RIVERINE CHINA HOLDINGS LIMITED
浦江中國控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 1417)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2019

RESULTS

The Board is pleased to announce the audited consolidated results of Riverine China Holdings Limited and its subsidiaries for the year ended 31 December 2019 together with the comparative figures for the year ended 31 December 2018 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2019

	Notes	**2019** *RMB'000*	2018 *RMB'000*
REVENUE	*3*	**481,530**	392,258
Cost of services provided	*4*	**(407,359)**	(324,875)
Gross profit		**74,171**	67,383
Other income and gains	*3*	**6,742**	6,724
Selling and distribution expenses		**(9,395)**	(6,073)
Administrative expenses		**(58,002)**	(48,392)
Interest expenses	*5*	**(1,676)**	(390)
Share of profits and losses of:			
Joint ventures		**5,082**	5,481
Associates		**6,882**	7,307
PROFIT BEFORE TAX	*4*	**23,804**	32,040
Income tax expense	*6*	**(3,323)**	(5,800)

	Notes	**2019** *RMB'000*	2018 *RMB'000*
PROFIT FOR THE YEAR		**20,481**	26,240
Attributable to:			
Owners of the parent		**17,802**	25,405
Non-controlling interests		**2,679**	835
		20,481	26,240
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted (RMB)	*8*	**0.04**	0.06

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2019

	2019	2018
	RMB'000	*RMB'000*
PROFIT FOR THE YEAR	**20,481**	26,240
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Exchange differences on translation of foreign operations	**161**	2,389
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	**161**	2,389
OTHER COMPREHENSIVE INCOME FOR THE YEAR	**161**	2,389
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**20,642**	28,629
Attributable to:		
Owners of the parent	**17,963**	27,794
Non-controlling interests	**2,679**	835
	20,642	28,629

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2019

	Notes	2019 RMB'000	2018 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		**4,367**	3,750
Intangible assets		**3,490**	895
Investments in joint ventures		**19,858**	18,226
Investments in associates		**83,015**	41,283
Equity investments designated at fair value through other comprehensive income		**6,290**	700
Other non-current assets		**30,000**	—
Deferred tax assets		**212**	35
Total non-current assets		**147,232**	64,889
CURRENT ASSETS			
Inventories		**168**	284
Trade receivables	*9*	**100,183**	82,943
Prepayments and other receivables		**48,354**	62,133
Restricted bank balances		**14,113**	11,107
Wealth management products		**5,000**	1,000
Financial assets at fair value through profit or loss		**—**	84,527
Cash and cash equivalents		**143,557**	80,481
Total current assets		**311,375**	322,475
CURRENT LIABILITIES			
Trade payables	*10*	**74,923**	53,043
Other payables and accruals		**75,563**	65,108
Interest-bearing bank loans		**61,515**	20,000
Tax payable		**7,040**	9,470
Total current liabilities		**219,041**	147,621
NET CURRENT ASSETS		**92,334**	174,854
TOTAL ASSETS LESS CURRENT LIABILITIES		**239,566**	239,743
Net assets		**239,566**	239,743

	Notes	**2019**	2018
		RMB'000	*RMB'000*
EQUITY			
Equity attributable to owners of the parent			
Share capital		**3,391**	3,391
Reserves		**224,842**	227,698
		228,233	231,089
Non-controlling interests		**11,333**	8,654
Total equity		**239,566**	239,743

NOTES

1. CORPORATE AND GROUP INFORMATION

Riverine China Holdings Limited (the "**Company**") is an exempted company with limited liability incorporated in the Cayman Islands under the Companies Law of the Cayman Islands. The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1–1111, Cayman Islands. The principal place of business is located at 14th Floor, Jiushi Tower 28, South Zhongshan Road, Shanghai, PRC. The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 11 December 2017.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for the wealth management products and equity investments which have been measured at fair value. These financial statements are presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 December 2019. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss is attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interest having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKFRS 9	*Prepayment Features with Negative Compensation*
HKFRS 16	*Leases*
Amendments to HKAS 19	*Plan Amendment, Curtailment or Settlement*
Amendments to HKAS 28	*Long-term Interests in Associates and Joint Ventures*
HK(IFRIC)-Int 23	*Uncertainty over Income Tax Treatments*
Annual Improvements to *HKFRSs 2015–2017 Cycle*	Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23

Except for the amendments to HKFRS 9 and HKAS 19 and *Annual Improvements to HKFRSs 2015–2017 Cycle*, which are not relevant to the preparation of the Group's financial statements, the nature and the impact of the new and revised HKFRSs are described below:

(a) HKFRS 16 replaces HKAS 17 *Leases*, HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*, HK(SIC)-Int 15 Operating *Leases — Incentives* and HK(SIC)-Int 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease.* The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model to recognise and measure right-of-use assets and lease liabilities, except for certain recognition exemptions. Lessor accounting under HKFRS 16 is substantially unchanged from HKAS 17. Lessors continue to classify leases as either operating or finance leases using similar principles as in HKAS 17.

The Group has adopted HKFRS 16 using the modified retrospective method with the date of initial application of 1 January 2019. Under this method, the Group has used the exemption approach for all short-term leases with the date of initial applications at 1 January 2019.

New definition of a lease

Under HKFRS 16, a contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 at the date of initial application. Contracts that were not identified as leases under HKAS 17 and HK(IFRIC)-Int 4 were not reassessed. Therefore, the definition of a lease under HKFRS 16 has been applied only to contracts entered into or changed on or after 1 January 2019.

