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Mingfa Group (International) Company Limited
明發集團（國際）有限公司
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 00846)

**UPDATE ON RECENT DEVELOPMENT OF SUSPENSION OF TRADING,
TIMETABLE TOWARDS RESUMPTION OF TRADING
AND
DELAY IN PUBLICATION OF OUTSTANDING
FINANCIAL STATEMENTS AND REPORTS**

References are made to the announcements of Mingfa Group (International) Company Limited (the “**Company**”, which together with its subsidiaries, the “**Group**”) dated 31 March 2016, 1 April 2016, 22 April 2016, 3 May 2016, 27 May 2016, 10 June 2016, 29 July 2016, 31 August 2016, 3 October 2016, 1 November 2016, 2 December 2016, 3 January 2017, 27 January 2017, 2 March 2017, 3 April 2017, 2 May 2017, 2 June 2017, 3 July 2017, 3 August 2017, 18 August 2017, 18 September 2017, 18 October 2017, 14 December 2017, 26 January 2018, 19 March 2018, 30 April 2018, 31 May 2018, 28 June 2018, 20 July 2018, 1 August 2018, 31 August 2018, 3 October 2018, 2 November 2018, 3 December 2018, 2 January 2019 and 1 February 2019 (collectively the “**Announcements**”) in relation to the updates of the Company’s condition since its trading suspension, the announcement of the Company dated 19 December 2018 in relation to the appointment of BDO Financial Services Limited as the internal control consultant (the “**Internal Control Consultant**”) of the Company, the announcement of the Company dated 28 January 2019 in relation to the proposed appointment of BDO Limited as the new auditor of the Company in the forthcoming annual general meeting of the Company to be held on 6 March 2019, and the circular of the Company and the notice of the annual general meeting both dated 1 February 2019. Capitalised terms used in this announcement shall have the same meanings as defined in the Announcements unless otherwise defined herein.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to announce (i) the updated time estimate for finalising the draft report of the Investigations, and the progress of review of the Board and the Audit Committee of the Board of the draft report; (ii) the updated timetable towards the resumption of trading of the shares of the Company on the Stock Exchange, including the time estimate for announcing the key findings of the Investigations and the internal control review; and (iii) the scope of the internal control review being conducted by the Internal Control Consultant.

FINALISATION OF REPORT OF THE INVESTIGATIONS

The Independent Forensic Accountants anticipates to provide the final draft of its report by mid-March 2019. The current reporting timeline is dependent on the progress of information gathering and no extended work steps needs to be performed prior to the provision of such final draft report.

On such basis and subject to the progress of review of the final draft report of the Investigations by members of the Board and the Audit Committee of the Board, it is expected that an announcement will be issued by the Company to announce, among other matters, the key findings of the Investigations by the end of March 2019.

Up to the date of this announcement, the management of the Company and the members of the Audit Committee have been liaising with the Independent Forensic Accountants with respect to various key matters comprised under the Investigations. With their review being continued and on the basis that the final report of the Investigations will be made available by mid-March 2019, it is expected that the Board and the Audit Committee will complete their review by the end of March 2019.

UPDATED TIMETABLE TOWARDS RESUMPTION OF TRADING

Referring to the announcements of the Company dated 3 May 2016 and 1 August 2018 in relation to the resumption conditions (the “**Resumption Conditions**”) imposed by the Stock Exchange on the Company and the announcement of the Company dated 20 July 2018 in relation to the date by which the Company should fulfill all the Resumption Conditions which falls on 31 July 2019 (the “**Resumption Deadline**”), set forth below is the updated timetable of the Company towards resumption of trading of its shares on the Stock Exchange.

Date estimate (2019)	Event
6 March	Convening of the annual general meeting of the Company to, among other matters, (a) receive and approve the audited consolidated financial statements together with the directors' report and the independent auditor's report of the Company for the year ended 31 December 2015; (b) to re-elect the directors of the Company who offer themselves for re-election; and (c) to appoint BDO Limited as auditor of the Company
Mid-March	Finalisation of the Investigations report by the Independent Forensic Accountants
31 March	Publication of the announcement of the Company disclosing, among others, the key findings of the Investigations report and the view and recommendations (if any) of the Audit Committee of the Board and the Board respectively
31 March	Publication of the unaudited consolidated management accounts of the Company for the year ended 31 December 2018
30 April	Finalisation of internal control review report and to the extent practicable, implementation of remedial measures as recommended by the Internal Control Consultant; and publication of an announcement disclosing the key findings of the review and progress of implementation of the remedial measures by the Group
30 April	Publication of (a) the annual results announcements of the Company in respect of the years ended 31 December 2016 and 2017, and the respective annual reports; and (b) the interim results announcements for the respective six months ended 30 June 2016 and 2017 and the respective interim reports
1 May	Publication of quarterly update announcement pursuant to Rule 13.24A of the Listing Rules
31 May	Publication of the annual results announcements of the Company in respect of the year ended 31 December 2018; and the annual report, and issue of notice of the extraordinary general meeting and related circular
1 June	On the basis of fulfilment of all the resumption conditions imposed by the Stock Exchange on the Company, commencement of liaison with the Stock Exchange for resumption of trading of the shares of the Company

