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: 846)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2018

PERFORMANCE HIGHLIGHTS

The consolidated revenue of the Group for 2018 was approximately RMB11,641.9 million, representing an increase of 15.6% as compared to 2017.

The consolidated profit attributable to the equity holders of the Company was approximately RMB855.1 million, representing a decrease of 16.5% as compared to 2017.

The basic and diluted earnings per share were RMB14.0 cents for 2018, representing a decrease of 16.7% as compared to 2017.

The Board does not recommend payment of final dividend for the year ended 31 December 2018.

The board (the "**Board**") of directors (the "**Directors**") of Mingfa Group (International) Company Limited (the "**Company**") is pleased to announce the consolidated annual results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended 31 December 2018 together with comparative figures for the year ended 31 December 2017. The consolidated annual results have been reviewed by the audit committee of the Company (the "**Audit Committee**").

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the year ended 31 December 2018

	Note	Year ended 31 December 2018 RMB'000	2017 RMB'000
Revenues	3	**11,641,880**	10,071,416
Cost of sales		**(8,319,853)**	(7,653,174)
Gross profit		**3,322,027**	2,418,242
Fair value gains on investment properties		**749,298**	311,966
Other income and other gains and losses	8	**(168,202)**	192,705
Net impairment loss on financial assets		**(154,707)**	(2)
Selling and marketing costs		**(560,158)**	(459,947)
General and administrative expenses		**(701,844)**	(689,596)
Operating profit		**2,486,414**	1,773,368
Finance income	10	**72,788**	100,529
Finance costs	10	**—**	—
Finance income — net	10	**72,788**	100,529
Share of results of			
— Associated companies		**16,701**	34,768
— Joint ventures		**(509)**	(9,849)
		16,192	24,919
Profit before income tax	9	**2,575,394**	1,898,816
Income tax expense	11	**(1,286,263)**	(713,365)
Profit for the year		**1,289,131**	1,185,451
Attributable to:			
Equity holders of the Company		**855,076**	1,024,220
Non-controlling interests		**434,055**	161,231
		1,289,131	1,185,451
Earnings per share for profit attributable to equity holders of the Company *(RMB cents)*	13		
— Basic		**14.0**	16.8
— Diluted		**14.0**	16.8

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
For the year ended 31 December 2018

	Year ended 31 December	
	2018	2017
	RMB'000	*RMB'000*
Profit for the year	**1,289,131**	1,185,451
Other comprehensive income:		
Item that may be reclassified subsequently to profit or loss		
— Currency translation differences	**1,339**	3,585
Item that will not be reclassified subsequently to profit or loss		
— Revaluation deficit upon transfer of an owner-occupied property to an investment property	**(589)**	(1,093)
Other comprehensive income for the year, net of tax	**750**	2,492
Total comprehensive income for the year	**1,289,881**	1,187,943
Attributable to:		
Equity holders of the Company	**855,826**	1,026,712
Non-controlling interests	**434,055**	161,231
	1,289,881	1,187,943

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2018

		As at 31 December	
		2018	2017
	Note	***RMB'000***	*RMB'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**1,606,743**	1,638,606
Investment properties		**10,693,027**	8,567,027
Land use rights		**461,258**	164,699
Goodwill		**7,169**	7,169
Investments in associated companies		**1,509,279**	1,417,372
Investments in joint ventures		**1,987,909**	1,965,796
Deferred income tax assets		**606,273**	529,045
Other financial assets		**40,550**	30,150
Amount due from a joint venture		**—**	274,455
Other receivables	4	**106,327**	185,086
Prepayments or deposits for land use rights		**1,046,340**	2,526,790
		18,064,875	17,306,195
Current assets			
Land use rights		**17,357,451**	16,592,338
Properties under development		**16,883,863**	14,285,914
Completed properties held for sale		**10,314,214**	9,622,216
Inventories		**38,606**	41,578
Trade and other receivables and prepayments	4	**4,919,969**	4,841,047
Contract costs	4	**228,475**	—
Prepaid income taxes		**394,407**	459,744
Amounts due from related parties, joint ventures and associated companies		**1,099,647**	571,350
Amounts due from non-controlling interests		**378,777**	256,860
Restricted cash		**429,621**	366,363
Cash and cash equivalents		**5,263,380**	2,849,226
		57,308,410	49,886,636
Total assets		**75,373,285**	67,192,831