As a lessee — Leases previously classified as operating leases

Nature of the effect of adoption of HKFRS 16

The Group has lease contracts for several items of property. As a lessee, the Group previously classified leases as operating leases based on the assessment of whether the lease transferred substantially all the rewards and risks of ownership of assets to the Group. The Group has applied the short-term lease exemptions to leases with a lease term that ends with 12 months from the date of initial application. The Group recognised rental expenses under operating leases on a straight-line basis over the lease term. The adoption of HKFRS 16 has had no impact on the financial statement of the Group.

(b) Amendments to HKAS 28 clarify that the scope exclusion of HKFRS 9 only includes interests in an associate or joint venture to which the equity method is applied and does not include long-term interests that in substance form part of the net investment in the associate or joint venture, to which the equity method has not been applied. Therefore, an entity applies HKFRS 9, rather than HKAS 28, including the impairment requirements under HKFRS 9, in accounting for such long-term interests. HKAS 28 is then applied to the net investment, which includes the long-term interests, only in the context of recognising losses of an associate or joint venture and impairment of the net investment in the associate or joint venture. The Group assessed its business model for its long-term interests in associates and joint ventures upon adoption of the amendments on 1 January 2019 and concluded that the long-term interests in associates and joint ventures continue to be measured at amortised cost in accordance with HKFRS 9. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

(c) HK(IFRIC)-Int 23 addresses the accounting for income taxes (current and deferred) when tax treatments involve uncertainty that affects the application of HKAS 12 (often referred to as "uncertain tax positions"). The interpretation does not apply to taxes or levies outside the scope of HKAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specifically addresses (i) whether an entity considers uncertain tax treatments separately; (ii) the assumptions an entity makes about the examination of tax treatments by taxation authorities; (iii) how an entity determines taxable profits or tax losses, tax bases, unused tax losses, unused tax credits and tax rates; and (iv) how an entity considers changes in facts and circumstances. Upon adoption of the interpretation, the Group considered whether it has any uncertain tax positions arising from the transfer pricing on its intergroup sales. Based on the Group's tax compliance and transfer pricing study, the Group determined that it is probable that its transfer pricing policy will be accepted by the tax authorities. Accordingly, the interpretation did not have any impact on the financial position or performance of the Group.

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to HKFRS 3	*Definition of a Business*[1]
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	*Interest Rate Benchmark Reform*[1]
Amendments to HKFRS 10 and HKAS 28 (2011)	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]
HKFRS 17	*Insurance Contracts*[2]
Amendments to HKAS 1 and HKAS 8	*Definition of Material*[1]
Amendments to HKAS 1	*Classification of Liabilities as Current or Non Current*[3]

1 Effective for annual periods beginning on or after 1 January 2020
2 Effective for annual periods beginning on or after 1 January 2021
3 Effective for annual periods beginning on or after 1 January 2022
4 No mandatory effective date yet determined but available for adoption

Further information about those HKFRSs that are expected to be applicable to the Group is described below.

Amendments to HKFRS 3 clarify and provide additional guidance on the definition of a business. The amendments clarify that for an integrated set of activities and assets to be considered a business, it must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create outputs. The amendments remove the assessment of whether market participants are capable of acquiring the business and continue to produce outputs. Instead, the focus is on whether acquired inputs and acquired substantive processes together significantly contribute to the ability to create outputs. The amendments have also narrowed the definition of outputs to focus on goods or services provided to customers, investment income or other income from ordinary activities. Furthermore, the amendments provide guidance to assess whether an acquired process is substantive and introduce an optional fair value concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business. The Group expects to adopt the amendments prospectively from 1 January 2020. Since the amendments apply prospectively to transactions or other events that occur on or after the date of first application, the Group will not be affected by these amendments on the date of transition.

Amendments to HKAS 1 and HKAS 8 provide a new definition of material. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments clarify that materiality will depend on the nature or magnitude of information. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. The Group expects to adopt the amendments prospectively from 1 January 2020. The amendments are not expected to have any significant impact on the Group's financial statements.

3. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2019	2018
	RMB'000	*RMB'000*
Revenue from contracts with customers		
Property management service income on the lump sum basis	**476,646**	388,140
Property management service income on the fixed remuneration basis	**4,884**	4,118
	481,530	392,258

Revenue from contracts with customers

(i) The following table shows the amount of revenue recognised in the current reporting period that was included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

	2019	2018
	RMB'000	*RMB'000*
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Provision of property management services	**5,425**	8,183

(ii) Performance obligation

Information about the Group's performance obligations is summarised below:

Property management services

The performances obligation is satisfied over time as services are rendered. Management service contracts are for periods of one to four years, and are billed based on the time incurred.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are as follows:

	2019	2018
	RMB'000	*RMB'000*
Amounts expected to be recognised as revenue:		
Within one year	**353,158**	247,151
After one year	**242,135**	122,756
	595,293	369,907

The amounts of transaction prices allocated to the remaining performance obligations which are expected to be recognised as revenue after one year relate to property management services, of which the performance obligations are to be satisfied within two years. All the other amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year. The amounts disclosed above do not include variable consideration which is constrained.

	2019	2018
	RMB'000	*RMB'000*
Other income		
Bank interest income	**1,316**	552
Government grants*	**2,633**	4,942
Others	**2,793**	1,230
	6,742	6,724

* *Government grants include various subsidies received by the Group from the relevant government bodies. There are no unfulfilled conditions or contingencies relating to these grants.*

4. PROFIT BEFORE TAX

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

	2019	2018
	RMB'000	*RMB'000*
Cost of services provided	**407,359**	324,875
Depreciation of property, plant and equipment	**1,655**	906
Amortisation and intangible assets	**750**	106
Research and development costs	**8,041**	7,006
Employee benefit expenses (including directors' and chief executive's remuneration):		
Wages and salaries	**101,984**	86,500
Pension scheme contributions (defined contribution scheme)	**34,561**	32,866
Minimum lease payments under operating leases	**—**	2,444
Lease payment not included in the measurement of lease liabilities	**2,458**	—
Auditor's remuneration	**1,400**	1,130
Bank charges	**307**	140
Office expenses	**2,641**	2,354
Impairment of trade receivables, net	**707**	140
Net loss on disposal of items of property, plant and equipment	**80**	4

5. INTEREST EXPENSES

An analysis of interest expenses is as follows:

	2019	2018
	RMB'000	*RMB'000*
Interest expenses on bank loans	**1,676**	390

6. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operate. The Group and the Company are not liable for income tax in Hong Kong as they did not have assessable income sourced from Hong Kong during the year.