Date estimate (2019)	Event
By 30 June	Convening of the extraordinary general meeting of the Company to, among other matters, receive and approve the respective audited consolidated financial statements together with the directors' reports and the independent auditor's reports of the Company for the years ended 31 December 2016, 2017 and 2018
By 31 July	Obtaining the approval from the Stock Exchange for the resumption of trading of the shares of the Company on the Stock Exchange

The above proposed timetable is prepared on the basis of the progress of work in different aspects in the pursuit of resuming trading of the shares of the Company on the Stock Exchange and represents the result of discussion with the professional parties including BDO Limited up to the date of this announcement. In case of any material changes, further announcement(s) will be made by the Company as and when appropriate.

The Company is committed to fulfill the Resumption Conditions to achieve the resumption of trading of its shares on the Stock Exchange by the Resumption Deadline.

DELAY IN PUBLICATION OF OUTSTANDING FINANCIAL STATEMENTS AND REPORTS OF THE COMPANY

On 31 January 2019, the Company published its 2015 annual report comprising, among other matters, the report of the then directors dated 31 March 2016 and the independent auditor's report dated 31 March 2016 in respect of the consolidated financial statements of the Company for the year ended 31 December 2015.

As at the date of this announcement, the publication and/or despatch of the outstanding financial statements and information of the Company are:

- (i) the respective annual reports of the Company for the years ended 31 December 2016 and 31 December 2017, and the respective interim reports of the Company for the six months ended 30 June 2016, 30 June 2017 and 30 June 2018, and
- (ii) the respective annual results announcements of the Company for the years ended 31 December 2016 and 31 December 2017, and interim results announcements of the Company for the six months ended 30 June 2016, 30 June 2017 and 30 June 2018.

Please refer to the proposed timetable above for the publication of the above outstanding financial statements and information of the Company.

In addition, upon the preliminary estimate by BDO Limited, it is estimated that the annual results announcement of the Company for the year ended 31 December 2018 and the related annual report will be available by the end of May 2019.

SCOPE OF INTERNAL CONTROL REVIEW

With reference to the announcement of the Company dated 19 December 2018 in relation to the appointment of the Internal Control Consultant, the Board wishes to announce the scope of internal control review being conducted by the Internal Control Consultant, which includes (i) an assessment of the internal control systems of 27 companies of the Group at both entity-level controls and process-level controls; (ii) making enquiries with the relevant management personnel and key process owners from the holding company and related individual subsidiaries to obtain understanding of the in-scope processes and conducting walkthrough to identify major risks, respective internal controls and design deficiencies of the internal controls system relating to the in-scope processes; (iii) performing substantive procedures to confirm the Internal Control Consultant's understanding and identify operating deficiencies for the internal controls for the period from 1 December 2018 to 31 March 2019; (iv) compiling a written internal control review report which includes the proposed rectification measures; and (v) performing a follow-up review on the remedial actions conducted by the holding company and related individual subsidiaries and finalising the internal control review report.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 1 April 2016 and will remain suspended until further notice pending the fulfilment of the Resumption Conditions.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

On behalf of the Board
Mingfa Group (International) Company Limited
WONG WUN MING
Chairman and Executive Director

Hong Kong, 28 February 2019

As at the date of this announcement, the Board comprises:

Executive Directors: *Mr. Wong Wun Ming, Mr. Huang Qingzhu,
Mr. Huang Lianchun and Mr. Huang Li Shui*

*Independent Non-Executive
Directors:* *Mr. Lau Kin Hon, Mr. Chu Kin Wang Peleus,
Dr. Wong Tin Yau Kelvin J.P. and Dr. Lam, Lee G.*