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## **China Minsheng Drawin Technology Group Limited**

### **中民築友科技集團有限公司**

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 726)

#### **(1) CHANGE OF CHIEF FINANCIAL OFFICER**

#### **(2) SUPPLEMENTARY INFORMATION IN RESPECT OF THE RESULTS ANNOUNCEMENT AND ANNUAL REPORT FOR THE NINE MONTHS ENDED 31 DECEMBER 2015**

#### **CHANGE OF CHIEF FINANCIAL OFFICER**

The board of directors (the “**Board**”) of China Minsheng Drawin Technology Group Limited (the “**Company**”) announces that Mr. Chen Donghui (“**Mr. Chen**”) has resigned as the Chief Financial Officer of the Company with effect from 1 May 2016.

Mr. Chen confirmed that he has no disagreement with the Board and there is no matter in relation to his resignation that needs to be brought to the attention of the shareholders of the Company or The Stock Exchange of Hong Kong Limited.

The Board further announces that Mr. Pang Zhenghao (“**Mr. Pang**”) has been appointed as the Chief Financial Officer of the Company with effect from 1 May 2016.

Mr. Pang, aged 34, is the Financial Controller of the Company. Mr. Pang has over 11 years of experience in corporate financial management and property development in China. Prior to joining the Company, Mr. Pang served as the Deputy General Manager of the Finance Centre of Franshion Properties Changsha Limited\* (方興地產長沙有限公司), which is a subsidiary of China Jinmao Holdings Group Limited from 2011 to 2014 and as the Head of Finance of Hunan Chushengyuan Property Development Limited\* (湖南楚盛園置業發展有限公司) from 2007 to 2011. Mr. Pang graduated from China Agricultural University in 2004 and obtained a bachelor degree in Management. He is also a Qualified Mid-level Accountant and a Certified Tax Planner.

The Board would like to take this opportunity to express its gratitude to Mr. Chen for his valuable contributions to the Company during his tenure of service, and the Board wishes to express its warm welcome to Mr. Pang on his appointment.

\* For identification purpose only

## **SUPPLEMENTARY INFORMATION IN RESPECT OF THE RESULTS ANNOUNCEMENT AND ANNUAL REPORT FOR THE NINE MONTHS ENDED 31 DECEMBER 2015**

References are made to the annual results announcement for the nine months ended 31 December 2015 (the “**Results Announcement**”) dated 30 March 2016 and the annual report for the nine months ended 31 December 2015 (the “**Annual Report**”) published on 29 April 2016 of the Company. Unless otherwise stated, definitions and terms used herein shall bear the same meanings as defined in the Results Announcement and the Annual Report.

As at 31 December 2015, the Company (together with its subsidiaries, the “**Group**”) had investments in five private funds (the “**Investment Funds**”) with a fair value of approximately HK\$101.17 million and structured deposit (the “**Structured Deposit**”) with a fair value of approximately HK\$92.82 million. As disclosed in the Results Announcement (Note 12) and the Annual Report (Notes 3.3 and 16 to the Consolidated Financial Statements), the Investment Funds and the Structured Deposit are classified as available-for-sale financial assets of the Group. The Board would like to provide further information relating to the Investment Funds and the Structured Deposit on a voluntary basis.

### **The Investment Funds**

The Investment Funds include Taiping Quantum Strategic, Quantum Advantage, Taiping Quantum China Opportunities, Taiping Quantum Property and Quantum Enhanced, with details as follows:

- (i) Taiping Quantum Strategic focuses on long-term investment and aims at providing its investors with return higher than market standard. It mainly invests in listed securities with deviation between market price and actual value. Its portfolio mainly consists of investments in cyclical consumption, public utilities and non-cyclical consumption.
- (ii) Quantum Advantage focuses on investment in the Greater China capital market by adopting event-driven approach and aims at achieving high return under established risk management guidance. Its portfolio mainly consists of investments in non-cyclical consumption, cyclical consumption and industry.
- (iii) Taiping Quantum China Opportunity adopts flexible investment strategies and the investments are mainly driven by market events. Its portfolio mainly consists of investments in technology, telecommunication, cyclical consumption, non-cyclical consumption, industry and public utilities.
- (iv) Taiping Quantum Property aims at achieving long-term capital increase and return for its investors based on various analyses of government policies and financial statistics of target companies. Its portfolio mainly consists of investments in industry and cyclical consumption.
- (v) Quantum Enhanced has similar investment goal and strategy as Taiping Quantum Strategic. Its portfolio mainly consists of investments in cyclical consumption, non-cyclical consumption, energy and industry.

The Investment Funds are not open for investment by public investors. Instead, the Investment Funds, on a selective basis, are targeted at investments by sophisticated investors and institutional investors. The Investment Funds’ portfolio is able to invest in listed equity securities in the Asia Pacific markets (excluding Japan).

The “impairment loss on available-for-sale financial assets recognised in profit or loss” in the amount of HK\$89.541 million incurred for the year ended 31 December 2015 as stated in the Results Announcement (Note 12) and the Annual Report (Note 16 to the Consolidated Financial Statements) was related to the Company’s investments in four out of the five Investment Funds. The Company understands that such impairment loss was resulted from the fall in the fair value of the underlying listed securities which constituted the assets of the relevant four Investment Funds as calculated by the difference between their value at the time of their acquisitions and their fair value as at 31 December 2015. Given the nature of the underlying listed securities, the Company is of the view that the fall in fair value of these listed securities was a result of the general downward trend in the Hong Kong capital markets over the second half of 2015.

The fair value of the five Investment Funds as at 31 December 2015 was based on statements received from the relevant management agents of the five Investment Funds. As the fair value of four out of the five Investment Funds as at 31 December 2015 declined more than 50% below its value at acquisition which constituted a significant decline, the impairment loss was recognised in the consolidated financial statements as profit or loss instead of other comprehensive loss in the Results Announcement and Annual Report.

### **The Structured Deposit**

The Structured Deposit is a principal-guaranteed deposit product offered by China Construction Bank. The underlying assets of the Structured Deposit include, among others, bonds, buy-backs on the inter-bank bond market and interbank deposits. The return on the Structured Deposit is calculated by reference to the annualised rate of the profit derived from the investment in the underlying assets over the duration of the Structured Deposit (i.e. 68 days) for this case. The return on the Structured Deposit which was realised upon maturity in 2016 is approximately 3.20% per annum.

The Structured Deposit did not have any conversion feature which convert any part of the Structured Deposit into any of the underlying assets or other equity or debt securities or instruments.

By order of the Board of  
**China Minsheng Drawin Technology Group Limited**  
**Mi Hongjun**  
*Chairman and Executive Director*

Hong Kong, 5 May 2016

*As at the date of this announcement, the Board comprises Mr. Mi Hongjun (Chairman), Mr. Yin Jun (Deputy Chairman) and Mr. Chen Domingo as executive Directors; Ms. Fang Rong and Mr. Zhou Feng as non-executive Directors; Mr. Lee Chi Ming, Mr. Chan Chi Hung, Anthony and Mr. Jiang Hongqing as independent non-executive Directors.*