The Company is a tax-exempted company incorporated in the Cayman Islands.

Provision for the PRC income tax has been made at the applicable income tax rate of 25% (2018: 25%) on the assessable profits of the PRC subsidiaries.

	2019	2018
	RMB'000	*RMB'000*
Current Mainland China corporate income tax		
Charge for the year	**3,500**	(4,254)
Deferred tax	**(177)**	10,054
Total tax charge for the year	**3,323**	5,800

A reconciliation of the tax expense applicable to profit before tax at the statutory rate for the jurisdiction in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rate, and a reconciliation of the applicable rate (i.e., the statutory tax rates) to the effective tax rates are as follows:

	2019	2018
	RMB'000	*RMB'000*
Profit before tax	**23,804**	32,040
Tax at the statutory tax rate of 25%	**5,951**	8,010
Lower tax rates enacted by local authority	**(234)**	125
Profit attributable to joint ventures and associates *(note (a))*	**(2,991)**	(3,197)
Expenses not deductible for tax	**696**	667
Release of tax provision upon the expiry of statute of limitation *(note (b))*	**(3,285)**	(3,113)
Tax losses not recognised	**3,186**	3,308
Tax charge at the Group's effective rate	**3,323**	5,800

Note:

(a) The share of tax attributable to joint ventures and associates amounting to RMB3,670,000 for the year ended 31 December 2019 (2018: RMB4,240,000) is included in "Share of profits and losses of joint ventures and associates" in the consolidated statement of profit or loss.

(b) The release of a tax provision of RMB3,285,000 represented differences between tax provided under the Deemed Profit Basis and Accounting Book Basis for certain entities of the Group for the year ended 31 December 2015. Such provision is only released upon the latter of i) the receipt of confirmation from the competent tax bureau that the adoption of the deemed profit tax assessment basis and tax rate following the provisions of relevant PRC tax laws, which was received in April 2017; and ii) the expiration of the statute of limitation of the tax provision for the year ended 31 December 2015, which was on 31 May 2019.

7. DIVIDENDS

	2019	2018
	RMB'000	*RMB'000*
Interim — HK0.8 cent (2018: HK1 cent) per ordinary share	**2,903**	3,535
Proposed final — Nil (2018: Nil) per ordinary share	**—**	—
	2,903	3,535

The Board does not recommend the payment of a final dividend for the year ended 31 December 2019.

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

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, and the ordinary shares of 397,479,967 (2018: 404,931,506) in issue during the year, as adjusted to reflect the weighted average number of shares repurchased under the share award scheme during the year.

The Group had no potentially dilutive ordinary shares in issue during the year ended 31 December 2019 (2018: Nil).

The calculation of basic and diluted earnings per share are based on:

	2019	2018
	RMB'000	*RMB'000*
Earnings		
Profit attributable to ordinary equity holders of the parent	**17,802**	25,405

	Number of shares	
	2019	2018
Shares		
Weighted average number of ordinary shares in issue during the year	**397,479,967**	404,931,506
Earnings per share		
Basic and diluted *(RMB)*	**0.04**	0.06

9. TRADE RECEIVABLES

	2019	2018
	RMB'000	*RMB'000*
Trade receivables	**101,030**	83,083
Impairment	**(847)**	(140)
	100,183	82,943

The Group's trading terms with its customers are mainly on credit. The credit period is generally 10 days, extending up to three months for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	2019	2018
	RMB'000	*RMB'000*
Within 1 year	**97,831**	80,595
Over 1 year	**2,352**	2,348
	100,183	82,943

The movements in the loss allowance for impairment of trade receivables are as follows:

	2019	2018
	RMB'000	*RMB'000*
At beginning of year	**140**	—
Impairment losses	**707**	140
At end of year	**847**	140

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than one year and are not subject to enforcement activity.

Set out below is the information after excluding the above effect about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 31 December 2019

	2019		
	Expected credit loss rate	**Gross carrying amount**	**Expected credit losses**
		RMB'000	***RMB'000***
Within 1 year	**0.07%**	**97,831**	**77**
Over 1 years	**24.07%**	**3,199**	**770**
		101,030	**847**

	2018		
	Expected credit loss rate	Gross carrying amount	Expected credit losses
		RMB'000	*RMB'000*
Within 1 year	0.07%	80,595	56
Over 1 years	3.37%	2,488	84
		83,083	140

10. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the Reporting Periods, based on the invoice date, is as follows:

	2019	2018
	RMB'000	*RMB'000*
Within 3 months	**71,905**	49,070
3 to 12 months	**2,865**	2,064
Over 1 year	**153**	1,909
	74,923	53,043

The trade payables are unsecured, non-interest-bearing and are normally settled on terms of 5 to 90 days.

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

The urbanization development of the PRC has been gradually accelerating since 1980s with urbanization rate increasing from only 19.4% in 1980 to 60.6% in 2019. Improved urbanization has led to an increased demand for residential and other property projects, resulting in an increased demand for property management services. The PRC property industry and property management industry will continue to develop in tandem with rising urbanization.

The fast-growing economy in the PRC has spurred continuous growth in annual disposable income per urban capita. According to the National Bureau of Statistics of China's preliminary calculation, the annual disposable income per urban capita increased from RMB39,251 in 2018 to RMB42,359 in 2019. The increasing demand for better living conditions is another reason for the growth of property management industry.

