have not been included.

Condensed consolidated interim balance sheet (extract)

	31 December 2018 (As previously stated) *RMB'000*	Adjustments under HKFRS 16 *RMB'000*	**1 January 2019 (Restated)** ***RMB'000***
Non-current assets			
Property, plant and equipment	71,427	(1,359)	**70,068**
Investment properties	7,154,272	209,656	**7,363,928**
Current Assets			
Trade and other receivables and prepayments	6,099,232	(20,896)	**6,078,336**
Non-current liabilities			
Lease liabilities	–	160,816	**160,816**
Deferred income tax liabilities	1,321,233	1,229	**1,322,462**
Current liabilities			
Lease liabilities	–	21,670	**21,670**
Equity			
Retained earnings	2,735,739	3,686	**2,739,425**

(b) On adoption of HKFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of HKAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 8.21%.

	RMB'000
Operating lease commitments disclosed as at 31 December 2018	261,675
Less: Short-term leases recognised on a straight-line basis as expense	(7,356)
	254,319
Discounted using the lessee's incremental borrowing rate of the date of initial application, lease liabilities recognised as at 1 January 2019	182,486
Of which are:	
Current lease liabilities	21,670
Non-current lease liabilities	160,816
	182,486

Right-of-use assets together with leasehold improvements leased out as long-term rental apartment were classified as investment properties and carried at fair value. Other right-of-use assets were measured at the amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet as at 31 December 2018. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

The recognised right-of-use assets related to the following types of assets:

	30 June 2019	1 January 2019
	RMB'000	*RMB'000*
Investment properties	**111,128**	209,656
Office properties	**32,343**	30,954
	143,471	240,610

(c) Impact on segment disclosures and profit

Adjusted segment assets and segment liabilities as at 30 June 2019 all increased as a result of the change in accounting policy. The following segments were affected by the change in policy:

	Segment profit before income tax expense	**Segment assets**	**Segment liabilities**
	RMB'000	*RMB'000*	*RMB'000*
Property development platform	(4)	17,446	15,928
Office and apartment platform	9,153	168,302	156,208
All other platforms	(578)	6,670	6,796
	8,571	192,418	178,932

(d) Practical expedients applied

In applying HKFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- reliance on previous assessments on whether leases are onerous;
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases;
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application; and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made applying HKAS 17 Leases and HKFRIC 4 Determining whether an Arrangement contains a Lease.

5 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.

Following the shift in focus to office and apartment platform business by the Group during the second half year of 2018, the previous presentation of segment information based on the property development segment and property investment segment is no longer considered appropriate. The new reporting segments are as follows:

- Property development platform engages in real estate development in the PRC;
- Office and apartment platform invests in office buildings and apartments in the PRC for their rental income potential and/or for capital appreciation; and
- All other platforms, including property management platform which provides management and security services to residential and commercial properties in the PRC, the property design and decoration platform, investment platform and other miscellaneous businesses. The revenue derived from all other platforms generally include service fees and investment income.

The three new operating segments are consistent with the way in which information is reported internally to the Group's CODM for the purpose of resources allocation and performance assessment. No operating segments have been aggregated to form the above reportable segments. Comparative segment information has been restated.

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 2019 and 2018 consists of the following revenue:

	Six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from contract with customers recognised at a point in time		
– Sales of properties	**1,667,798**	1,781,448
– Others	**48,160**	39,727
	1,715,958	1,821,175
Revenue from contract with customers recognised over time		
– Property management service	**239,885**	178,353
– Decoration of properties	**150,864**	112,687
	390,749	291,040
Rental income	**79,224**	51,361
	2,185,931	2,163,576

(b) Segment Information

	Six months ended 30 June 2019 (Unaudited)					
	Property development platform *RMB'000*	Office and apartment platform *RMB'000*	All other platforms *RMB'000*	Total segment *RMB'000*	Elimination *RMB'000*	Total Group *RMB'000*
Segment revenue	**1,671,160**	**60,811**	**515,088**	**2,247,059**	**(61,128)**	**2,185,931**
Segment profit/(loss) before income tax expense	**341,739**	**(12,028)**	**62,950**	**392,661**	**1,170**	**393,831**
Finance income	**20,172**	**3,706**	**25,564**	**49,442**	**–**	**49,442**
Finance costs	**(183,808)**	**(20,767)**	**(11,094)**	**(215,669)**	**–**	**(215,669)**
Share of results of joint ventures	**(12,111)**	**129,024**	**–**	**116,913**	**–**	**116,913**
Share of results of associates	**(2,541)**	**–**	**(67)**	**(2,608)**	**–**	**(2,608)**
Depreciation and amortisation	**(9,835)**	**(1,812)**	**(2,299)**	**(13,946)**	**–**	**(13,946)**
A reconciliation to profit for the period is as follows:						
Total segment profits before income tax expense						**393,831**
Income tax expense						**(39,574)**
Profit for the period						**354,257**

	As at 30 June 2019 (Unaudited)					
Segment assets	**61,346,253**	**5,517,834**	**23,529,622**	**90,393,709**	**(35,745,769)**	**54,647,940**
Segment assets include:						
Investments in joint ventures	**735,650**	**525,852**	**–**	**1,261,502**	**–**	**1,261,502**
Investments in associates	**656,908**	**–**	**9,042**	**665,950**	**–**	**665,950**
Additions to non-current assets (other than financial instruments and deferred income tax assets)	**2,922**	**257,012**	**5,545**	**265,479**	**–**	**265,479**
Segment liabilities	**56,244,822**	**2,101,751**	**22,712,992**	**81,059,565**	**(35,844,293)**	**45,215,272**

The restated segment information for the six months ended 30 June 2018 based on the three operating segments are as follows:

	Six months ended 30 June 2018 (Unaudited) (Restated)					
	Property development platform *RMB'000*	Office and apartment platform *RMB'000*	All other platforms *RMB'000*	Total segment *RMB'000*	Elimination *RMB'000*	Total Group *RMB'000*
Segment revenue	1,781,448	28,232	477,236	2,286,916	(123,340)	2,163,576
Segment profit before income tax expense	267,508	214,128	58,249	539,885	4,882	544,767
Finance income	23,914	108	4,095	28,117	–	28,117
Finance costs	(132,448)	(3,446)	(1,973)	(137,867)	–	(137,867)
Share of results of joint ventures	(19,344)	–	–	(19,344)	–	(19,344)
Share of results of associates	(3,079)	15,192	(1,197)	10,916	–	10,916
Depreciation and amortisation	(2,218)	(557)	(3,543)	(6,318)	–	(6,318)
A reconciliation to profit for the period is as follows:						
Total segment profits before income tax expense						544,767
Income tax expense						(240,314)
Profit for the period						304,453
	As at 31 December 2018 (Audited)					
Segment assets	54,648,239	2,972,632	28,234,958	85,855,829	(37,973,234)	47,882,595
Segment assets include:						
Investments in joint ventures	605,828	–	–	605,828	–	605,828
Investments in associates	574,448	–	9,110	583,558	–	583,558
Additions to non-current assets (other than financial instruments and deferred income tax assets)	257,061	2,205,039	45,184	2,507,284	–	2,507,284
Segment liabilities	46,160,906	2,063,760	25,126,942	73,351,608	(34,282,160)	39,069,448

