

Stock Code: 000505, 200505

Stock Name: JLKG, JL-B

Announcement No. 2019-030

HAINAN JINGLIANG HOLDINGS CO., LTD.

FIRST QUARTER REPORT 2019 (SUMMARY)

Part I Important Notes

The Board of Directors (or the “Board”), the Supervisory Committee as well as the directors, supervisors and senior management of Hainan Jingliang Holdings Co., Ltd. (hereinafter referred to as the “Company”) hereby guarantee the factuality, accuracy and completeness of the contents of this Report and its summary, and shall be jointly and severally liable for any misrepresentations, misleading statements or material omissions therein.

All the Company’s directors have attended the Board meeting for the review of this Report and its summary.

Li Shaoling, the Company’s legal representative, Guan Ying, the Company’s head for financial affairs, and Liu Quanli, head of the Company’s financial department (equivalent to financial manager) hereby guarantee that the Financial Statements carried in this Report are factual, accurate and complete.

This Report and its summary have been prepared in both Chinese and English. Should there be any discrepancies or misunderstandings between the two versions, the Chinese versions shall prevail.

Part II Key Corporate Information

I Key Financial Information

Indicate by tick mark whether there is any retrospectively restated datum in the table below.

Yes No

	Q1 2019	Q1 2018	Change (%)
Operating revenue (RMB)	1,707,549,259.31	1,866,527,190.78	-8.52%
Net profit attributable to the listed company's shareholders (RMB)	26,311,530.50	31,041,912.71	-15.24%
Net profit attributable to the listed company's shareholders before exceptional items (RMB)	17,033,200.00	29,930,951.86	-43.09%
Net cash generated from/used in operating activities (RMB)	172,926,738.46	671,468,699.31	-74.25%
Basic earnings per share (RMB/share)	0.04	0.05	-20.00%
Diluted earnings per share (RMB/share)	0.04	0.05	-20.00%
Weighted average return on equity (%)	1.15%	1.47%	-0.32%
	31 March 2019	31 December 2018	Change (%)
Total assets (RMB)	4,957,598,566.20	4,917,148,996.28	0.82%
Equity attributable to the listed company's shareholders (RMB)	2,298,664,279.60	2,272,469,925.43	1.15%

Exceptional gains and losses:

Applicable Not applicable

Unit: RMB

Item	Q1 2019	Note
Gain or loss on disposal of non-current assets (inclusive of impairment allowance write-offs)	12,024,268.43	
Government subsidies charged to current profit or loss (exclusive of government subsidies given in the Company's ordinary course of business at fixed quotas or amounts as per government's uniform standards)	529,365.60	
Non-operating income and expense other than the above	-31,600.05	
Less: Income tax effects	3,130,733.50	
Non-controlling interests effects (net of tax)	112,969.98	

Total	9,278,330.50	--
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Explanation of why the Company reclassifies as recurrent an exceptional gain/loss item defined or listed in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Exceptional Gain/Loss Items:

Applicable Not applicable

No such cases for the Reporting Period.

II Total Number of Shareholders and Holdings of Top 10 Shareholders at 31 March 2019

1. Numbers of Ordinary Shareholders and Preferred Shareholders with Resumed Voting Rights as well as Holdings of Top 10 Shareholders

Unit: share

Number of ordinary shareholders at the period-end	36,473	Number of preferred shareholders with resumed voting rights at the period-end (if any)	0		
Top 10 shareholders					
Name of shareholder	Nature of shareholder	Shareholding percentage	Total shares held	Restricted shares held	Shares in pledge or frozen
					Status Shares
BEIJING GRAIN GROUP CO., LTD.	State-owned legal person	42.06%	288,439,561	164,877,598	
BEIJING STATE-OWNED CAPITAL OPERATION AND MANAGEMENT CENTER	State-owned legal person	7.07%	48,510,460	48,510,460	
CHINA DEVELOPMENT BANK CAPITAL CO., LTD.	State-owned legal person	3.33%	22,828,451		
GOLD BUFFALO RUNYING (TIANJIN) EQUITY INVESTMENT FUND MANAGEMENT CO., LTD.—GOLD BUFFALO RUNYING (TIANJIN) EQUITY INVESTMENT FUND (L.P.)	Other	3.20%	21,972,451		
LI SHERYN ZHAN MING	Foreign natural person	2.71%	18,578,700		
MEI JIANYING	Domestic natural person	0.38%	2,604,203		