	Note	As at 31 December 2018 RMB'000	2017 RMB'000
LIABILITIES			
Current liabilities			
Trade and other payables	7	**14,938,535**	12,466,560
Advance proceeds received from customers		**—**	15,720,183
Contract liabilities		**20,939,040**	—
Amounts due to related parties, joint ventures and associated companies		**6,932,656**	5,327,292
Amounts due to non-controlling interests		**836,285**	697,451
Income tax payable		**1,895,249**	1,619,197
Borrowings	6	**8,729,820**	10,254,139
Provision for other liabilities and charges		**64,827**	65,064
		54,336,412	46,149,886
Net current assets		**2,971,998**	3,736,750
Total assets less current liabilities		**21,036,873**	21,042,945
Non-current liabilities			
Deferred government grants		**1,429,486**	1,641,326
Borrowings	6	**2,109,678**	2,611,106
Deferred income tax liabilities		**2,209,896**	1,974,243
Other payables	7	**—**	400,000
		5,749,060	6,626,675
Total liabilities		**60,085,472**	52,776,561
Net assets		**15,287,813**	14,416,270
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	5	**536,281**	536,281
Reserves		**13,422,882**	12,932,948
		13,959,163	13,469,229
Non-controlling interests		**1,328,650**	947,041
Total equity		**15,287,813**	14,416,270

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Mingfa Group (International) Company Limited (the "**Company**") was incorporated in the Cayman Islands on 27 November 2007 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Floor 4, Willow House, Cricket Square, P.O. Box 2804, Grand Cayman KY1-1112, Cayman Islands.

The principal activities of the Company and its subsidiaries (together, the "**Group**") are property development, property investment and hotel operation in the People's Republic of China (the "**PRC**").

The Company's shares began to list on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 13 November 2009. Its immediate and ultimate holding company is Galaxy Earnest Limited (incorporated in the British Virgin Islands).

The consolidated financial statements are presented in thousands of Renminbi (RMB'000), unless otherwise stated.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to both years presented, unless otherwise stated.

(a) Basis of preparation

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and under the historical cost convention, as modified by the revaluation of investment properties and other financial assets which are carried at fair value.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Group's accounting policies.

(i) ***Adoption of new/revised HKFRSs — effective 1 January 2018***

Annual Improvements to HKFRSs 2014–2016 Cycle	Amendments to HKAS 28, Investments in Associates and Joint Ventures
HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers
Amendments to HKFRS 15	Revenue from Contracts with Customers (Clarifications to HKFRS 15)
Amendments to HKAS 40	Transfers of Investment Property
HK(IFRIC)—Int 22	Foreign Currency Transactions and Advance Consideration

(ii) ***New/revised HKFRSs that have been issued but are not yet effective***

The following new/revised HKFRSs, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

Amendments to HKFRS 9	Prepayment Features with Negative Compensation[1]
HKFRS 16	Leases[1]
HK(IFRIC)–Int 23	Uncertainty over Income Tax Treatments[1]
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures[1]
Annual Improvement to HKFRSs 2015–2017 Cycle	Amendments to HKFRS 3, Business Combinations[1]
Annual Improvements to HKFRSs 2015–2017 Cycle	Amendments to HKFRS 11, Joint Arrangements[1]
Annual Improvements to HKFRSs 2015–2017 Cycle	Amendments to HKAS 12, Income Taxes[1]
Annual Improvements to HKFRSs 2015–2017 Cycle	Amendments to HKAS 23, Borrowing Costs[1]
Amendments to HKAS 19	Employee Benefits[1]
Amendments to HKFRS 3	Definition of a Business[3]
Amendments to HKAS 1 and HKAS 8	Definition of Material[2]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]

1 Effective for annual periods beginning on or after 1 January 2019

2 Effective for annual periods beginning on or after 1 January 2020

3 Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020.

4 The amendments were originally intended to be effective for periods beginning on or after 1 January 2017. The effective date has now been deferred/removed. Early application of the amendments continue to be permitted.

3 REVENUES AND SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments:

(i) the property development segment engages in real estate development, and is further segregated into commercial and residential;

(ii) the hotel segment engages in hotel operation;

(iii) the property investment and management segment invests in properties for their rental income potential and/or for capital appreciation, and provides management and security services to residential, hotel and commercial properties.

Other operating segments mainly include investment holding, manufacture and sale of furniture, which are not included within the reportable operating segments, as they are not included in the reports provided to the management. The results of these operations are included in the "all other segments" column.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects may be measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs and interest income) and income taxes are managed on a group basis and are not allocated to operating segments.

Inter-segment revenues are eliminated on consolidation.

The Group's revenue from external customers is derived solely from its operations in the PRC, and no significant non-current assets of the Group are located outside the PRC.