6 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at 30 June 2019 *RMB'000* (Unaudited)	As at 31 December 2018 *RMB'000* (Audited)
Trade receivables	**221,410**	137,587
Less: Provision for impairment of trade receivables	**(3,466)**	(1,232)
Trade receivables – net	**217,944**	136,355
Amounts due from joint ventures and associates	**2,338,952**	2,073,973
Prepaid taxes and surcharges and input VAT to be deducted (a)	**592,234**	253,164
Receivables arising from disposal of subsidiaries (b)	**26,871**	26,871
Loans due from disposed subsidiaries assumed by third parties (c)	**38,276**	38,276
Tender deposits (d)	**698,650**	–
Deposits with public housing fund centres (e)	**32,367**	36,255
Prepayments of construction costs	**13,440**	15,311
Temporary funding receivables (f)	**121,975**	108,484
Deposits paid for construction work	**398,343**	488,714
Amounts due from non-controlling interests of subsidiaries (g)	**2,165,453**	1,255,702
Deposits paid to secure borrowings	**53,980**	55,700
Prepayments for acquisition of completed properties for sale (h)	**996,527**	1,043,202
Deposits paid for advanced proceeds received from customers (i)	**272,051**	276,109
Prepayments for investments (j)	**20,000**	325,783
Deposits for potential investment	**294,245**	262,324
Dividend receivables	**14,745**	–
Net leasing investment receivables	**111,359**	–
Others	**247,073**	77,572
Less: Provision for impairment of other receivables	**(54,172)**	(48,780)
	8,600,313	6,425,015
Less: non-current portion (k)	**(117,005)**	(325,783)
	8,483,308	6,099,232

Notes:

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

(b) In July 2018, the Group's remaining 51% equity interests in Shanghai Jingqi Property Development Co., Ltd. ("**Shanghai Jingqi**") was transferred to Hengda Real Estate Group Shanghai Shengjianye Property Co., Ltd. ("**Hengda Shanghai**") with a consideration of RMB251,812,500. The balance represents the outstanding considerations of RMB147,000 (31 December 2018: RMB147,000) and RMB26,724,000 (31 December 2018: RMB26,724,000) for disposal of equity interests in Tianjin Jingxiu Property Investment Co., Ltd. ("**Tianjin Jingxiu**") and Shanghai Jiajing Investment Co., Ltd. ("**Shanghai Jiajing**") which holds 49% equity interests in Shanghai Jingqi respectively.

(c) The balance represents the outstanding loans of RMB18,276,000 of Shanghai Jingqi (31 December 2018: RMB18,276,000) and RMB20,000,000 of Tianjin Jingxiu (31 December 2018: RMB20,000,000), originally due by the two disposed subsidiaries to the Group, which have been assumed and shall be paid off by Hengda Shanghai 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 as at 30 June 2019 includes an amount of RMB69,137,500 (31 December 2018: RMB69,137,500), representing the outstanding principal balance from the non-controlling interests of Suzhou Alide Co., Ltd., which is with annual interest rate of 7.2% and is unsecured and repayable on demand.

The balance as at 30 June 2019 includes an amount of RMB87,449,000 (31 December 2018: RMB239,937,000), representing the outstanding principal and interest receivable from the non-controlling interests of Ningbo Jingshen Property Co., Ltd, which is with annual interest rate of 4.35% and is unsecured and repayable on demand.

Except for the loans lent to the non-controlling interests of Suzhou Alide Co., Ltd. and Ningbo Jingshen Property Co., Ltd, as mentioned above, the funding provided to other non-controlling interests of certain subsidiaries are unsecured, non-interest bearing and repayable on demand.

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

(i) The balance represents the deposits paid for the advanced proceeds of properties received from customers.

(j) The balance as at 30 June 2019 represents the prepayment for investments in equity interests of RMB20,000,000 (31 December 2018: RMB325,783,000).

(k) The balance as at 30 June 2019 represents the prepayment for investments in equity interests of RMB20,000,000 (31 December 2018: RMB325,783,000) and net leasing investment receivables of RMB97,005,000.

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

	As at 30 June 2019	As at 31 December 2018
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Less than 1 year	**208,570**	131,493
Between 1 and 2 years	**10,689**	3,987
Between 2 and 3 years	**782**	810
Over 3 years	**1,369**	1,297
	221,410	137,587

As at 30 June 2019 and 31 December 2018, the fair value of trade and other receivables approximate their carrying amounts.

Trade and other receivables with a total carrying amount of RMB3,516,000 as at 30 June 2019 (31 December 2018: RMB2,840,000) were pledged as collateral for the Group's borrowings.

As at 30 June 2019 and 31 December 2018, the carrying amounts of trade and other receivables and prepayments are denominated in below currencies：

	As at 30 June 2019	As at 31 December 2018
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
– RMB	**8,210,383**	6,166,481
– USD	**178,869**	16,210
– HKD	**211,061**	242,324
	8,600,313	6,425,015

7 TRADE AND OTHER PAYABLES

	As at 30 June 2019 *RMB'000* (Unaudited)	As at 31 December 2018 *RMB'000* (Audited)
Trade payables	**4,202,162**	4,127,692
Notes payable	**72,725**	298,531
Amounts due to joint ventures and associates	**4,756,572**	2,811,325
Turnover taxes payable	**195,655**	105,855
Electricity fee and cleaning fee collected on behalf	**50,926**	38,588
Deed tax collected on behalf	**14,971**	18,583
Accrued payroll	**21,470**	33,117
Interest payable	**303,692**	221,428
Temporary funding payable	**-**	1,450,000
Construction deposits received from suppliers	**41,657**	63,693
Deposits received from customers	**42,535**	37,293
Payables for sales commission	**1,591**	2,091
Payables for acquisition of LKN Investment International Pte Ltd.	**9,820**	9,820
Payables for acquisition of Hangzhou Jiaheng Property Co., Ltd.	**-**	6,000
Payables for acquisition of 20% equity interests of Shanghai Fengxiang Property Development Co., Ltd.	**40,800**	40,800
Payables for acquisition of Zhongfa Wenchan (Wuhan) Property Co., Ltd.	**95,920**	95,920
Payables for acquisition of Changshu Huihuang Property Co., Ltd.	**-**	12,861
Payables for acquisition of equity interests of Taizhou Zhenghuang Property Development Co., Ltd. (a)	**205,582**	268,930
Dividend payable *(Note 14)*	**1,379**	1,379
Amount received in connection with the transferring the right of collection of future receivables (b)	**448,741**	1,032,109
Payables to related parties of non-controlling interests (c)	**450,000**	700,000
Deposits received in connection with cooperation with third parties for property development and property investment	**2,789,154**	1,750,000
Others	**466,780**	346,358
	14,212,132	13,472,373