HU TIANGAO	Domestic natural person	0.35%	2,376,052			
SOCIETE GENERALE	Foreign legal person	0.32%	2,183,500			
DONGYANG HENGDIAN GUARANTY CO., LTD.	Domestic non-state-owned legal person	0.31%	2,105,469			
ZHANG XIAOXIA	Domestic natural person	0.28%	1,949,250			
Top 10 unrestricted shareholders						
Name of shareholder	Unrestricted shares held	Shares by type				
		Type	Shares			
BEIJING GRAIN GROUP CO., LTD.	123,561,963	RMB-denominated ordinary stock	123,561,963			
CHINA DEVELOPMENT BANK CAPITAL CO., LTD.	22,828,451	RMB-denominated ordinary stock	22,828,451			
GOLD BUFFALO RUNYING (TIANJIN) EQUITY INVESTMENT FUND MANAGEMENT CO., LTD.—GOLD BUFFALO RUNYING (TIANJIN) EQUITY INVESTMENT FUND (L.P.)	21,972,451	RMB-denominated ordinary stock	21,972,451			
LI SHERYN ZHAN MING	18,578,700	Domestically listed foreign stock	18,578,700			
MEI JIANYING	2,604,203	RMB-denominated ordinary stock	2,604,203			
HU TIANGAO	2,376,052	RMB-denominated ordinary stock	2,376,052			
SOCIETE GENERALE	2,183,500	RMB-denominated ordinary stock	2,183,500			
DONGYANG HENGDIAN GUARANTY CO., LTD.	2,105,469	RMB-denominated ordinary stock	2,105,469			
ZHANG XIAOXIA	1,949,250	Domestically listed foreign stock	1,949,250			
WANG XIAOXING	1,775,000	RMB-denominated ordinary stock	1,775,000			
Related or acting-in-concert parties among the shareholders above	Beijing State-Owned Capital Operation And Management Center owns 100% of Beijing Grain Group Co., Ltd., and Beijing Grain Group Co., Ltd. is a shareholder of the Company (a 42.06% holding). Apart from that, the Company does not know whether there are any other related parties or acting-in-concert parties among the top 10 shareholders.					

Top 10 ordinary shareholders involved in securities margin trading (if any)	1. Shareholder Hu Tiangao holds 338,000 shares in the Company through his account of collateral securities for margin trading in Zheshang Securities Co., Ltd., and 2,038,052 shares in the Company through his ordinary securities account. 2. Shareholder Wang Xiaoxing holds 1,775,000 shares in the Company through his account of collateral securities for margin trading in Soochow Securities Co., Ltd.
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Indicate by tick mark whether any of the top 10 ordinary shareholders or the top 10 unrestricted ordinary shareholders of the Company conducted any promissory repo during the Reporting Period.

Yea No

No such cases in the Reporting Period.

2. Number of Preferred Shareholders and Shareholdings of Top 10 of Them

Applicable Not applicable

Part III Significant Events

I Changes in Key Financial Statement Line Items and Explanation of why

Applicable Not applicable

1. Monetary capital as at 31 March 2019 declined compared to 31 December 2018, primarily driven by the repayment of bank loans and the purchase of growth receipts with raised funds for cash management purposes during Q1 2019.
2. The change in available-for-sale financial assets was primarily driven by the reclassification of certain “available-for-sale financial assets” as “financial assets at fair value through profit or loss” into “investments in other equity instruments” according to the new accounting standards governing financial instruments.
3. Other current assets as at 31 March 2019 rose compared to 31 December 2018, primarily driven by the growth receipts purchased during Q1 2019 with raised funds for cash management purposes being undue at 31 March 2019.
4. Notes and accounts payable as at 31 March 2019 rose compared to 31 December 2018, primarily driven by the purchases of raw materials during Q1 2019.
5. Payroll payable as at 31 March 2019 declined compared to 31 December 2018, primarily driven by the payment of the 2018 annual performance remuneration during Q1 2019.
6. Finance costs went down in Q1 2019 compared to Q1 2018, primarily driven by a smaller interest expense due to decreased bank loans during Q1 2019.
7. Net cash generated from operating activities went down in Q1 2019 compared to Q1 2018, primarily driven by more purchases of raw materials during Q1 2019.

II Progress, Influence and Solutions with regard to Significant Events

Applicable Not applicable

Summary of the significant event	Disclosure date	Index to the related announcement
1. On 20 February 2019, Proposal on Election of the Chairman of the 8 th Board of Directors of the Company was reviewed and approved at the 31 th Meeting of the 8 th Board of Directors by the Company. The Board of Directors of the Company agreed that Mr. Li Shaoling held the post of the Chairman of the 8 th Board of Directors. According to the	21 February 2019	www.cninfo.com.cn : Announcement on the Resignation of Chairman and the Election for New Chairman (Announcement No. 2019-002)

relevant regulations of Articles of Association, the Chairman is the legal representative of the Company. At present, the Company has completed the procedures for industrial and commercial registration of changes in its legal representative, and obtained the business license or enterprise legal person approved and renewed by Hainan Administrative Bureau or Industry and Commerce.		
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Progress of any share repurchases:

Applicable Not applicable

Progress of any reduction of the repurchased shares through centralized bidding:

Applicable Not applicable

III Commitments that the Company's Actual Controller, Shareholders, Related Parties, Acquirers, the Company Itself or Other Parties, Failed to Fulfill on Time during the Reporting Period

Applicable Not applicable

No such cases in the Reporting Period.