Segment assets consist primarily of property, plant and equipment, investment properties, land use rights, properties under development, completed properties held for sale, receivables and cash balances. They also include goodwill recognised arising from acquisition of subsidiaries or non-controlling interests relating to respective segments. They exclude deferred income tax assets, prepaid income taxes and other financial assets.

Segment liabilities comprise operating liabilities. They exclude borrowings, deferred income tax liabilities and income tax payable.

(a) Segment information

The segment results and other segment items for the year ended 31 December 2018 are as follows:

	Property development — commercial RMB'000	Property development — residential RMB'000	Hotel RMB'000	Property investment and management RMB'000	All other segments RMB'000	Elimination RMB'000	Total RMB'000
Total segment revenues	886,739	10,236,879	228,265	285,316	8,287	—	11,645,486
Inter-segment revenues	—	—	(3,606)	—	—	—	(3,606)
Revenues	886,739	10,236,879	224,659	285,316	8,287	—	11,641,880
Operating profit/(loss)	119,487	1,811,678	(26,280)	936,057	(354,528)	—	2,486,414
Finance income — net							72,788
Share of results of associated companies	(273)	(12,571)	—	53,298	(23,753)	—	16,701
Share of results of joint ventures	—	30,348	—	(30,857)	—	—	(509)
Profit before income tax							2,575,394
Income tax expense							(1,286,263)
Profit for the year							1,289,131
Other segment information							
Capital and property development expenditure	221,845	7,360,580	20,500	1,989,147	231	—	9,592,303
Depreciation	17,080	46,157	50,335	1,743	106	—	115,421
Amortisation of land use rights as expenses	—	56,200	—	—	—	—	56,200
Fair value gains on investment properties	—	—	—	749,298	—	—	749,298

The segment assets and liabilities as at 31 December 2018 are as follows:

	Property development — commercial RMB'000	Property development — residential RMB'000	Hotel RMB'000	Property investment and management RMB'000	All other segments RMB'000	Elimination RMB'000	Total RMB'000
Segment assets	4,514,420	93,497,720	2,357,106	12,031,122	15,407,262	(56,972,763)	70,834,867
Associated companies	147,923	104,101	—	1,163,373	93,882	—	1,509,279
Joint ventures	—	39,930	—	1,947,979	—	—	1,987,909
	4,662,343	93,641,751	2,357,106	15,142,474	15,501,144	(56,972,763)	74,332,055
Unallocated:							
Deferred income tax assets							606,273
Prepaid income taxes							394,407
Other financial assets							40,550
Total assets							75,373,285
Segment liabilities	3,343,014	74,510,968	450,668	8,282,843	15,526,099	(56,972,763)	45,140,829
Unallocated:							
Deferred income tax liabilities							2,209,896
Borrowings							10,839,498
Income tax payable							1,895,249
Total liabilities							60,085,472

The segment results and other segment items for the year ended 31 December 2017 are as follows:

	Property development — commercial *RMB'000*	Property development — residential *RMB'000*	Hotel *RMB'000*	Property investment and management *RMB'000*	All other segments *RMB'000*	Elimination *RMB'000*	Total *RMB'000*
Total segment revenues	548,616	9,030,119	230,024	257,089	9,397	—	10,075,245
Inter-segment revenues	—	—	(3,829)	—	—	—	(3,829)
Revenues	548,616	9,030,119	226,195	257,089	9,397	—	10,071,416
Operating (loss)/profit	(142,179)	1,345,150	(215)	487,259	83,353	—	1,773,368
Finance income — net							100,529
Share of results of associated companies	(16,133)	—	—	52,160	(1,259)	—	34,768
Share of results of joint ventures	(9,849)	—	—	—	—	—	(9,849)
Profit before income tax							1,898,816
Income tax expense							(713,365)
Profit for the year							1,185,451
Other segment information							
Capital and property development expenditure	132,959	4,531,316	3,021	313,568	157	—	4,981,021
Depreciation	11,244	36,191	36,988	2,140	108	—	86,671
Amortisation of land use rights as expenses	—	11,476	—	—	128	—	11,604
Fair value gains on investment properties	—	—	—	311,966	—	—	311,966

The segment assets and liabilities as at 31 December 2017 are as follows:

