

## Business Update

### Jingrui Holdings successfully completes optimization of debt structure, leading to promising prospect for sustainable development

Jingrui Holdings successfully completed the exchange offer of 9.45% senior notes due in 2021, and successfully issued USD240 million senior notes due in 2023 with an annual interest rate of 14.5% on November 16. Guarantors from Jingrui and its subsidiaries entered into purchase agreements with Guotai Junan International, Haitong International, BOSC International, Barclays, CICC, Vision Capital, CITIC International, TF International and CMBC in connection with the issue of the New Notes under the Concurrent New Money Issuance. The Group intends to use the net cash proceeds from the Concurrent New Money Issuance to refinance its existing indebtedness.

The issuance of new notes was actively subscribed by the market, and the final account book scale was oversubscribed by 5 times. Among them, Asian investors accounted for 78%, European accounted for 15%, and United States offshore accounted for 7%. The successful exchange and issuance of the bonds will optimize the debt structure of Jingrui Holdings, extend the debt maturity, and benefit the company's sustainable development.

The debt management of Jingrui Holdings was proactively evaluated by many international rating agencies. S&P believed that the exchange offer and the issuance of new notes are part of Jingrui Holdings' proactive financial management. As of the first half of this year, Jingrui Holdings has a cash balance of RMB12 billion, which is enough to pay short-term debts including bills to be exchanged. In addition, Jingrui Holdings has always maintained a prudent investment style, tending to match the speed of land purchases with the growth of contracted sales, with the goal of maintaining sufficient liquidity to repay debt.

Moody's rated the "B3" to the bond and "B2" corporate family rating (CFR) to the Group. Moody's also believed that the issuance of bonds would improve the liquidity condition of Jingrui Holdings and would not adversely affect its credit. In addition, Moody's also made a more specific analysis on the operation of Jingrui Holdings. Moody's pointed out that the total contracted sales of Jingrui Holdings for the first ten months of 2020 increased by 7.7% year on year to RMB18.9 billion, and believed that within the next 12 to 18 months, the company's contracted sales would reach RMB27 billion since the Group has sufficient saleable resources, strong housing demand in the core market, and in the context of the recovery of economic activity in China. Due to the optimistic expectations of Jingrui Holdings' operation results and the layout of first- and second-tier cities, Moody's expected Jingrui Holdings' interest coverage ratio to increase from 1.9 times in June 2020 to 2.0 to 2.2 times in the next 12 to 18 months.

In terms of the secondary stock market, since May this year, the company's controlling shareholder and co-chairman of the board of directors, Mr. Yan Hao, has continued to increase his holdings of the company's shares. He has increased his holdings of a total of 71.296 million shares in the secondary market, and his shareholding ratio has increased from 39.47% to 44.56%, showing his firm confidence in the company's future development. The successful issuance of bonds by Jingrui Holdings this time has effectively optimized the company's debt structure and laid a good foundation for the company's business development, making future development more promising.

## Stock Information

Stock Code	1862.HK
Closing Price	HK\$2.09
52-Week Price Range	HK\$1.88–2.70
Market Cap	HK\$29.26 billion
Issued Shares	1.4 billion
Date of Listing	Oct. 31, 2013

Source: HKEX as of 30 November 2020

## Result Highlights

### 1H20

Revenue	RMB3.154 billion
Gross Profit	RMB990 million
Net Profit	RMB345 million
Total Assets (as of December 31)	RMB54.113 billion
Contracted Sales	RMB7.670 billion
Contracted ASP	RMB24,029/sq.m.

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## Jingrui Properties firstly expands into Chengdu and acquires two pieces of quality land parcel at Wenjiang District

In November 2020, Jingrui entered Chengdu market for the first time, successfully acquired a high-quality land parcel in Guanghua New Town of Wenjiang District, and added another plot in Fengxi Avenue of Wenjiang District. Jingrui further deepened the layout of Sichuan and Chongqing, in response to the China's western urban development strategy. Last year, Wenjiang District won China's most blissful and beautiful livable urban district, one of the urban districts with most investment value in China, and it has also ranked top 100 comprehensive strength districts in China for 8 consecutive years! International Garden City, the honor of International Habitat, United Nations Outstanding Achievement Award for Global Ecological Recovery and Environmental Protection and so on, making Wenjiang's "internationalized" for over ten years! The Guanghua New Town is the key development area of the district as well as the outstanding mode in Wenjiang. Following the spatial pattern "north-forest and south-city" and the "city developing eastward", the district is connected with Qingyang District and Wuhou District — the old traditional main districts of Chengdu.