Notes:

(a) The balance represents the interest-bearing payables relating to the acquisition of equity interests in Taizhou Zhenghuang Property Development Co., Ltd. by the Group from an independent third party as at 31 December 2018, among which RMB63,348,000 has been repaid during the six months ended 30 June 2019. The interest rate is around 10% per annum.

(b) The balance represents the consideration received from a third party in connection with the transferring the right of collection of certain future trade receivables for the remaining receipts from sales of properties.

(c) The balance represents the payables to related parties of non-controlling interests which are unsecured, non-interest bearing and repayable on demand.

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 2019 (Unaudited) ***RMB'000***	As at 31 December 2018 (Audited) *RMB'000*
Less than 1 year	**3,789,274**	4,159,960
Between 1 and 2 years	**280,416**	202,840
Between 2 and 3 years	**184,498**	40,192
Over 3 years	**20,699**	23,231
	4,274,887	4,426,223

As at 30 June 2019 and 31 December 2018, the fair value of trade and other payables approximate their carrying amounts.

As at 30 June 2019 and 31 December 2018, the carrying amounts of trade and other payables are denominated in below currencies:

	As at 30 June 2019 (Unaudited) ***RMB'000***	As at 31 December 2018 (Audited) *RMB'000*
RMB	**14,029,046**	13,366,876
USD	**182,620**	94,775
HKD	**466**	10,722
	14,212,132	13,472,373

8 OTHER INCOME

	Six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Gain from acquisition of shares in Ningbo Puhong Investment Management Limited Liability Partnership ("**Ningbo Puhong**") (a)	**90,428**	–
Government grants	**29,223**	12,040
Dividend from financial assets at fair value through other comprehensive income	**14,745**	–
Others	**1,023**	2,808
	135,419	14,848

(a) In February 2019, the Group acquired 46% equity interests of Ningbo Puhong which indirectly held a property investment company in Shanghai, the PRC, at a total consideration of RMB301,000,000 from a third party seller, and accounted for Ningbo Puhong as a joint venture. Gain on bargain purchase of RMB90,428,000 arising from this acquisition was recognised and recorded as other income.

9 OTHER GAINS-NET

	Six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Fair value gains from financial assets at fair value through profit or loss	**26,679**	95,499
Disposal gains of investment properties	**14,373**	54,868
Gain from lease modification	**12,987**	–
Investment income from financial assets at fair value through profit or loss	**25,799**	12,138
Compensation and late payment charges	**(9,175)**	(1,770)
Loss from disposal of property, plant and equipment	**(226)**	(199)
Changes in fair value of derivative financial instrument	**(21,576)**	–
Net foreign exchange gains	**1,965**	–
Others	**7,518**	205
	58,344	160,741

10. 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	
	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Cost of properties sold	**1,350,986**	1,312,905
Cost of property management	**138,338**	123,540
Cost of decoration	**82,985**	89,499
Surcharges	**16,455**	15,839
Depreciation of property, plant and equipment	**13,318**	5,701
Amortisation of intangible assets	**628**	617
Bank charges	**3,474**	6,241
Staff costs	**251,321**	219,862
Entertainment expenses	**9,198**	9,138
Stamp duty and other taxes	**12,407**	16,143
Professional fees	**45,820**	72,738
Auditors' remuneration	**1,160**	1,160
Sales commission	**2,233**	24,594
Advertising and publicity costs	**16,574**	17,317
Office and meeting expenses	**15,076**	19,662
Rental expenses	**4,496**	10,821
Travelling expenses	**6,911**	9,047
Accrual/(reversal) of provision for impairment of properties held or under development for sale	**4,386**	(11,985)
Net impairment losses on financial assets *(Note 6)*	**7,626**	13,037
Other expenses	**72,543**	45,221
Total cost of sales, selling and marketing costs and administrative expenses	**2,055,935**	2,001,097

11 FINANCE COSTS – NET

	Six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Finance income		
– Interest income on bank deposits	**47,202**	28,117
– Interest income on net leasing investment	**2,240**	–
	49,442	28,117
Finance costs		
– Interest on financing arrangements	**(923,160)**	(549,581)
– Net foreign exchange losses on financing activities	**(17,711)**	(87,402)
– Changes in discounted present value of financial liabilities for put option written on non-controlling interests	**(120)**	(270)
– Interest on lease liabilities	**(13,375)**	–
– Less: Amounts capitalised	**738,697**	499,386
	(215,669)	(137,867)
Net finance costs	**(166,227)**	(109,750)

12 INCOME TAX EXPENSE

	Six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current income tax		
– PRC land appreciation tax	**(77,658)**	119,401
– PRC corporate income tax	**168,420**	59,767
	90,762	179,168
Deferred income tax	**(51,188)**	61,146
Total income tax charged for the period	**39,574**	240,314

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 month ended 30 June 2019. 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 2019, the Group did not recognise deferred income tax for PRC withholding income tax with amount of RMB418,614,000 (31 December 2018: RMB372,226,000) on the remaining unremitted distributable profits generated by its PRC subsidiaries attributable to the investors outside the PRC with amount of RMB4,186,138,000 (31 December 2018: RMB3,722,259,000).

The Group did not recognise deferred income tax assets of RMB439,934,000 (31 December 2018: RMB454,997,000) in respect of tax losses amounting to RMB1,759,736,000 (31 December 2018: RMB1,819,988,000) as at 30 June 2019. 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.

13 EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share for the six months ended 30 June 2019 and 2018 is calculated by dividing the Group's profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 June	
	2019	2018
	(Unaudited)	(Unaudited)
Group's profit attributable to equity holders of the Company *(RMB'000)*	**280,037**	269,257
Weighted average number of ordinary shares in issue *(in thousand)*	**1,395,738**	1,281,091
Basic earnings per share *(RMB)*	**0.20**	0.21

(b) Diluted earnings per share

	Six months ended 30 June	
	2019	2018
	(Unaudited)	(Unaudited)
Group's profit attributable to equity holders of the Company *(RMB'000)*	**280,037**	269,257
Weighted average number of shares in issue *(in thousand)*	**1,395,738**	1,281,091
Effect of dilutive potential ordinary shares in respect of share award scheme *(in thousand)*	**4,935**	6,684
Weighted average number of ordinary shares for diluted earnings per share *(in thousand)*	**1,400,673**	1,287,775
Diluted earnings per share *(RMB)*	**0.20**	0.21

14 DIVIDENDS

The board of the directors has resolved not to declare any interim dividend for the six months ended 30 June 2019 (Six months ended 30 June 2018: Nil).