	Property development — commercial *RMB'000*	Property development — residential *RMB'000*	Hotel *RMB'000*	Property investment and management *RMB'000*	All other segments *RMB'000*	Elimination *RMB'000*	Total *RMB'000*
Segment assets	11,088,372	56,297,486	2,396,113	12,545,576	11,329,954	(30,866,777)	62,790,724
Associated companies	196,752	73,121	—	1,041,113	106,386	—	1,417,372
Joint ventures	1,938,374	27,422	—	—	—	—	1,965,796
	13,223,498	56,398,029	2,396,113	13,586,689	11,436,340	(30,866,777)	66,173,892
Unallocated:							
Deferred income tax assets							529,045
Prepaid income taxes							459,744
Other financial assets							30,150
Total assets							67,192,831
Segment liabilities	9,035,960	34,109,112	206,896	7,807,315	16,025,370	(30,866,777)	36,317,876
Unallocated:							
Deferred income tax liabilities							1,974,243
Borrowings							12,865,245
Income tax payable							1,619,197
Total liabilities							52,776,561

(b) Revenues

The following summary describes the operations in each of the Group's reportable segments:

	2018	2017
	RMB'000	*RMB'000*
Revenue from contracts with customer within the scope of HKFRS 15:		
• Property development — commercial	**886,739**	548,616
• Property development — residential	**10,236,879**	9,030,119
• Hotel	**224,659**	226,195
• Property investment and management — property management fee income	**61,804**	57,202
• All other segments	**8,287**	9,397
	11,418,368	9,871,529
Revenue from other sources		
• Property investment and management — rental income	**223,512**	199,887
	11,641,880	10,071,416

Note: The Group has initially applied HKFRS 15 using the cumulative effect method. Under this method, the comparative information is not restated and was prepared in accordance with HKAS 18 and HKAS 11.

In the following tables, revenue is disaggregated by primary geographical market, major products and service and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments.

	Property development — commercial		Property development — residential		Hotel		Property investment and management		All other segments		Total	
	2018	2017	**2018**	2017	**2018**	2017	**2018**	2017	**2018**	2017	**2018**	2017
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*
Primary geographical markets												
PRC	**886,739**	548,616	**10,236,879**	9,030,119	**224,659**	226,195	**285,316**	257,089	**8,287**	9,397	**11,641,880**	10,071,416
Major products/services												
Sales of properties	**886,739**	548,616	**10,236,879**	9,030,119	**—**	—	**—**	—	**—**	—	**11,123,618**	9,578,735
Hotel operating income	**—**	—	**—**	—	**224,659**	226,195	**—**	—	**—**	—	**224,659**	226,195
Rental income												
— from investment properties	**—**	—	**—**	—	**—**	—	**183,177**	169,584	**—**	—	**183,177**	169,584
— others	**—**	—	**—**	—	**—**	—	**40,335**	30,303	**—**	—	**40,335**	30,303
Property management fee income	**—**	—	**—**	—	**—**	—	**61,804**	57,202	**—**	—	**61,804**	57,202
Miscellaneous income	**—**	—	**—**	—	**—**	—	**—**	—	**8,287**	9,397	**8,287**	9,397
	886,739	548,616	**10,236,879**	9,030,119	**224,659**	226,195	**285,316**	257,089	**8,287**	9,397	**11,641,880**	10,071,416
Timing of revenue recognition												
At a point in time	**886,739**	548,616	**10,236,879**	9,030,119	**—**	—	**—**	—	**8,287**	9,397	**11,131,905**	9,588,132
Transferred over time	**—**	—	**—**	—	**224,659**	226,195	**285,316**	257,089	**—**	—	**509,975**	483,284
	886,739	548,616	**10,236,879**	9,030,119	**224,659**	226,195	**285,316**	257,089	**8,287**	9,397	**11,641,880**	10,071,416

4 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS/CONTRACT COSTS

	As at 31 December	
	2018	2017
	RMB'000	*RMB'000*
Trade receivables	**417,552**	447,377
Less: Provision for impairment of trade receivables *(Note (b))*	**(164,628)**	(50,686)
Trade receivables — net *(Note (a))*	**252,924**	396,691
Government grant receivables	**60,220**	60,220
Other receivables *(Note (e))*	**739,314**	781,780
Advances to group companies of non-controlling interests *(Note (c))*	**1,756,222**	1,323,606
Less: Provision for impairment of other receivables and advances to group companies of non-controlling interests	**(462,176)**	—
Other receivables — net	**2,093,580**	2,165,606
Deposits for resettlement costs	**2,687**	2,879
Deposits for land purchases	**194,827**	308,763
Deposit for acquisition of a company	**—**	152,837
Prepayments for commission fees	**—**	162,312
Prepayments for construction costs	**1,595,254**	1,371,966
Prepaid business tax and other levies on pre-sale proceeds	**885,697**	464,828
Miscellaneous	**1,327**	251
	5,026,296	5,026,133
Less: Non-current portion of other receivables *(Note (d))*	**(106,327)**	(185,086)
Current portion	**4,919,969**	4,841,047
Contract costs *(Note (f))*	**228,475**	—

As at 31 December 2018 and 2017, the fair values of trade receivables, deposits for resettlement costs and land purchases, advances to group companies of non-controlling interest and other parties, other receivables and contract costs approximate their carrying amounts.