In the recent two years, with the continuous prosperity of the regional sectors, many famous enterprises and brands have joined us. With mature supporting facilities around the project, including government centers, large-scale shopping malls and supermarket, as well as education, medical and landscape ancillary facilities. together with two metro lines connecting the western district of Chengdu, the potential in this area is tremendous. It is only 500 meters from the metro station of Line 4 (which has been opened) and Line 17 (will be opened at the end of 2020). Therefore, residents may travel to Chengdu's main urban districts within a short period of time, showing obvious traffic advantage of this area. In 2020, with 27 years of real estate development experience, Jingrui successively commenced development in Chengdu and worked hard in Sichuan Province for its urban development. In the future, Jingrui will fully fulfill the needs of customers, give full play to the advantages of product innovation and research, and create a diversified ideal life style according to the needs of customer bases.

## Jingrui acquires the land parcel with partners at Yangzhou West New District

Following the successful bidding of GZ212 plot of Yangzhou Southeast New City on September 18, on November 26, Jingrui jointly acquired the Yangzhou GZ230 land parcel with Hengtong Group and Jiangsu Jingyu. The two landmarks in Yangzhou City are deepening the Group's development in this area. Project GZ230 is located at the boarder of New City of the Western District, Jinghua City and Shugang area, with 2.5 km away from Jinghua City, 4.0 km away from Slender West Lake and 5.7 km away from Wen Chang Pavilion.

The land parcel is about 79,000 square meters, with the price of RMB8000/square meters, floor price of total price RMB1.13 billion. The surrounding supporting facilities include Wanda Square. At the same time, the southside of the project is close to Jinghua City business circle, hence it can also be conducive to Jinghua City business circle, which includes Jinghua City, R-Mall, Changjian Square and Colorful World. Within the area, there are mature facilities of traffic, education resources, medical resources and landscape resources. With abundant quality resources, the future development potential of the area could be enormous.



## Jingrui wins the Best China Real Estate Enterprise Award for 2020

On November 18, the ceremony of 2020 Time Forum of China Real Estate was held at the banquet hall, third floor, Guangzhou W Hotel, which was sponsored by Guangdong Times Media Group and co-organized by Time Weekly, Time Finance and Time Data. The forum focused on the theme of "double-cycle new opportunities: looking for the organic strength", discussed the current real estate industry, and explored the cutting-edge topics to find a way for transformation of the real estate industry.

**With good operational resilience, unique tailor-made concept innovation and sound financial control ability, Jingrui won the "2020 Best Enterprise Award of China Real Estate".**



As customers were enlightened with their needs of products, customization has begun to be recognized. Jingrui has long been aware of this trend, and marched into "customization" in 2015, and innovatively came up with the groundbreaking "ePLUS customized system." Jingrui is one of the few real estate companies in the industry genuinely integrating customization into strategy. Through continuous practice, Jingrui launched the super IP "Space me" customized brand in 2019. So far, Jingrui has built a comprehensive digital platform and supply chain system. Since May this year, Jingrui has been following the digital development wave by launching a series of activities with a theme of "wonderful life+" through the Wise Sharing+ platform for online sales, and continues exploring the online business through two main lines of "theme activities" and "sales activities".

While deepening the main business of real estate development, Jingrui Holding is actively striving for transformation and upgrade to explore diversified business. Its top five platforms, Yan Capital Management, Jingrui Properties, Jingrui Capital, Jingrui Service and Co-Fortune Capital, coordinating and cooperating efficiently, helped Jingrui Holdings continuously enhance its core competitiveness. S&P's global rating upgraded Jingrui Holdings' outlook to "stable", and confirmed the "B" rating of long-term issuer and the "B" rating of the issued long-term senior unsecured notes. The upgrade reflects not only the recognition of rating agency's on Jingrui Holdings, but also the capital markets' confidence in the prudent financial management of Jingrui Holdings and sound business growth, as well as the future development of the five business platforms.