A final dividend in respect of the year ended 31 December 2018 of HKD30 cents per ordinary share, amounting to approximately RMB360,323,000 has been approved at the annual general meeting of the Company held on 7 May 2019. The dividend has been paid out by the Company in May 2019.

The dividend payable as at 31 December 2018 and 30 June 2019 of RMB1,379,000 is the remaining unpaid final dividend declared in 2015 relating to year ended 31 December 2014.

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET OVERVIEW

In the first half of 2019, China's GDP recorded a year-on-year growth of 6.3%. In terms of the overall economic environment, the national economy remained at a reasonable level and pursued progress while ensuring stability, boasting a high quality economic growth while gaining momentum. The nation's external environment will be complicated in the second half of 2019, and China-US trade negotiations, which have already gone through 11 rounds, indicating that China-US relations will remain in a dynamic balance.

Overall, China's economic fundamentals will remain stable. There is a good reserve of policies, and the PRC market will grow continuously, thereby facilitating the realization of the main goal of economic and social development in 2019.

In the first half of 2019, China registered a 10.9% year-on-year growth in real estate development and investment while recording a 1.8% year-on-year decline in floor space of commercial residential housing. Urbanization further advanced while fresh demand and improvement demand continued to exist, which provides essential backing for market demand. On the other hand, the concept of "housing is for accommodation, not for speculation" is gaining in popularity. Furthermore, the regulation model of "city-specific policies" focuses on the responsibilities of the local government. Some regions saw a rise in land prices in the first half of 2019, the CPC Central Committee reaffirmed that housing is for accommodation and not for speculation, and the financial regulation policies for the real estate industry were further tightened to prevent ups and downs. As the real estate incremental business in first-tier cities has seen a slower growth rate, society and governments will prioritise the upgrading, renovation and operation of stock assets. In view of these factors, the real estate market will maintain its trend of stable development in the next phase.

As economic development is set to remain steady in the second half of 2019, the policy guideline of "stabilizing land prices, stabilizing property prices, and stabilizing expectations" will continue to regulate and safeguard the sustainable and steady development of the real estate market. The launch and implementation of the Guidelines on the Cultivation and Development of Modern Metropolitan Areas, Plan for Integrated Regional Development of the Yangtze River Delta and other policies signify that urbanization in the PRC is entering the next stage, the age of metropolitanization. The 2019 Priorities for the Development of New Urbanization issued by the National Development and Reform Commission further relaxes the conditions and restrictions for settlement in type II and type I metropolitan cities, giving a new impetus to the development of urbanization and metropolitanization. As a result, more development opportunities in the real estate industry will emerge in core cities and their nearby metropolitan areas.

PROSPECTS

Looking forward to the second half of 2019, the PRC's economy will remain on a steady trajectory, and will continue to advance its urbanization process and enter the era of metropolitanization, with more development opportunities in the real estate industry emerging from core first and second-tier cities and metropolitan areas. Jingrui's strategy of "focusing on the first- and second-tier cities, and seeking opportunities to enter the third- and fourth-tier cities" allows it to keep abreast of urbanization trends in the PRC. Currently, traditional real estate companies are facing a shortage in funds, which delivers a major opportunity for Jingrui to achieve differentiation with its asset management model and catch up with and surpass other players.

Jingrui will embrace the new era and landscape and uphold its transformation route of large-scale asset management, to ensure its property development business will grow both in quality and size. Meanwhile, it will expand its stock asset business through the establishment of funds.

In the future, Yan Capital Management (優鉞資管) is expected to set up multiple types of funds to provide investors with end-to-end real estate asset management services and shape an asset management platform to attract more social resources with high investment returns to achieve win-win results. Jingrui Properties (景瑞地產) will continue to intensively penetrate core first- and second-tier cities and focus on metropolitan areas, aiming to maintain growth in size while focusing on growth quality, service improvement, expansion of customers with huge demand, and exploration of sources of profit growth. Joyride Apartment (悅樘公寓), focusing on customers in core first- and second-tier cities, will improve its operating capabilities, develop long-term strategic partners, and expand business through operation of funds. Carry Capital (鍇瑞辦公) will seize investment opportunities in stock and non-performing assets in Beijing and Shanghai to comprehensively start the operation of funds, and improve asset value with its excellent capabilities in decoration and management and its integration with "Internet +" and "Green +". Co-Fortune Capital (合福資本) will leverage its extensive experience in the real estate industry over the years as well as its in-depth understanding of the market to expand investment in the real estate ecosystem and the field of consumption upgrade, and do research into the needs of long-term development for all of Jingrui's business platforms and strengthen cooperation for efficiency improvement.

Jingrui will adapt to the economic situation and market development and continue with its large-scale asset management strategy by integrating the upstream and downstream industry chain of the real estate industry and developing real estate services and real estate finance with higher added value, and fostering capabilities in real estate development and provision of services. With diversified business segments, Jingrui will further serve customers and achieve its corporate mission of "Dedicated to Building a Wonderful Life", thereby realizing differentiation with proven management experience and creating satisfactory returns for investors.

BUSINESS REVIEW

Jingrui Properties

Property Development

In the first half of 2019, the Group achieved (including those of joint ventures and associates on a 100% basis) contracted sales of approximately RMB10,136.2 million and the total contracted gross floor area ("**GFA**") sold was approximately 478,841 square meters ("**sq.m.**"). Our contracted sales (excluding car parks) were primarily generated from Zhejiang, Jiangsu provinces and centrally direct-controlled municipalities, which were approximately RMB3,839.9 million, RMB2,786.7 million and RMB2,609.1 million respectively, representing 37.9%, 27.5% and 25.7% of the total contracted sales, respectively.