Notes:

(a) Trade receivables are mainly arose from sales of properties, leases of investment properties and property construction. Proceeds in respect of properties sold and leased and property construction are to be received in accordance with the terms of the related sales and purchase agreements, lease agreements and construction agreement.

The ageing analysis of trade receivables (net of impairment losses) of the Group, based on invoice dates, as of the end of the year is as follows:

	As at 31 December	
	2018	2017
	RMB'000	*RMB'000*
Within 90 days	**65,185**	86,386
Over 90 days and within 1 year	**81,343**	105,087
Over 1 year and within 2 years	**54,889**	111,892
Over 2 years	**51,507**	93,326
	252,924	396,691

(b) Movement in provision for impairment of trade receivables is as follows:

	As at 31 December	
	2018	2017
	RMB'000	*RMB'000*
Opening balance	**50,686**	50,684
Effect of adoption of HKFRS 9	**118,708**	—
Net impairment loss recognised during the year	**(4,766)**	2
	164,628	50,686

(c) The amount represents advances to group companies of non-controlling interests, which is engaged in property development business and has a long standing business relationship with the Group. The balance is unsecured, interest-free and repayable on demand.

(d) The non-current portion of other receivables comprised the below items:

(i) Pursuant to the agreement entered into between the Group and other parties in October 2015, the Group agreed to purchase 9% equity interest of an insurance company at a cash consideration of RMB90,000,000, which was fully paid in February 2017. Up to the date of this results announcement, the transaction has not yet completed and is pending for the approval by the government authority.

(ii) As at 31 December 2017, according to the co-operation agreement dated October 2017, the Group agreed to purchase 50% equity interest of a subsidiary at a cash consideration of RMB210,000,000 in which RMB80,000,000 has been paid by the Group. The transaction was completed in August 2018.

(iii) The remaining balance represents the unsettled proceeds from the sale of a building included in property, plant and equipment which are to be collected over a period of seven years. The receivables were initially recognised at fair value based on cash flows discounted using a rate of 5.94%.

(e) The amount mainly comprises general and administrative expenses paid on behalf of the Group's tenants and customers, and refundable workers wages protection fund requested by the related government authorities in the property development industry.

(f) The amount represents commission paid to property agents in PRC in advance after entering into pre-sale agreements and receiving deposits from customers. These payments are expected to be recognised in profit or loss within twelve months from the end of the reporting period at the point in time when the properties are complete and control is transferred to customers.

5 SHARE CAPITAL

	Number of ordinary shares	Nominal value of ordinary shares *HK$*	Equivalent *RMB*
Authorised:			
At 1 January 2017, 31 December 2017 and at 31 December 2018	12,000,000,000	1,200,000,000	
Issued and fully paid:			
At 1 January 2017, 31 December 2017 and at 31 December 2018	6,093,451,026	609,345,103	536,280,877

6 BORROWINGS

	As at 31 December	
	2018	2017
	RMB'000	*RMB'000*
Borrowings included in non-current liabilities		
Bank borrowings — secured	**3,137,813**	7,054,638
Bank borrowings — unsecured	**184,880**	—
Other borrowings — secured	**278,636**	746,000
Bonds	**1,501,268**	1,753,969
	5,102,597	9,554,607
Less: Amounts due within one year	**(2,992,919)**	(6,943,501)
	2,109,678	2,611,106
Borrowings included in current liabilities		
Bank borrowings — secured	**3,388,002**	1,746,012
Other borrowings — guaranteed and secured	**976,259**	886,026
Current portion of long-term borrowings	**2,992,919**	6,943,501
Senior notes and bonds	**1,372,640**	678,600
	8,729,820	10,254,139

7 TRADE AND OTHER PAYABLES

	As at 31 December	
	2018	2017
	RMB'000	*RMB'000*
Trade payables *(Note (a))*	**9,946,853**	7,814,630
Other payables *(Note (b))*	**4,739,387**	4,894,032
Other taxes payable	**252,295**	157,898
	14,938,535	12,866,560
Less: Non-current portion of other payables *(Note (b)(i))*	**—**	(400,000)
Current portion	**14,938,535**	12,466,560