In line with the economic growth and urbanization of the PRC, there will be increasing supply of public properties such as museums, arenas and stadiums to cater for the increasing demand from city dwellers of the PRC.

BUSINESS REVIEW

The Group, through its subsidiaries and investments in associated companies, provide a wide range of property management services and value-added services to a variety of properties in the PRC, a majority of which are in Shanghai. A few properties managed by the Group are located in Tianjin, Anhui, Zhejiang, Jiangshu, Henan, Fujian, Hubei and Hunan Provinces. During the Period, the Group through its subsidiaries and investments in associated companies had entered into 455 property management agreements for the provision of various kinds of property management services for the properties in the PRC, representing an increase of 13.8% as compared to 400 property management agreements in the previous year.

During the Period, approximately 90.9% of total revenue was generated from provision of property management services to non-residential properties whereas the remaining 9.1% was generated from residential properties and other services. Hence, the Group's property management services have been and will continue to be strategically focused on non-residential properties in the PRC.

During the Period, the revenue was generated from the provision of property management services. Property management services comprise (i) engineering, repair and maintenance services, (ii) customer services, (iii) security services, and (iv) cleaning and gardening services. Approximately 99.0% of the revenue during the Period was generated from the provision of property management services on a lump sum basis. As to the lump sum basis, the customers pay a lump sum service fee for the management services and the Group bear all the costs and expenses involved in the management of a property or facility.

The table below sets forth a breakdown of revenues from providing property management services by type of managed properties for the year indicated.

	For the year ended 31 December			
	2019		2018	
	Revenue *RMB'000*	**% of total**	Revenue *RMB'000*	% of total
Lump sum basis:				
Fees related to revenue-bearing GFA				
Public properties	**121,719**	**25.3%**	103,130	26.3%
Office buildings and hotels	**151,155**	**31.5%**	153,216	39.1%
Commercial establishments	**46,899**	**9.6%**	27,140	6.9%
Government properties	**12,773**	**2.7%**	12,458	3.2%
Residential properties	**41,364**	**8.6%**	35,820	9.1%
Subtotal	**374,310**	**77.7%**	331,764	84.6%
Fees related to non-revenue bearing GFA				
Residential properties	**2,334**	**0.5%**	1,265	0.3%
Non-residential properties	**100,002**	**20.8%**	55,111	14.0%
	102,336	**21.3%**	56,376	14.3%
Total of lump sum basis	**476,646**	**99.0%**	388,140	98.9%
Fixed remuneration basis				
Non-residential properties	**4,884**	**1.0%**	4,118	1.1%
Total of fixed remuneration basis	**4,884**	**1.0%**	4,118	1.1%
Total	**481,530**	**100%**	392,258	100%

The table below sets forth a breakdown of revenue-bearing GFA under the management of the Group by type of properties for the year indicated.

	For the year ended 31 December			
	2019		2018	
	GFA	**% of total**	GFA	% of total
	'000 sq.m.		*'000 sq.m.*	
Public properties	**1,927**	**29.2%**	1,837	33.7%
Office buildings and hotels	**1,586**	**24.1%**	1,403	25.7%
Commercial establishments	**967**	**14.7%**	554	10.2%
Government properties	**68**	**1.0%**	67	1.2%
Residential properties	**2,046**	**31.0%**	1,591	29.2%
Total	**6,594**	**100.0%**	5,452	100.0%

The table below sets forth a breakdown of management fee per sq.m. of revenue-bearing GFA under the management of the Group by type of properties for the year indicated.

	For the year ended 31 December	
	2019	2018
	RMB	*RMB*
average monthly fee per GFA (sq.m.)		
Public properties	**5.3**	4.7
Office buildings and hotels	**8.3**	9.1
Commercial establishments	**4.0**	4.1
Government properties	**15.6**	15.4
Residential properties	**1.7**	1.9

During the Period, the average monthly fee per GFA is relatively higher for offices buildings and hotels, government properties and public properties. Thus, the higher the ratio of office buildings and hotels, government properties and public properties under management, the higher average monthly fee per GFA will be. The total GFA of the managed public properties increased by approximately 4.9% to approximately 1,927,000 sq.m for the year ended 31 December 2019 from approximately 1,837,000 sq.m for the year ended 31 December 2018. The average monthly fee per GFA of public properties increased by approximately 12.8% to approximately RMB5.3 per sq.m for the year ended 31 December 2019 from approximately RMB4.7 per sq.m for the year ended 31 December 2018.

The total GFA of the managed office buildings and hotels increased by approximately 13.0% to approximately 1,586,000 sq.m for the year ended 31 December 2019 from approximately 1,403,000 sq.m for the year ended 31 December 2018. The average monthly fee per GFA of office buildings and hotels decreased by approximately 8.8% to approximately RMB8.3 per sq.m for the year ended 31 December 2019 from approximately RMB9.1 per sq.m for the year ended 31 December 2018.

HUMAN RESOURCES

The Group employed 1,472 employees and dispatched staff as of 31 December 2019. The Group also subcontracted part of the labour intensive work, such as security, cleaning and gardening services and certain specialized engineering repairs and maintenance works to sub-contractors. The employment contracts either have no fixed terms, or if there are fixed terms, the terms are generally up to three years, after which the Group evaluate renewals based on performance appraisals. All of the full-time employees are paid a fixed salary and may be granted other allowances, based on their positions. In addition, discretionary bonuses may also be awarded to employees based on the employee's performance. The Group conduct regular performance appraisals to ensure that the employees receive feedback on their performance.