The following table sets out the geographic breakdown of the Group's contracted sales for the six months ended 30 June 2019:

Project name	**Contracted GFA sold**	**Contracted sales**	**Average contracted selling price ("ASP")**
	sq.m.	*RMB'000*	*RMB/sq.m.*
Shanghai			
Shanghai Jingrui City Park	6,864	272,930	39,763
Shanghai Jingrui Upper Riverside	1,006	112,010	111,342
Tianjin			
Tianjin The Great Habitat Mansion House	44,451	716,505	16,119
Tianjin Jingrui Hanlin	32,988	701,557	21,267
Tianjin Sea Blue City	25,950	386,344	14,888
Tianjin Jingrui No. 1 Tang Gu Bay	27,210	361,153	13,273
Tianjin Liuhe Mingzhu	3,972	56,147	14,136
Tianjin Jingrui Sunny City	156	2,432	15,590
Subtotal of centrally direct-controlled municipalities	**142,597**	**2,609,078**	**18,297**

Project name	Contracted GFA sold	Contracted sales	Average contracted selling price ("ASP")
	sq.m.	*RMB'000*	*RMB/sq.m.*
Hangzhou			
Hangzhou Joy Mountain	32,933	701,825	21,311
Hangzhou Jingrui Vital House (Future Technology City)	11,661	543,574	46,615
Hangzhou Jingrui Yangming Valley	3,934	298,084	75,771
Hangzhou Jingrui Yuan Villa	2,823	89,658	31,760
Ningbo			
Ningbo Jingrui Xingning Mansion	26,591	708,828	26,657
Ningbo Jingrui Tianfu Yaojiang	19,735	424,249	21,497
Ningbo Jingrui Nobility Mansion	14,879	341,739	22,968
Ningbo Xinghai Land	23,540	268,596	11,410
Ningbo Jingrui In Times	3,424	72,639	21,215
Zhoushan			
Zhoushan Jingrui Titian Garden	14,726	189,402	12,862
Taizhou			
Taizhou Jingrui Maple House	10,096	201,270	19,936
Subtotal of Zhejiang Province	**164,342**	**3,839,864**	**23,365**
Suzhou			
Suzhou Jingrui Majestic Mansion	26,045	839,493	32,232
Suzhou Changshu Jiangnan Mansion	32,123	642,260	19,994
Suzhou Junyue Tower	12,916	169,376	13,114
Suzhou Jingrui Changshu In Times	5,018	44,372	8,843
Suzhou Qidu Miaogang	2,171	25,486	11,739
Nantong			
Nantong Jingrui Nobility Mansion	719	15,523	21,590

Project name	Contracted GFA sold *sq.m.*	Contracted sales *RMB'000*	Average contracted selling price ("ASP") *RMB/sq.m.*
Nanjing			
Nanjing Hefeng Nan'an (Daishan G30)	21,222	629,650	29,670
Nanjing Golden East	20,382	420,508	20,631
Subtotal of Jiangsu Province	**120,596**	**2,786,668**	**23,107**
Wuhan			
Wuhan Jingrui Tianfu Binjiang	50,541	714,244	14,132
Wuhan Jingrui Wanfu International	765	12,852	16,800
Subtotal of Wuhan	**51,306**	**727,096**	**14,172**
Car park (lots)	1,491	173,461	
Total	**478,841**[(1)]	**10,136,167**	**21,168**

Note:

(1) Excluding the area of car parks.

Land Bank

As at 30 June 2019, the total land bank of the Group was approximately 5,461,003 sq.m. or approximately 2,835,097 sq.m. on an attributable basis. In the first half of 2019, we secured 7 land parcels and property projects in Tianjin, Ningbo, Suzhou, Wuhan and Shanghai. From 1 July 2019 to 29 August 2019, the Group acquired G35 plot in Pukou District, Nanjing through bidding, auction and listing. As at 29 August 2019, the total land bank of the Group was approximately 5,753,360 sq.m. or approximately 2,922,804 sq.m. on an attributable basis.

Breakdown of the Group's land bank by cities as at 30 June 2019

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	287,385	5.3%	201,268	7.1%
Beijing	49,398	0.9%	49,398	1.8%
Tianjin	1,216,105	22.3%	589,197	20.8%
Chongqing	6,128	0.1%	6,128	0.2%
Subtotal	**1,559,016**	**28.6%**	**845,991**	**29.9%**
Zhejiang Province				
Hangzhou	698,842	12.8%	246,930	8.7%
Ningbo	934,279	17.1%	647,724	22.8%
Shaoxing	41,199	0.8%	41,199	1.5%
Zhoushan	70,887	1.3%	70,887	2.5%
Subtotal	**1,745,207**	**32.0%**	**1,006,740**	**35.5%**
Jiangsu Province				
Suzhou	871,222	16.0%	414,619	14.6%
Nanjing	237,532	4.3%	85,210	3.0%
Changzhou	132,109	2.4%	132,109	4.7%
Nantong	984	0.0%	984	0.0%
Subtotal	**1,241,847**	**22.7%**	**632,922**	**22.3%**
Wuhan	**914,933**	**16.7%**	**349,444**	**12.3%**
Total	**5,461,003**	**100.0%**	**2,835,097**	**100.0%**

Details of land and property acquisition for the six months ended 30 June 2019

City	Project/Land Parcel	Land Use	Attributable Interest	Site Area	Expected Total GFA	Expected Total GFA Above Ground	Total Investment	Average Land/ Property Cost (based on the expected total GFA)	Average Land/ Property Cost (based on the expected total GFA above ground)
				sq.m.	*sq.m.*	*sq.m.*	*RMB million*	*RMB/sq.m.*	*RMB/sq.m.*
Tianjin	Lot 6, Tang Gu Bay	Commercial & residential	50%	41,595	86,307	62,390	333	3,858	5,337
Tianjin	Lot 03-51, Tang Gu Bay	Commercial & residential	51%	41,202	86,686	61,803	337	3,888	5,453
Tianjin	Lot 03-54, Tang Gu Bay	Commercial & residential	49%	45,463	95,690	68,194	375	3,919	5,499
Ningbo	Core lot 9, Jiangshan Town	Residential	100%	44,318	136,531	97,499	1,414	10,357	14,503
Suzhou	Taicang Xinhu Project	Residential	100%	32,772	93,305	65,544	348	3,730	5,309
Wuhan	Lot 079, Caidian	Residential	30%	68,635	263,529	199,042	796	3,021	3,999
Shanghai	Xingfulai Project	Commercial	100%		4,910	4,024	106	21,589	26,342
Total				**273,985**	**766,958**	**558,496**	**3,709**	**4,836**	**6,641**

Details of land and property acquisition from 1 July 2019 to 29 August 2019

City	Project/Land Parcel	Land Use	Attributable Interest	Site Area	Expected Total GFA	Expected Total GFA Above Ground	Total Investment	Average Land/ Property Cost (based on the expected total GFA)	Average Land/ Property 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 G35, Pukou District	Residential	30%	78,892	292,357	213,007	2,990	10,227	14,037
Total				**78,892**	**292,357**	**213,007**	**2,990**	**10,227**	**14,037**