Notes:

(a) The ageing analysis of trade payables, based on invoice dates, as of the end of the year is as follows:

	As at 31 December	
	2018	2017
	RMB'000	*RMB'000*
Within 90 days	**5,318,440**	4,552,683
Over 90 days and within 1 year	**1,540,523**	1,041,891
Over 1 year	**3,087,890**	2,220,056
	9,946,853	7,814,630

(b) Other payables comprise:

	As at 31 December	
	2018	2017
	RMB'000	*RMB'000*
Deposits and advances from contractors	**518,118**	455,613
Deposits received from other customers for purchase of properties	**1,489,329**	1,497,535
Deposits received from tenants of investment properties	**72,114**	65,374
Payable to joint operation partner	**31,720**	39,140
Advances from shareholders of associated companies and joint ventures *(Note (i))*	**1,011,178**	1,351,674
Advances from group companies of non-controlling interests *(Note (ii))*	**—**	196,026
Advances from other parties *(Note (iii))*	**313,164**	110,313
Consideration payable on acquisition of subsidiaries	**271,917**	267,504
Consideration received for disposal of a subsidiary	**87,620**	91,200
Commission payables	**35,908**	6,830
Consideration payable on acquisition of lands	**—**	202,746
Accruals and other payables *(Note (iv))*	**680,543**	445,406
Provision for loss arising from financial guarantee agreements *(Note (v))*	**89,136**	89,136
Miscellaneous	**138,640**	75,535
	4,739,387	4,894,032

(i) As at 31 December 2018, except for advances from shareholders of associated companies and joint ventures amounted to RMB850,441,000 (2017: RMB506,792,000) for current portion which are unsecured, interest-bearing with interest rate ranging from 5.2% to 13.5% (2017: ranging from 5.2% to 12%) per annum and repayable in 6 months to 2 years (2017: 6 months to 2 years) after drawdown date, the remaining balances are unsecured, interest-free and repayable on demand.

As at 31 December 2017, the non-current portion of advances from shareholders of associated companies and joint ventures are non-trade in nature, unsecured, interest bearing at 5.2% per annum, and repayable in 2 years after drawdown date.

(ii) As at 31 December 2017, the amount is unsecured, interest-bearing at 9.5% per annum and repayable on demand.

(iii) As at 31 December 2018, except for advances from other parties amounted to RMB116,553,000 (2017: RMB110,313,000) which are secured, interest-bearing at 12% (2017: 12%) per annum, the remaining balance is unsecured, interest-bearing with interest rate ranging from 4.35% to 13.5% (2017: N/A) per annum and repayable on demand.

(iv) The amount mainly comprises accruals of general and administrative expenses, salaries and operating expenses.

(v) In 2016, a provision for losses arose from three financial guarantee contracts in respect of guarantee agreements entered into by a subsidiary of the Group amounted to RMB34,990,000, RMB26,546,000 and RMB27,600,000 respectively.

8 OTHER INCOME AND OTHER GAINS AND LOSSES

	Year ended 31 December	
	2018	2017
	RMB'000	*RMB'000*
Government grants *(Note (a))*	**2,534**	2,452
Reversal of provision for losses on financial guarantee contracts in respect of guarantee agreement *(Note (c))*	**674**	—
Net (loss)/gain from disposal of property, plant and equipment	**(185)**	420
Net exchange (losses)/gains *(Note (b))*	**(207,365)**	211,048
Net loss from disposal of investment properties	**(1,541)**	(1,657)
Miscellaneous	**37,681**	(19,558)
	(168,202)	192,705

Note:

(a) The government grants represented both the amortisation of deferred government grant and other subsidy income received from various local government authorities by certain subsidiaries which were credited to the consolidated statement of profit or loss directly. Grants from government were recognised at their fair values when the Group fulfilled the attached conditions.

As the provision of government grants should be approved by local government authorities on a case by case basis there is no assurance that the Group will continue to enjoy such grants in the future.

(b) Exchange difference mainly arises from the senior notes and bonds in Note 6 which is denominated in USD.