## Jingrui Holdings wins the "Gelonghui-2020 Best Information Disclosure Award"

On November 16, the "2020 Best Listed Company in Greater China" award ceremony sponsored by Gelonghui was held in Chengdu. Jingrui Holdings won the "Best Information Disclosure Award of the Year" for its high reliability in information disclosure. Best Information Disclosure Award of the Year" is the analysis on the overall performance of information disclosure over the past year, including information disclosure, collection of capital market feedback and other indicators. Through the method of "expert panel review + big data analysis", the final result is achieved by comprehensive evaluation. This award is to praise the company with best information disclosure capacity among listed companies in the entire capital market in China.

According to the valuating committee, Jingrui Holdings has attached great importance to investor relations, taking it as an important layout of the company's capital strategy in the future, and actively performing voluntary information disclosure to achieve the key factors for receiving this award. Winning this award indicates that the information disclosed by Jingrui Holdings is highly reliable and helpful for investors, analysts and fund managers to understand the company's strategy, operation and other aspects of the deployment, which have important reference value for decision-making in investment.



## Jingrui Properties wins the "2020 China Commercial Asset Stock Operation Performance Award"

On November 3, the grand opening of the "2020 Guandian Business Annual Conference" hosted by the Guandian Real Estate Agency took place in Jingan Shangri-La Hotel, Shanghai. With the theme of "Commercial Rebirth and the Power of Convergence", this event gathered many domestic and foreign elites in the real estate industry and top experts in commercial and finance to discuss the prospects of commercial real estate.

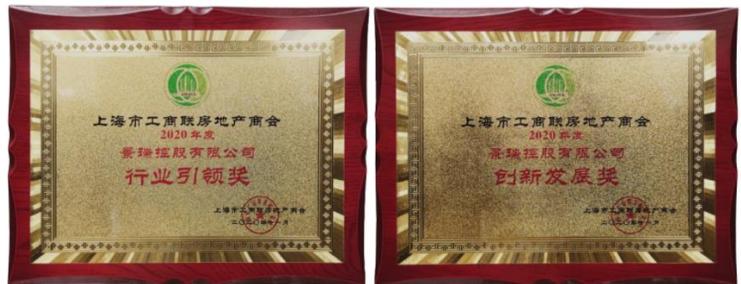
Jingrui Properties won the "2020 China Commercial Asset Stock Operation Performance Award", which represents the best recognition and certification for its outstanding performance in the past six months. 2020 is the first year of the establishment of Jingrui Properties. As a new entrant in the industry, despite the overall pressure caused by the pandemic, Jingrui Properties' property management capabilities continue to improve, and its performance has grown against the current, showing a steady and courageous operating style. With its outstanding performance, Jingrui Real Estate has won various industry awards, which can be said as being prepared to stand out in the industry.



## Jingrui Holdings wins two commendations, namely "Industry Leading" and "Innovative Development"

On November 26, the "Shanghai Real Estate Chamber of Commerce 2019-2020 Annual Meeting--15th Anniversary Celebration and Yangtze River Delta Real Estate Chamber of Commerce Summit" was successfully held. The conference was held around the theme of "Working together for 15 years, progress steadily to start a new chapter", guided by Shanghai Federation of Industry and Commerce and Shanghai Civil Affairs Bureau, and sponsored by Shanghai Real Estate Chamber of Commerce, and jointly participated by representatives of relevant real estate chambers of the Yangtze River Delta and representatives of member units of the chambers of commerce.

In recognition of the achievement and contributions of member companies in industry leadership, innovation and development, social responsibility, party building work, and their support to the work of the Chamber of Commerce in 2020, the organizer specially awarded two honors to Jingrui Holdings, namely Industry Leading Award and the Innovation Development Award.



## Successful Resale of China Capital-Yan Capital-Jingrui Sanquan Apartment Asset-backed Project

"China Capital-Yan Capital-Jingrui Sanquan Apartment Asset-backed Project" is a CMBS product listed under the Shenzhen Stock Exchange with Beijing Sanquan Apartment being an underlying asset, one of the premium projects of Jingrui's Joyride Apartment. The project was initiated by Jingrui Properties, with China Capital as the project manager, Zhongtai Securities as the main underwriter, and Kunlun Trust as the trustee. It was officially established on July 31, 2018, with a registered capital of RMB720 million and a term of 12 years. (3+3+3+3 years).