Revenue from Sale of Properties

Our revenue from the sale of properties from 1 January 2019 to 30 June 2019 was approximately RMB1,667.8 million, representing a decrease of 6.4% as compared to the corresponding period last year, and its distribution is mainly as follows:

	Revenue	Percentage of total revenue	GFA	Average selling price
	RMB'000	*%*	*sq.m.*	*RMB/sq.m.*
Shanghai				
Shanghai Jingrui City Park	38,889	2.3	1,005	38,696
Jiangsu				
Suzhou Jingrui Jade Bay	28,768	1.7	2,484	11,581
Suzhou Jingrui Dignity Mansion	2,092	0.1	146	14,329
Suzhou Jingrui Happy Family Garden	40,382	2.4	2,954	13,670
Suzhou Jingrui Majestic Mansion	798,900	47.9	28,354	28,176
Zhejiang				
Huzhou Jingrui Dignity Mansion	5,295	0.3	332	15,949
Shaoxing Jingrui Dignity Mansion	7,915	0.5	356	22,233
Hangzhou Jingrui Royal Bay	1,584	0.1	416	3,808
Hangzhou Jingrui Shenhua No. One	30,383	1.8	1,508	20,148
Hangzhou Jingrui Yangming Valley	32,818	2.0	1,868	17,569
Hangzhou Jingrui Yuan Villa	5,792	0.3	417	13,890
Hangzhou Jingrui Majestic Mansion	296,336	17.8		
Ningbo Jingrui Headream Mansion	268,978	16.1		
Chongqing				
Chongqing Jingrui Royal Bay	3,277	0.2	460	7,124
Chongqing Jingrui Online Family	2,568	0.2	200	12,840
Tianjin				
Tianjin Jingrui Hyatt Mansion	4,566	0.3	518	8,815
Other projects	28,427	1.8	200	142,135
Subtotal	**1,596,970**	**95.8**	**41,218**	**25,029**
Car park	70,828	4.2	707	
Total	**1,667,798**	**100.0**		

Yan Capital Management

Yan Capital Management, as a real estate fund platform of the Group, is an important asset management vehicle of the Group and is principally engaged in real estate fund raising and asset management business. Since its establishment, Yan Capital Management has firmly cultivated fund raising, fund design and investor protection capability, extensively expanded its presence in the capital market and established a cooperative network to access to investors' resources for real estate development and optimize the capital structure.

As at 30 June 2019, Yan Capital Management promoted and established 11 funds, the total size of the existing funds is approximately RMB3,070 million. The proceeds from fund raising externally in the first half of 2019 amounted to approximately RMB1,510 million. Its first fund of funds, Youbang Private Equity Fund, was successfully issued. At present, Youbang Fund has completed investments in Nanjing Hefeng Nan'an (Daishan G30), Tianjin Lot 6, Tang Gu Bay and Tianjin Sea Blue City, giving shape to its overall business chain of "fund raising, investment in projects, post-investment project management and capital withdrawal".

Joyride Apartment

Joyride Apartment is a professional platform for the Group to operate and manage long-term rental apartments. It aims to create a multi-functional community ecology integrating social communication, entertainment, sports, leisure and catering through its innovative business model with quality living as the core. The long-term rental apartment products under the platform offers comprehensive functions covering intelligent software and hardware, marketing channels, membership system, customer service system and community life, developing a new rental economy.

In the first half of 2019, the Joyride Apartment acquired Shanghai Xingfulai Project, with apartment area of 4,910 sq.m.. Based on the insights into the market and customer demands, the Joyride Apartment has created three product lines, namely affordable luxury apartment, urban apartment and commercial complexes integrating apartment form for different customer groups, so as to satisfy the rigid demand of leasing and create personalized scenes of life.

Carry Capital

Carry Capital, a professional platform for the Group to hold, operate and manage office properties, focuses on urban renewal as well as the development, holding, leasing, operation and management of office buildings in first-tier cities.

As at 30 June 2019, the Shanghai Keyuan Tower Project, the Jingrui Shangyuan Project in Dongzhimen, Beijing and the Foresea Zhongjin Project in Zhongguancun, Beijing have been put into operation, which can generate stable rental income for the Company. Maglink Project (the Shanghai Lufa Project) acquired in February 2019 is undergoing renovation.

Co-Fortune Capital

Co-Fortune Capital, as an asset-light investment platform of the Group, aims to equip the other four major segments with asset management capability. Through "Jingrui", the brand name of a listed company, Co-Fortune Capital strives to cultivate its investment management capability in the area of "Real Estate Industrial Chain + Post-Life Service".

In the first half of 2019, Co-Fortune Capital made outward investments of RMB25 million, and the total investment projects reached 15 with an aggregate investment of approximately RMB1,060 million.

Employees and Remuneration Policies

On 30 June 2019, we had a total of 2,940 full-time employees (31 December 2018: 3,546). 998 of our employees worked in property development operations, 1,730 were engaged in property management and 212 worked in customer service and other related operations.

The remuneration package of our employees includes salaries and bonuses. In general, we determine employee salaries based on each employee's qualifications, experience, position and seniority. We have designed an annual review system to assess the performance of our employees, which forms the basis for us to determine salary raises, bonuses and promotion. We also review and adjust our remuneration package by referring to the relevant salary survey in 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. We have also adopted a pre-IPO share award scheme on 6 October 2013 (cancelled on 29 November 2018) and a share award scheme on 29 November 2018, respectively, pursuant to which share awards were granted to selected employees of the Group. We have also adopted the share option scheme in the annual general meeting dated 7 May 2019. By doing so, share options may be granted to selected senior executives of the Group and employees are encouraged to grow together with the Company. The Group's staff costs for the six months ended 30 June 2019 amounted to RMB251.3 million (for the six months ended 30 June 2018: RMB219.9 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 2019, the revenue of the Group was RMB2,185.9 million, representing an increase of 1.0% as compared to RMB2,163.6 million for the corresponding period last year. Our revenue consists of revenue from (i) sale of properties, (ii) property management services, (iii) decoration of properties, (iv) rental income and (v) others.