9 PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging the following:

	Year ended 31 December	
	2018	2017
	RMB'000	*RMB'000*
Staff costs — including directors' emoluments *(Note (a))*	**435,825**	361,257
Auditor's remuneration	**4,800**	4,800
Charitable donation	**1,134**	14,311
Depreciation	**115,421**	86,671
Amortisation of land use rights	**56,200**	11,604
Cost of properties sold	**7,815,744**	6,962,282
Business tax and other levies on sales and construction of properties *(Note (b))*	**234,549**	444,875
Direct outgoings arising from investment properties that generate rental income	**143,343**	124,860
Operating lease expenses on land and buildings	**32,093**	43,076
Hotel operating expenses	**115,108**	116,861
Provision for delay in delivering properties	**13,338**	2,448

Notes:

(a) Staff costs (including directors' emoluments)

	Year ended 31 December	
	2018	2017
	RMB'000	*RMB'000*
Wages and salaries	**372,863**	311,557
Pension costs — defined contribution plans	**41,054**	30,755
Other allowances and benefits	**21,908**	18,945
	435,825	361,257

(b) Business tax and other levies on sales and construction of properties

The PRC companies of the Group are subject to business tax of 5% and other levies on their revenues from sale and construction of properties. These expenses are included in cost of sales.

10 FINANCE INCOME AND COSTS

	Year ended 31 December 2018 *RMB'000*	2017 *RMB'000*
Finance income		
— interest income on bank deposits and loan to a related party	**72,788**	100,529
Interest expenses on bank borrowings	**(638,454)**	(706,786)
Interest expenses on other borrowings and advances from other parties	**(31,865)**	(61,821)
Interest expenses on senior notes and bonds	**(340,853)**	(222,962)
Less: Interest capitalised	**1,011,172**	991,569
Finance costs	**—**	—
Net finance income	**72,788**	100,529

11 INCOME TAX EXPENSE

	Year ended 31 December 2018 *RMB'000*	2017 *RMB'000*
Current income tax		
— PRC enterprise income tax	**645,650**	468,871
— PRC land appreciation tax	**389,949**	310,662
	1,035,599	779,533
Deferred income tax		
— PRC enterprise income tax	**165,394**	(146,869)
— PRC withholding income tax	**85,270**	80,701
	250,664	(66,168)
	1,286,263	713,365

Hong Kong profits tax

Hong Kong profits tax has not been provided for as the Group has no estimated assessable profit in Hong Kong for the year ended 31 December 2018 (2017: Nil).

PRC enterprise income tax

PRC enterprise income tax is provided for at 25% (2017: 25%) of the profits for the PRC statutory financial reporting purpose, adjusted for those items which are not assessable or deductible for the PRC enterprise income tax purpose.

PRC land appreciation tax

PRC land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of properties less deductible expenditures including cost of land use rights, borrowing costs, business taxes and all property development expenditures. The tax is incurred upon transfer of property ownership.

PRC withholding income tax

According to the Enterprise Income Tax Law of the PRC and its detailed implementation regulations, starting from 1 January 2008, a 10% withholding tax will be levied on the immediate holding companies established outside the PRC when their invested entities in the PRC declare their dividends out of the profits earned after 1 January 2008. A lower 5% withholding tax rate may be applied, subject to approval of local tax authorities, when the immediate holding companies are established in Hong Kong according to the tax treaty arrangement between the PRC and Hong Kong. The Group accrues for the PRC withholding income tax based on the tax rate of 5% for its immediate holding companies which are established in Hong Kong.

12 DIVIDENDS

No interim dividend was declared and the Board does not recommend payment of final dividend for the year ended 31 December 2018 (2017: Nil).

13 EARNINGS PER SHARE

Basic and diluted

Basic earnings per share for the years ended 31 December 2018 and 2017 is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

As there were no dilutive options and other dilutive potential shares in issue during 2018 and 2017, and the Company's shares were suspended for trading on the Stock Exchange, diluted earnings per share is the same as basic earnings per share.

	Year ended 31 December	
	2018	2017
Profit attributable to equity holders of the Company *(RMB'000)*	**855,076**	1,024,220
Weighted average number of ordinary shares in issue *(thousands)*	**6,093,451**	6,093,451
Basic and diluted earnings per share *(RMB cents)*	**14.0**	16.8

RESULTS

The consolidated revenue of the Group was approximately RMB11,641.9 million for 2018 (2017: approximately RMB10,071.4 million), representing an increase of 15.6% as compared to 2017. The consolidated profit for the year and profit attributable to equity holders of the Company were approximately RMB1,289.1 million and RMB855.1 million respectively for 2018 (2017: approximately RMB1,185.5 million and RMB1,024.2 million respectively), representing an increase of 8.7% and a decrease of 16.5% respectively as compared to 2017. The basic and diluted earnings per share were RMB14.0 cents for 2018 (2017: RMB16.8 cents per share), representing a decrease of 16.7% as compared to 2017.

The Board does not recommend payment of final dividend for the year ended 31 December 2018.