PROSPECTS

Following the listing on the Stock Exchange on 11 December 2017, the Group, by leveraging on its capital, has striven to develop as an operator for systematic urban management engaging in environmental and property management businesses in core regions around the country. Currently, the Group has been actively developing its business in the cities along the eastern coast, as well as the regions along the Yangtze River by extending the horizontal development of complementary products and vertical development along the industrial chain. The Group has gradually kick-started its acquisition and investment activities. Against the backdrop of global economic downturn, the Group will carry out its acquisition activities in a prudent manner. However, With the Group's acquisition of Shanghai Xin Shi Bei and Hong Xin in August 2019 and January 2020 respectively, the expected profit contribution from the acquisition and investment activities is expected to gradually emerge in 2020.

As a leading service provider in the non-residential property management service industry, the Group will continue to build up its core competitiveness in engineering technology. We endeavor to achieve innovative development in engineering technology with our ability to operate and maintain the online and offline integrated engineering equipment and facility for Shanghai Bund Ke Pu as well as professional resources synchronization mechanism.

Furthermore, based on various technologies, such as the Internet of Things, the Internet, 3D technology and big data, the Group will continue to utilise its property management business as a pilot business to develop a self-owned open source smart building system, "*Dynamic Building Matrix*" ("**DBM**") to manage the data of basic status of buildings, which allows the provision of data and information as well as professional service to relevant parties, including property owners, property users, managers and regulators. In the first half of 2019, such system was installed on projects to a different extent covering gross floor area of 3.35 million square meters. On this basis, we summarized the experience in the second half of the year, kept improving, optimized the system, and started SaaS upgrading. Meanwhile, we launched DBM's technical roadshow to key customers in the second half of the year. Some famous customers at home and abroad expressed their strong interest in succession, and the Group maintained continuous communication and interaction with them. In 2020, we are expected to achieve the sales of this system to important customers at home and abroad. The Group will prudently expand the market at home and abroad and gradually realize the output effect of science and technology investment on the premise of ensuring advanced and stable technology.

Since the outbreak of COVID-19 in China in January 2020, the Group has taken active measures to implement the regulations and requirements issued by the local government on the prevention and control of COVID-19, and carry out all epidemic prevention work, focusing on the health of the customers, users and employees and the public security and social responsibilities. Although this outbreak had a huge impact on the global economy, and may inevitably continue to spread and affect the upstream and downstream enterprises of the Group to varying degrees, however, according to the current guidance of domestic policies, the important role of sanitation and property management in urban comprehensive services in the epidemic will be recognized by the community. Hence, ahead of the Group lie both crisis and chance, the crisis being a chance in disguise. The Group will continue to deepen its strategic positioning, assess and measure the risks posed by the outbreak, and identify and seize the opportunities in this crisis.

FINANCIAL REVIEW

Revenue

The Group's revenue increased by approximately 22.8% to approximately RMB481.5 million for the year ended 31 December 2019 from approximately RMB392.3 million for the year ended 31 December 2018. The increase in revenue was mainly attributable by the increase in the property management services by approximately 12.8% to approximately RMB374.3 million from those revenue-bearing GFA for the year ended 31 December 2019. Revenue derived from providing property management services for public properties, commercial establishments and residential properties increased by approximately 18.0%, 72.8% and 15.5% respectively which was mainly attributable to the increase in the average monthly fee per GFA (sq.m.) for the public properties and the increase in the managed GFA for commercial establishments and residential properties for the year ended 31 December 2019. Furthermore, the revenue derived from non-revenue bearing GFA increased by approximately 81.5% to approximately RMB102.3 million for the year ended 31 December 2019.

Cost of services provided

The Group's cost of services provided increased by approximately 25.4% to approximately RMB407.4 million for the year ended 31 December 2019 from approximately RMB324.9 million for the year ended 31 December 2018. The increase in cost of service provided was primarily due to (i) increase in property management services income from revenue-bearing and non-revenue bearing GFA which leads to the increase in staff costs, sub-contracting staff costs and utility expenses, and (ii) the Group continues to recruit more talent staff and providing training for existing staff to cope with the expansion of operations.

Gross profit and gross profit margin

The Group's gross profit increased by approximately 10.1% to approximately RMB74.2 million for the year ended 31 December 2019 from approximately RMB67.4 million for the year ended 31 December 2018 due to an increase in revenue despite being partially offset by the increase in the cost of services provided. Gross profit margin for the year ended 31 December 2019 was approximately 15.4% which is lower than gross profit margin for the year ended 31 December 2018 at approximately 17.2% as a result of the increase in cost of services provided.

Other income and gains

The Group's other income and gains was maintained at a stable level of approximately RMB6.7 million for the year ended 31 December 2019 as compared to the year ended 31 December 2018.

Selling and distribution expenses

The selling and distribution expenses increased by approximately 54.1% to approximately RMB9.4 million for the year ended 31 December 2019 from approximately RMB6.1 million for the year ended 31 December 2018. The increase in selling and distribution expenses was primarily due to the recruitment of more marketing staff and corresponding marketing activities for business expansion for the year ended 31 December 2019.

Administrative expenses

The administrative expenses increased by approximately 19.8% to approximately RMB58.0 million for the year ended 31 December 2019 from approximately RMB48.4 million for the year ended 31 December 2018. The increase in the administrative expenses was primarily attributable to (i) the increase of staff costs by approximately 9.5% to approximately RMB29.9 million for the year ended 31 December 2019 from approximately RMB27.3 million for the year ended 31 December 2018 due to recruitment of more management staff for the expansion of the business; (ii) the increase of professional fees by approximately 80.7% to approximately RMB10.3 million for the year ended 31 December 2019 from approximately RMB5.7 million for the year ended 31 December 2018 due to the merge and acquisition activities; and (iii) the increase of research and development cost by approximately 14.3% to approximately RMB8.0 million for the year ended 31 December 2019 from approximately RMB7.0 million for the year ended 31 December 2018 for the development of the information technology system on both database level and application level on order to enhance the quality of the property management services. These one-off research and development cost has mainly contributed to the continuous upgrade of "*Dynamic Building Matrix*" ("**DBM**") and a considerable sales to external market might be realized in year 2020.