IV Operating Performance Forecast for H1 2019

Warning of a forecast loss on or a forecast significant year-on-year change in the net profit of H1 2019, as well as explanation of why:

Applicable Not applicable

V Securities Investments

Applicable Not applicable

Variety of security	Symbol of security	Name of security	Initial investment cost	Accounting measurement model	Beginning carrying value in the Reporting Period	Gain/loss of changes in fair value in the Reporting Period	Accumulative changes in fair value recorded into equities	Purchased in the Reporting Period	Sold in the Reporting Period	Gain/loss in Reporting Period	Ending carrying value	Accounting title	Capital source
Other	204001	GC001		Cost method				3,142,600,000.00	3,142,600,000.00	322,286.47	0.00	Other assets	Self-raised

Other 07	2040 7	GC00		Cost method			70,200,000.0 0	70,200,000.0 0	96,465. 51	0.00	Other assets	Self-rai sed
Total			0.00	--	0.00	0.00	3,212,800,00 0.00	3,212,800,00 0.00	418,751 .98	0.00	--	--
Disclosure date of announcement on Board's consent for securities investment	21 February 2019											
Disclosure date of announcement on shareholders' meeting's consent for securities investment (if any)	N/A											

VI Investments in Derivative Financial Instruments

√ Applicable Not applicable

Unit: RMB'0,000

Type of derivative	Start date	End date	Ending investment	Ending investment as % of the Company's ending net assets	Actual gain/loss in Reporting Period
Soybean hedging	1 January 2019	31 March 2019	3,172.23	1.38%	-81.59
Agricultural product future contract	1 January 2019	31 March 2019	1,616	0.70%	-271
Agricultural product future contract	1 January 2019	31 March 2019	1,195	0.52%	-33
Agricultural product future contract	1 January 2019	31 March 2019	2	0.00%	208
Agricultural product future contract	1 January 2019	31 March 2019	51	0.02%	0
Total	--	--	6,036.23	2.62%	-177.59
Funding source	Self-funded				
Legal matters involved (if applicable)	N/A				
Disclosure date of board announcement approving derivative investment (if	21 February 2019				

any)	
Disclosure date of general meeting announcement approving derivative investment (if any)	9 March 2019
Analysis of risks and control measures associated with derivative investments held in Reporting Period (including but not limited to market risk, liquidity risk, credit risk, operational risk, legal risk, etc.)	<p>The Company's conduction of hedging business is not aimed at speculation, but mainly to effectively avoid the impact of raw material price fluctuation on the Company. However, there will be certain risks: 1. Price fluctuation risk: price fluctuation risk may be generated when the futures market changes greatly, resulting in transaction losses; 2. Capital risk: capital risk may be correspondingly brought because the futures trading adopts margin and marking-to-market system; 3. Internal control risk: there may be risks due to imperfect internal control system for the high expertise and complexity of futures trading; 4. Technical risk: there may be technical risks due to incomplete computer systems.</p> <p>The Company adopts following risk control measures: 1. Matching the hedging business with the Company's production and operation so as to maximally reduce the price fluctuation risk; 2. The Company will reasonably dispatch its own funds for hedging business, strictly control the hedging fund scale and reasonably plan and use margins; 3. <i>Management System for Commodity Futures Trading</i> is formulated based on actual situation of the Company and pursuant to governing stipulations of <i>Guidelines for Standard Operation of Main board Companies Listed in Shenzhen Stock Exchange</i> which have made clearly stipulations about the amount, variety scope, approval authority, internal approval procedures, responsible departments and persons, information isolation measures, internal risk report and related solution process, information disclosure, etc. regarding hedging business. The Company will strictly control all sectors in accordance with <i>Management System for Commodity Futures Trading</i>; 4. Establishing qualified systems for transaction, communication and information services so as to guarantee the normal operation of the transaction system and smooth proceeding of transactions. When a wrong order occurs, corresponding measures should be timely taken to reduce losses.</p>
Changes in market prices or fair value of derivative investments in Reporting Period (fair value analysis should include measurement method and related assumptions and parameters)	<p>The value of the Company's future contracts changed according to the contract prices declared by the future exchange, which were broadly representative. And the fair value of the Company's future contracts was executed in strict compliance with the future exchange's settlement methods.</p>
Major changes in accounting policies and specific accounting principles adopted for derivative investments in Reporting Period compared to last reporting period	N/A
Opinion of independent directors on derivative	After check, The Company carried out the business of futures hedging based on normal production and management, relying on specific business. Under the premise of ensuring normal production and

investments and risk control	management, the Company used futures hedging tools to avoid the adverse impacts on the Company's operation from the large price fluctuation of raw materials and products, which is not detrimental to the interests of the Company and all other shareholders, especially minority shareholders. At the same time, the Company formulated relevant systems, and specific operating instructions for the business of futures hedging through strengthening internal control and implementing risk prevention measures. It is agreed that the Company and its subsidiaries will continue to conduct futures hedging business according to the relevant regulations.
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VII Communications with the Investment Community such as Researches, Inquiries and Interviews during the Reporting Period

Applicable Not applicable

No such cases in the Reporting Period.

VIII Irregularities in the Provision of Guarantees

Applicable Not applicable

No such cases in the Reporting Period.

IX Occupation of the Company's Capital by the Controlling Shareholder or Its Related Parties for Non-Operating Purposes

Applicable Not applicable

No such cases in the Reporting Period.

Hainan Jingliang Holdings Co., Ltd.

27 April 2019