The project will commence its first fixed opening procedure on August 28, 2020, and will adjust the second three-year coupon rate to 5.5%. China Capital and Zhongtai Securities acted as financial advisors for this fixed opening procedure resale arrangement. Thanks to the unremitting efforts of all parties, they have received profound recognition from investors with over-subscription and successfully completed the resale. As Beijing's first long-term apartment rental CMBS product, the successful resale of the "China Capital-Yan Capital-Jingrui Sanquan Apartment Asset-backed Project" is the capital market's active response to the central government's advocacy on "no speculation of housing" and it is another embodiment of supporting the development of the long-term rental apartment business. At the same time, it is also the capital market's recognition of Jingrui's prudent financial management and steady performance growth. Moreover, it is another achievement in a phased manner of Jingrui's asset management strategy.

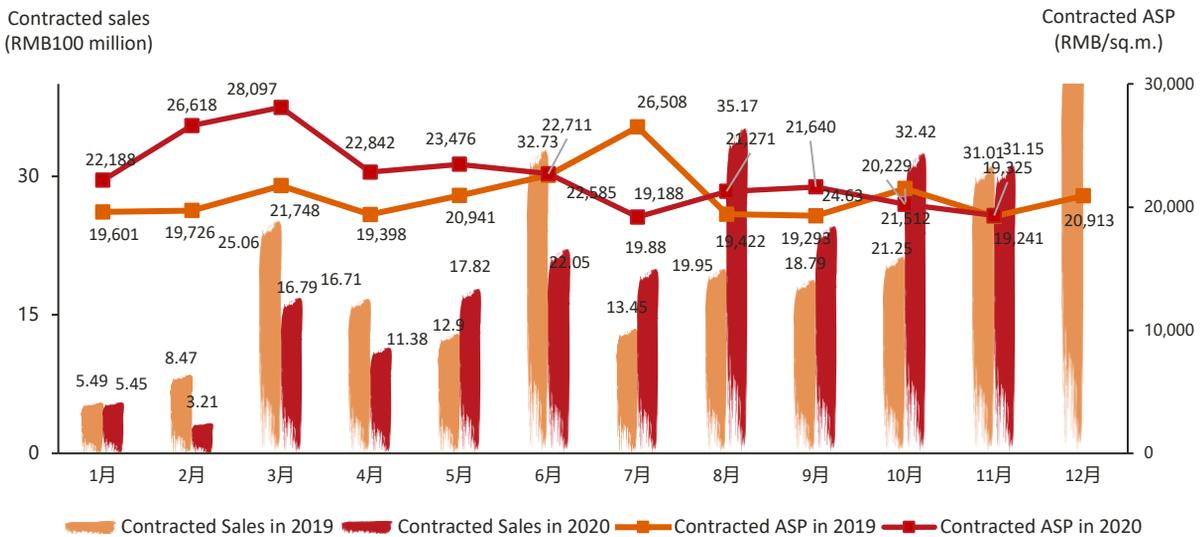


## Unaudited operating data for November 2020

## Contracted Sales

In November 2020, the contracted sales of Jingrui Holdings (sales from joint ventures and associates) were approximately RMB3,115 million, the contracted sales area was approximately 161,187 square meters, and the average contracted sales price was approximately RMB19,325 per square meter. For the eleven months ended November 30, 2020, the Group's cumulative contracted sales (sales from joint ventures and associates) were approximately RMB21,995 million, the contracted sales area was approximately 1,023,438 square meters, and the average contracted sales price was approximately RMB21,491 per square meter.

### Monthly Contracted Sales (Jan 2019 – Nov 2020)



### About Jingrui

Founded in Shanghai in 1993, Jingrui Holdings Limited is one of the leading regional residential property developers in the Yangtze River Delta region of China. In 2017, Jingrui tapped into Beijing and Wuhan markets, extending its strategic footprint to four municipalities and 18 cities nationwide. Jingrui believes in reform and innovation. And the Company continuously optimises its development and adjusts its strategic blueprint. The Company initially completed its strategic transition and upgrading driven by "customers' insight" and "light assets" in 2016, highlighting the Company's value design capability with "customer insights" as its core, along with a fund operation model. At present, Jingrui has built a comprehensive platform with five businesses, namely: Yan Capital Management, Jingrui Properties, Jingrui Capital, Jingrui Service, and Co-Fortune Capital. By focusing on refined asset-light operations, Jingrui can penetrate the entire industry chain, which pushes the Company to transform itself from a traditional residential developer into an asset management service provider. For further information, please visit <http://www.jingruis.com>.

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