Interest expenses

The interest expenses increased to approximately RMB1.7 million for the year ended 31 December 2019 from approximately RMB0.4 million for the year ended 31 December 2018. The increase in the interest expenses was due to the increase in average bank loans for the year ended 31 December 2019.

Share of profits and losses of joint ventures

Share of profits of joint venture was maintained at a stable level of approximately RMB5.1 million for the year ended 31 December 2019 as compared to the year ended 31 December 2018.

Share of profits and losses of associates

Share of profits of associates decreased to approximately RMB6.9 million for the year ended 31 December 2019 from approximately RMB7.3 million for the year ended 31 December 2018 due to increase in profits shared from Anhui PuBang, Shanghai Xin Di and Shanghai Xin Shi Bei amounted to approximately RMB2.4 million, RMB1.3 million and RMB1.2 million respectively, which was offset by the decrease in profits shared from Ningbo Plaza and Shanghai Qiang Sheng amounted to approximately RMB0.7 million and RMB4.6 million respectively.

Income tax expense

The income tax expenses decreased to approximately RMB3.3 million for the year ended 31 December 2019 from approximately RMB5.8 million for the year ended 31 December 2018. The decrease in income tax expense was mainly due to the decrease in profit before tax for the year ended 31 December 2019.

Profit for the period and net profit margin

As a result of foregoing, the net profit decreased by 21.9% to approximately RMB20.5 million for the year ended 31 December 2019 from approximately RMB26.2 million for the year ended 31 December 2018 and the net profit margin decreased to 3.9% for the year ended 31 December 2019 from 6.7% for the year ended 31 December 2018.

Other Non-current Assets

The other non-current assets increased to RMB30.0 million for the year ended 31 December 2019 from zero for the year ended 31 December 2018. The other non-current assets mainly represented the non-refundable prepayment in a sum of RMB30.0 million for the acquisition of Hong Xin. Details of the transaction are set out in the announcement of the Company dated 9 September 2019 and the circular of the Company dated 25 October 2019. On 3 January 2020, the acquisition was completed.

Trade Receivables

The trade receivables increased by approximately 20.9% to approximately RMB100.2 million for the year ended 31 December 2019 from approximately RMB82.9 million for the year ended 31 December 2018, which primarily kept in line with the increased revenue. The trade receivables are in line with the historical pattern throughout the Period. The trade receivables turnover (average trade receivables divided by revenue multiplied by 365 days) was 69.4 days (2018: 65.1 days).

Prepayments, deposits and other receivables

The prepayment, deposits and other receivables decreased by approximately 22.1% to approximately RMB48.4 million for the year ended 31 December 2019 from approximately RMB62.1 million for the year ended 31 December 2018. The decrease in prepayment, deposits and other receivables primarily due to the transformation to other non-current assets of RMB10.0 million non-refundable deposit for acquisition of Hong Xin.

Trade payables

The trade payables increased by approximately 41.3% to approximately RMB74.9 million as at 31 December 2019 from approximately RMB53.0 million as at 31 December 2018, primarily due to the later settlement of the trade payable. The trade payables turnover (average trade payables divided by cost of services provided multiplied by 365 days) was 57.3 days (2018: 62.6 days).

Other payables and accruals

The other payables and accruals increased by approximately 16.1% to approximately RMB75.6 million as at 31 December 2019 from approximately RMB65.1 million as at 31 December 2018. As at 31 December 2019, receipts on behalf of residents accounted for approximately 38.9% of total other payables and accruals. The receipts on behalf of residents increased by approximately 6.3% to approximately RMB29.4 million as at 31 December 2019 from approximately RMB28.5 million as at 31 December 2018. The deposits received increased by approximately 41.3% to approximately RMB10.6 million as at 31 December 2019 from approximately RMB7.5 million as at 31 December 2018.

The payable for acquisition of Shanghai Xin Shi Bei amounted to approximately RMB6.9 million, which represented the third instalment payment also resulted in the increase. Details of the transaction are set out in the announcement of the Company dated 22 July 2019.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURES

As at 31 December 2019, the Group had cash and cash equivalents of approximately RMB143.6 million. The total interest-bearing bank loans increased to approximately RMB61.5 million as at 31 December 2019 from RMB30.0 million as at 31 December 2018. The gearing ratio (total debts divided by total equity) as at 31 December 2019 was approximately 25.7% (31 December 2018: 8.3%). The current ratio (total current assets divided by total current liabilities) as at 31 December 2019 was 1.4 (31 December 2018: 2.2).

Financial management and policy

The management has designed and implemented a risk management policy to address various potential risks identified in relation to the operation of the businesses, including financial, operational and the interest risks from the property management agreements. The risk management policy sets forth procedures to identify, analyse, categorise, mitigate and monitor various risks.

The Board is responsible for overseeing the overall risk management system and assessing and updating, if necessary. The risk management policy is reviewed on a quarterly basis. The risk management policy also set forth the reporting hierarchy of risks identified in the operations.

Contingent Liabilities

As at 31 December 2019, the Directors was not aware of any significant events that would have resulted in material contingent liabilities.

Subsequent Event

(a) Acquisition of interest in Hongxin Environment Group Co., Ltd.

On 3 January 2020, the acquisition of 51% equity interest in Hong Xin was completed by Shanghai Honghui Enterprise Management Consulting Partnership Enterprise (Limited Partnership)* (上海泓匯企業管理諮詢合夥企業 (有限合夥)) as the vendor and Pujiang Property as the purchaser. Details of the transaction are set out in the announcement of the Company dated 9 September 2019 and the circular of the Company dated 25 October 2019.