Revenue by business segments

	Six months ended 30 June				
	2019		2018		
		Percentage of the total revenue		Percentage of the total revenue	Year-on-year change
	RMB million	***%***	*RMB million*	*%*	*%*
Revenue from contract with customers recognised at a point in time					
－Sales of properties	**1,667.8**	**76.3**	1,781.4	82.3	(6.4)
－Others	**48.2**	**2.2**	39.7	1.8	21.4
	1,716.0	**78.5**	1,821.1	84.1	(5.8)
Revenue from contract with customers recognised over time					
－Property management service	**239.9**	**11.0**	178.4	8.3	34.5
－Decoration of properties	**150.8**	**6.9**	112.7	5.2	33.8
	390.7	**17.9**	291.1	13.5	34.2
Rental income	**79.2**	**3.6**	51.4	2.4	54.1
Total	**2,185.9**	**100.0**	2,163.6	100.0	1.0

Revenue from the sale of properties has contributed, and is expected to continue to contribute to, a substantial majority of our total revenue. For the six months ended 30 June 2019, it accounted for 76.3% 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 Suzhou Jingrui Majestic Mansion and Suzhou Jingrui Happy Family Garden. Revenue from sales of properties was RMB1,667.8 million for the first half of 2019 (the corresponding period in 2018: RMB1,781.4 million), representing a decrease of 6.4% as compared to the corresponding period last year, mainly due to a decrease in the number and GFA of delivered development property projects as the majority GFA is scheduled to be delivered in the second half of 2019.

Revenue from property management 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 2019, property management revenue of the Group was approximately RMB239.9 million (the corresponding period in 2018: RMB178.4 million), representing an increase of approximately 34.5% 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 and the increase of third party property management fee income.

Revenue from decoration of properties represents realized revenue generated from decoration works we provided. In the first half of 2019, such revenue of the Group was approximately RMB150.8 million (the corresponding period in 2018: RMB112.7 million), representing an increase of 33.8% as compared with the corresponding period last year. The increase in revenue from decoration of properties was mainly due to an increase in revenue from related services as a result of an increase in our extended decoration services.

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. In the first half of 2019, rental income of the Group was approximately RMB79.2 million (the corresponding period in 2018: RMB51.4 million), representing an increase of 54.1% as compared with the corresponding period last year. The increase in rental income was mainly due to the increase in the rental rate and rent of holding properties of the apartment platform and office platform of the Group as well as the launch of new projects.

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 RMB1,619.2 million, representing an increase of 2.8% as compared with RMB1,575.0 million for the corresponding period last year.

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			
	2019		2018	
	RMB'000	*%*	*RMB'000*	*%*
Construction costs	**597,969**	**36.9**	532,746	33.8
Land use right costs	**510,231**	**31.5**	663,088	42.1
Capitalized interest	**242,786**	**15.0**	117,071	7.4
Subtotal: Total cost of properties	**1,350,986**	**83.4**	1,312,905	83.3
Surcharges	**16,455**	**1.0**	15,839	1.0
Provision/(reversal) for impairment of properties held or under development for sale, net	**4,386**	**0.3**	(11,985)	(0.7)
Other costs[(1)]	**247,346**	**15.3**	258,224	16.4
Total	**1,619,173**	**100.0**	1,574,983	100.0

Notes:

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

Gross Profit and Gross Profit Margin

For the six months ended 30 June 2019, the gross profit of the Group was RMB566.8 million (the corresponding period in 2018: RMB588.6 million), and the gross profit margin of the Group was 25.9% (the corresponding period in 2018: 27.2%). It was flat with the corresponding period last year.

Gains arising from Appreciation of Investment Properties under Office and Apartment Platform

For the six months ended 30 June 2019, the gains arising from appreciation of investment properties under office and apartment platform were RMB27.0 million (the corresponding period in 2018: RMB186.9 million). The gains arising from appreciation of investment properties in the first half of 2019 were mainly attributable to price premium of the Jingrui Shangyuan Project in Beijing Dongzhimen, Shanghai Shenxin Tower Project and Shanghai Elite Residences Project.

Fair value gains on Investment Property under other Platforms

For the six months ended 30 June 2019, the fair value gains on investment properties under other platforms were RMB95.0 million (the corresponding period in 2018: RMB137.9 million). The fair value gains on investment properties in the first half of 2019 were mainly attributable to appreciation of Shanghai Jingrui Upper Riverside.

Selling and Marketing Costs

For the six months ended 30 June 2019, our selling and marketing costs were RMB132.8 million (the corresponding period in 2018: RMB133.4 million), flat with the corresponding period last year.

Administrative Expenses

For the six months ended 30 June 2019, our administrative expenses were RMB304.0 million (the corresponding period in 2018: RMB292.7 million), representing a year-on-year increase of 3.9%. Such increase was primarily due to increase in the expenses arising from the expansion of property development segment and as a result of the development of Yan Capital Management, office and apartment platform in the first half of 2019.

Other Income and Other Gains, Net

For the six months ended 30 June 2019, our other income recorded a gain of RMB135.4 million (the corresponding period in 2018: RMB14.8 million), which mainly includes gain arising from acquisition of shares of Ningbo Puhong amounting to RMB90.4 million, the government grants amounting to RMB29.2 million, and dividend from financial assets at fair value through other comprehensive income amounting to RMB14.7 million.

For the six months ended 30 June 2019, we recorded other gains of RMB58.3 million (the corresponding period in 2018: gains of RMB160.7 million). Other gains recorded in the first half of 2019 was mainly derived from fair value gains and investment income from financial assets at fair value through profit or loss.

Finance (Costs)/Income, Net

For the six months ended 30 June 2019, our finance income was RMB49.4 million (the corresponding period in 2018: RMB28.1 million). Our finance costs were RMB215.7 million (the corresponding period in 2018: RMB137.9 million). As a result, our net finance costs was RMB166.2 million, representing an increase of RMB56.4 million as compared to the corresponding period last year, primarily due to the increase of borrowings in the first half of 2019.

Share of Results of Joint Ventures/Associates

For the six months ended 30 June 2019, our share of results of joint ventures/associates was a gain of RMB114.3 million (the corresponding period in 2018: loss of RMB8.4 million), mainly because of an increase in the fair value gain and the income carried forward for joint ventures during the period.

Income Tax Expense

For the six months ended 30 June 2019, our income tax expense was RMB39.6 million (the corresponding period in 2018: RMB240.3 million), representing a year-on-year decrease of 83.5%, mainly because the Group has completed tax clearance of PRC land appreciation tax for certain projects and thus adjusted the PRC land appreciation tax accruals based on tax clearance results.

Profit for the Period

For the six months ended 30 June 2019, we recorded the profit for the period of RMB354.3 million (the corresponding period in 2018: RMB304.5 million).

For the six months ended 30 June 2019, the profit of the Group attributable to equity holders of the Company was RMB280.0 million (the corresponding period in 2018: RMB269.3 million).

LIQUIDITY AND CAPITAL RESOURCES

The industry in which the Group operates is a capital-intensive industry. The Group has been and is expected to continue satisfying 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 Positions

As at 30 June 2019, the Group's cash at bank and on hand (including restricted cash) increased by approximately 8.6% to approximately RMB14,198.7 million from approximately RMB13,070.2 million as at 31 December 2018. 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 RMB18,700.8 million as at 31 December 2018 to RMB20,964.7 million as at 30 June 2019. As at 30 June 2019, the Group had approximately RMB23,152.9 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 granted by the Company's subsidiaries. Our borrowings are mainly denominated in RMB and US dollars.