(b) Acquisition of interest in Nanjing Songzhu

As announced by the Company on 31 March 2020, Pujiang Property as purchaser entered into an equity transfer agreement (the "Equity Transfer Agreement") with the vendor and the assurer on 31 March 2020. Pursuant to the Equity Transfer Agreement, Pujiang Property would acquire 49% equity interest in Nanjing Songzhu. For further details, please refer to the announcement.

(c) Evaluation on the impact of the 2019 Novel Coronavirus

Since the outbreak of the 2019 Novel Coronavirus ("COVID-19") began in January 2020 in PRC, the Group has actively taken measures to implement the regulations and requirements posted by the local governments on coronavirus epidemic prevention and control.

The Group expected the coronavirus outbreak would have a certain temporary impact on business operation as the Group postponed the resumption of operation following the Chinese New Year holidays until February 10, 2020, which led to a one-week delay. The Group expected that there was no significant impact on revenue since the Group mainly provides property management services.

The Group will continue to pay attention on the development of the coronavirus situation and evaluate the impact on the financial position and operation of the Group. As of the issue date of this report, no significant adverse impact has been identified.

FINAL DIVIDENDS

The Board does not recommend the payment of a financial dividend for the year ended 31 December 2019.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the forthcoming AGM of the Company, the register of members of the Company will be closed from Friday, 5 June 2020 to Wednesday, 10 June 2020, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the above meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Thursday, 4 June 2020.

USE OF NET PROCEEDS

Net proceeds from the Listing (including the exercise of the over-allotment options on 5 January, 2018), after deducting the underwriting commission and other estimated expenses in connection with the Listing which the Company received amounted to approximately HK$125.5 million (equivalent to approximately RMB104.9 million), comprising HK$117.9 million (equivalent to approximately RMB98.6 million) raised from the Listing and HK$7.6 million (equivalent to approximately RMB6.3 million) from the issue of shares pursuant to the exercise of the over-allotment options, respectively.

As at 31 December 2019, the net proceeds from the Listing were utilised as follows:

Use of proceeds	Planned Use of Proceeds *HK$ million*	Proceeds Used *HK$ million*	Balances *HK$ million*
Horizontal expansion by acquisition, investment or forming business alliance with property management companies in the markets	42.7	29.3	13.4
Vertical expansion of both industry chain and supply chain in the property management industry	29.8	29.8	—
The development of information technology system	19.8	19.8	—
Recruitment of talent and implementation of training and recruitment programs	16.3	16.3	—
Repayment of bank borrowings	5.0	5.0	—
General working capital	11.9	11.9	—
	125.5	112.1	13.4

As of the date of this annual report, the Company does not anticipate any changes to its plan on the use of proceeds as stated in the Prospectus.

EMPLOYEES AND REMUNERATION POLICY

Quality and committed staff are valuable assets to the Group's success. The primary objective of the Group's remuneration policy is to ensure there is an appropriate level of remuneration to attract and retain experienced people of high calibre to join the Group. The Group links the remuneration of its employees to both the Group's performance and individual performance, so that the interests of the employees align with those of the Company's shareholders. As at 31 December 2019, the Group employed approximately 1,472 employees. To enhance the performance of the employees, the Group provides its employees with adequate and regular trainings. Employees' remuneration package comprises fixed and variable components including salary, discretionary bonus and share options that may be granted to eligible staff by reference to the Group's performance as well as individual's performance.

CORPORATE GOVERNANCE PRACTICES

The Board is committed to establishing good corporate governance practices and ensuring integrity, transparency and comprehensive disclosure. The Board believes that such commitment is beneficial to safeguard the interests of the Company and its shareholders.

The Board has adopted the CG Code as set out in of the Listing Rules.

The Company has been listed on the Main Board of the Stock Exchange since 11 December 2017 (the "**Listing Date**"). The Board is pleased to report compliance with the code provisions of the CG Code from the Listing Date to 31 December 2019.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct regarding securities transactions by Directors. In response to specific enquiry made by the Company, each of the Directors confirmed that he had complied with the required standard set out in the Model Code from the Listing Date to 31 December 2019.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any listed shares of the Company during the year.

REVIEW OF ANNUAL RESULTS

The Group's consolidated financial statements for the year ended 31 December 2019 have been reviewed by the Audit Committee. The figures in respect of the Group's consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and the related notes thereto for the year ended 31 December 2019 as set out in this announcement have been agreed by the Company's external auditor, Ernst & Young, to the amounts set out in the Group's audited consolidated financial statements for the year ended 31 December 2019. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on this announcement.

PUBLICATION OF 2019 ANNUAL RESULTS AND ANNUAL REPORT

The annual results announcement for the year ended 31 December 2019 is published on the website of the Stock Exchange (***www.hkexnews.hk***) and the website of the Company (***www.riverinepm.com***). The annual report of the Company for the year ended 31 December 2019 will be despatched to shareholders of the Company and published on the above websites in due course.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms and expressions shall have the meanings set out below. The english translation of company names in Chinese or another language which are marked with "*" for identification purposes only.

"Anhui Pubang"	Anhui Pu Bang Property Management Company Limited* (安徽浦邦物業管理有限公司), a limited liability company established in the PRC on 4 August 2015, the associated company of the Company and indirectly owned as to 49% by the Company and 51% by an Independent third Party
"Audit Committee"	the audit committee of the Company
"Board" or "Board of Directors"	the board of Directors of the Company
"BVI"	the British Virgin Islands

"CG Code"	the Corporate Governance Code as set out in Appendix 14 of the Listing Rules
"Company"	Riverine China Holdings Limited (浦江中國控股有限公司), an exempted company incorporated under the laws of Cayman Islands with limited liability on 27 July 2016
"Connected person"	has the meaning ascribed to it under the Listing Rules
"Controlling Shareholder(s)"	has the meaning ascribed to it under the Listing Rules and, in the context of the Company, means a group of controlling shareholders of the Company, namely Partner summit, Vital Kingdom, Mr. Xiao, Source Forth, Mr. Fu, Pine Fortune and Mr. Chen
"Director(s)"	the director(s) of the Company
"GFA"	gross floor area
"Group"	the Company and its subsidiaries
"HK$" Or "HK dollars" or "HK cents"	Hong Kong dollars and cents, the lawful currency of Hong Kong
"Hong Kong" or "HK"	the Hong Kong special Administrative Region of the PRC
"Hong Xin"	Hong Xin Environmental Group Co., Ltd. (泓欣環境集團有限公司) , a limited liability company established in the PRC on 5 July 2000, a non-wholly owned subsidiary of the Company and is indirectly owned as to 51% by the Company and as to 49% by independent third parties
"Leading Way"	Leading Way Holdings Limited (立威集團有限公司), a company incorporated under the laws of Hong Kong on 20 May 2016 with limited liability, which is a wholly-owned subsidiary of sino ease, and an indirect wholly-owned subsidiary of the Company
"Listing"	the listing of the shares on the Main Board of the stock exchange

"Listing Rules"	the Rules Governing the Listing of securities on the stock exchange, as amended, supplemented or otherwise modified from time to time
"Model Code"	the Model Code for securities transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules
"Mr. Chen"	Mr. Chen Yao (陳瑤), the Controlling a Shareholder
"Mr. Fu"	Mr. Fu Qichang (傅其昌), a Controlling Shareholders, vice-chairman of the Board and an executive Director
"Mr. Xiao"	Mr. Xiao Xingtao (肖興濤), a Controlling Shareholders, chairman of the Board and an executive Director
"Nanjing Songzhu"	Nanjing Songzhu Property Management Company Limited* (南京松竹物業管理有限公司), a company incorporated in the PRC and an independent Third Party
"Ningbo Plaza"	Ningbo Plaza Property Management Company Limited* (寧波市城市廣場物業管理有限公司), a limited liability company established in the PRC on 20 January 1995, an associated company of the Company and indirectly owned as to 49% by the Company and 51% by an Independent third Party
"Partner Summit"	Partner summit Holdings Limited (合高控股有限公司), a company incorporated under laws of the BVI on 16 June 2016 with limited liability, which is owned as to 87% by Vital Kingdom, 10% by source Forth and 3% by Pine Fortune and is the Controlling shareholder
"Period"	the year ended 31 December 2019
"Pine Fortune"	Pine Fortune Global Limited (富柏環球有限公司), a company incorporated under laws of the BVI on 16 June 2016 with limited liability, which is wholly-owned by Mr. Chen and is the Controlling shareholder
"PRC" or "China"	the People's Republic of China which, for the purposes of this annual report, excludes Hong Kong, Macau and Taiwan

"Pujiang Property"	Shanghai Pujiang Property Company Limited* (上海浦江物業有限公司), a limited liability company established in the PRC on 2 December 2002 and an indirect wholly-owned subsidiary of the Company
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"Shanghai Bund Ke Pu"	Shanghai Bund Ke Pu Engineering Management Company Limited* (上海外灘科浦工程管理有限公司), a limited liability company established in the PRC on 30 November 2004, a non wholly-owned subsidiary of the Company and indirectly owned as to 97% by the Company and as to 3% by an Independent Third Party
"Shanghai Qiang Sheng"	Shanghai Qiang sheng Property Company Limited* (上海強生物業有限公司), a limited liability company established in the PRC on 17 December 1992, an associated company of the Company and indirectly owned as to 30% by the Company and as to 70% by an Independent Third Party
"Shanghai Xin Di"	Shanghai Dong Fang Xin Di Commercial service Company Limited* (上海東方欣迪商務服務有限公司), a limited liability company established in the PRC on 10 December 2015, an associated company of the Company and indirectly owned as to 45% by the Company and as to 55% by an Independent Third Party
"Shanghai Xin Shi Bei"	Shanghai Xin Shi Bei Enterprise Management Service Co., Ltd* (上海新市北企業管理有限公司), a limited liability company established in the PRC on 6 July 2005, an associated company of the Company and indirectly owned as to 27.5% by the Company and 52.75% and 19.75% by two Independent Third Parties
"Share(S)"	share(s) of HK$0.01 each in the share capital of the Company
"Shareholder(S)"	holder(s) of issued share(s)
"Source Forth"	Source Forth Limited (泉啟有限公司), a company incorporated under laws of the BVI on 8 June 2016 with limited liability, which is wholly-owned by Mr. Fu and is the a Controlling Shareholder

"sq. ft."	square feet
"sq. m."	square metre
"Stock Exchange" or "Hong Kong Stock Exchange"	the stock exchange of Hong Kong Limited
"Vital Kingdom"	Vital Kingdom Investments Limited (至御投資有限公司), a company incorporated under laws of the BVI on 17 May 2016 with limited liability, which is wholly-owned by Mr. Xiao and is the Controlling shareholder
"%" or "Per Cent"	per centum or percentage

By order of the Board
Riverine China Holdings Limited
Xiao Xingtao
Chairman

Shanghai, PRC, 31 March 2020

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Xiao Xingtao (Chairman), Mr. Fu Qichang, Mr. Xiao Yuqiao and Mr. Jia Shaojun; one non-executive director, namely Mr. Zhang Yongjun; and three independent non-executive Directors, namely Mr. Cheng Dong, Mr. Weng Guoqiang and Mr. Shu Wa Tung Laurence.