In January and April 2019, the Company issued US$150 million 13.0% and US$200 million 10.875% senior notes due 2020 and 2021, respectively to refinance existing indebtedness of the Group and for general corporate purposes.

Breakdown of our borrowings by categories

	30 June 2019 *RMB'000*	31 December 2018 *RMB'000*	Change %
Current Borrowings:			
Bank loans, secured	**1,707,500**	1,045,600	63.3
Other loans, secured	**252,260**	1,055,620	(76.1)
Trust financing arrangements, secured	**179,500**	231,900	(22.6)
Add: current portion of long-term borrowings	**8,241,194**	4,350,284	89.4
Total Current Borrowings	**10,380,454**	6,683,404	55.3
Non-Current Borrowings:			
Bank loans, secured	**5,452,121**	5,392,476	1.1
Other loans, secured	**3,148,000**	2,335,000	34.8
Trust financing arrangements, secured	**797,000**	1,094,700	(27.2)
Senior notes due 2021, secured	**2,390,430**	2,382,473	0.3
Senior notes due 2020, secured	**2,737,077**	2,724,530	0.5
Senior notes due 2021, secured	**1,354,760**	–	–
Senior notes due 2020, secured	**1,024,079**	–	–
Corporate bonds due 2021	**1,021,593**	1,491,522	(31.5)
Corporate bonds due 2019	**900,402**	946,942	(4.9)
Less: current portion of long-term borrowings	**(8,241,194)**	(4,350,284)	89.4
Total Non-Current Borrowings	**10,584,268**	12,017,359	(11.9)
Total	**20,964,722**	18,700,763	12.1

Breakdown of our borrowings by maturity profiles

	30 June 2019		31 December 2018	
	RMB'000	*%*	*RMB'000*	*%*
Within 1 year	**10,380,454**	**49.5**	6,683,404	35.7
Between 1 and 2 years	**7,937,111**	**37.9**	7,126,294	38.1
Between 2 and 5 years	**2,354,432**	**11.2**	3,923,218	21.0
Above 5 years	**292,725**	**1.4**	967,847	5.2
Total	**20,964,722**	**100.0**	18,700,763	100.0

The proportion of the Group's long-term borrowings in the total borrowings was 50.5% as of 30 June 2019, ensuring the healthy and stable cash flow of the Group in the future.

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

	For the six months ended 30 June		
	2019	2018	Change
	RMB'000	*RMB'000*	*%*
Finance costs			
– Interest expensed	**184,463**	50,195	267.5
– Net foreign exchange losses resulted from financing activities	**17,711**	87,402	(79.7)
– Changes in discounted present value of financial liabilities for put option written on non-controlling interests	**120**	270	(55.6)
– Interest on lease liabilities	**13,375**	–	–
– Amounts capitalised	**738,697**	499,386	47.9
Total	**954,366**	637,253	49.8

Net Debt-to-Capital Ratio

As of 30 June 2019, our net debt-to-capital ratio was 72%. Net debt-to-capital ratio is calculated as net borrowings at the end of the period divided by total equity and multiplied by 100%. Net debt is calculated as total borrowings minus cash and cash equivalents and restricted cash.

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 2019, 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 RMB3,741.0 million (31 December 2018: approximately RMB3,862.0 million). In addition, we provided guarantee for certain bank loans amounting to RMB926.6 million (31 December 2018: RMB930.5 million) which were granted to our joint ventures/associates.

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 2019, 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, senior notes and corporate bonds. 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

The Group is engaged in the development, sale and management of properties solely in the PRC with almost all transactions denominated in RMB. In addition, the majority of the Group's assets and liabilities are denominated in RMB. Accordingly, the Group is not exposed to significant foreign currency risks, except for bank deposits and our senior notes which were issued in 2017 to 2019, 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, which 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.

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS/OTHER COMPREHENSIVE INCOME

As of 30 June 2019, the balance of the Group's financial assets at fair value through profit or loss mainly represented the investments in liquid opportunity fund, purchased wealth management products, and other investments in private funds. The balance of the Group's financial assets at fair value through other comprehensive income mainly represented the investments in unlisted equity securities.

MATERIAL ACQUISITIONS AND DISPOSALS

The Group had no major acquisitions and disposals for the six months ended 30 June 2019.

FUTURE PLANS FOR MATERIAL INVESTMENT

The Directors confirmed that as at the date of this interim results announcement, there is no current plan for any material investment other than that 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 2019 (six months ended 30 June 2018: Nil).

PREVIOUS EQUITY FUND RAISING ACTIVITIES

Date	Fund raising activity	Net proceeds raised (approximately)	Intended use of the net proceeds	Actual use of net proceeds
July 2018	Allotment of 127,839,000 shares of the Company	HK$316 million	Used for acquisition and development of projects and general operating capital of the Group	Used as intended

IMPORTANT EVENTS AFFECTING THE GROUP SINCE 30 JUNE 2019

Issuance of senior notes

On 18 July 2019, the Company issued US$260 million 12.0% senior notes due 2022 to refinance existing indebtedness of the Group. Further details of issue of senior notes due to 2022 were disclosed in the announcement of the Company dated 19 July 2019.

Save as disclosed above, no other important event affecting the Group has occurred since 30 June 2019 and up to the date of this interim results announcement.

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 complied with the code provisions set out in the CG Code for the six months ended 30 June 2019 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.

AUDIT COMMITTEE REVIEW OF INTERIM RESULTS

The audit committee of the Company comprises 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 the external auditor of the Company have reviewed its unaudited interim results for the six months ended 30 June 2019 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 2019.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

On 28 January 2019, the Company issued senior notes due 2020 with the principal amount of US$150 million at a coupon rate of 13.0% per annum. Further details of the issue of the senior notes due 2020 are disclosed in the announcement of the Company dated 29 January 2019.

On 1 April 2019, the Company issued senior notes due 2021 with the principal amount of US$200 million at a coupon rate of 10.875% per annum. Further details of the issue of the senior notes due 2021 are disclosed in the announcement of the Company dated 2 April 2019.

Save as disclosed above, during the six months ended 30 June 2019, neither the Company nor any of its subsidiaries (other than the trust of the share award scheme) purchased, sold or redeemed any of the Company's listed securities.

PUBLICATION OF THE UNAUDITED INTERIM RESULTS AND 2019 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 2019 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, 29 August 2019

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

* *For identification purpose only*