INDUSTRY REVIEW

According to the National Bureau of Statistics, the GFA sold in commodity house increased for 1.3% to 1.72 billion square metres in 2018 while the corresponding transaction volume increased for 12.2% in 2018 to RMB15.0 trillion. Stringent regulations imposed in 2017 on the real estate market was continued to curb the speculative investments.

Property market in some second tier cities such as Nanjing continued to grow in terms of GFA and transaction volume. In addition, the sales price and volume of properties for those third tier cities near Nanjing increased along with it.

BUSINESS REVIEW

Sales and Earnings

The revenue of the Group was approximately RMB11,641.9 million for 2018 (2017: approximately RMB10,071.4 million), representing an increase of 15.6% as compared to 2017. The increased in revenue in 2018 was mainly due to the increase in the GFA delivered from 1,029,065 sq.m. in 2017 to 1,248,065 sq.m. in 2018.

The gross profit of the Group was approximately RMB3,322.0 million for 2018, representing an increase of 37.4% as compared to 2017 (2017: approximately RMB2,418.2 million). The gross profit for 2018 increased primary as a result of the revenue growth.

The profit for the year of the Group increased by 8.7% from approximately RMB1,185.5 million in 2017 to approximately RMB1,289.1 million in 2018. The increase was mainly due to more profit was generated from the increase in the revenue from approximately RMB10,071.4 million in 2017 to approximately RMB11,641.9 million in 2018.

The profit attributable to the equity holders of the Company was approximately RMB855.1 million for 2018, representing a decrease of approximately RMB169.1 million or approximately 16.5% from 2017 (2017: approximately RMB1,024.2 million).

The cost of sales of the Group was approximately RMB8,319.9 million for 2018, representing an increase of 8.7% as compared to 2017 (2017: approximately RMB7,653.2 million). Cost of sales increased in line with revenue.

The average cost of properties included in cost of sales of the Group was RMB6,261.9 per sq.m. for 2018, representing a decrease of 7.4% over 2017 (2017: average cost of properties included in cost of sales was RMB6,765.6 per sq.m.). The main reason was due to the lower land cost of Wujiang properties which were delivered in 2018.

The total GFA sold and delivered by the Group in 2018 was approximately 1,248,065 sq.m., representing an increase of 21.3% as compared to 2017 (2017: approximately 1,029,065 sq.m.). Such increase was due to more properties delivered in the newly completed projects in Wujing and Zibo in 2018 which accounted for GFA of 366,551 sq.m.

During the year under review, the average sales price ("**ASP**") of the Group's delivered properties was RMB8,912.7 per sq.m., representing a decrease of 4.3% as compared to 2017 (2017: RMB9,308.2 per sq.m). Such decrease was mainly due to more properties in Wujing being delivered to buyers in 2018 which had lower ASP.

In the year under review, the Group recorded contracted sales of approximately RMB16,358.8 million with GFA of 1,786,192 sq.m. (2017: approximately RMB12,510.5 million with GFA of 1,606,730 sq.m.).

The GFA of the properties delivered by the Group in 2018 and the ASP per sq.m. were as follows:

	Sales Revenue *(RMB'000)*		**GFA Delivered** *(sq.m.)*		**ASP** *(RMB per sq.m.)*	
	2018	2017	**2018**	2017	**2018**	2017
Nanjing Rong Li	**2,433,583.3**	1,488,378.6	**105,362.8**	88,591.2	**23,097.2**	16,800.5
Jinzhai Mingfa Shopping Mall	**1,668,529.8**	449,664.5	**325,519.1**	108,249.3	**5,125.8**	4,154.0
Nanjing Dream Garden	**1,608,024.8**	n/a	**112,316.6**	n/a	**14,316.9**	n/a
Zibo Mingfa World Trade Centre	**1,068,073.2**	n/a	**167,619.9**	n/a	**6,372.0**	n/a
Wujing Mingfa Jiangwan City	**1,005,192.3**	n/a	**201,557.7**	n/a	**4,987.1**	n/a
Nanjing Mingfa Yuejingyuan	**784,346.4**	n/a	**49,193.5**	n/a	**15,944.1**	n/a
Taizhou Mingfa City Complex	**530,463.2**	348,516.1	**85,299.2**	81,488.6	**6,218.9**	4,276.9
Tianjin Binhai Mingfa Shopping Mall	**431,216.3**	n/a	**48,548.9**	n/a	**8,882.1**	n/a
Nanjing Mingfa Xiang Hill Garden	**383,900.1**	1,984,257.2	**16,080.4**	122,871.8	**23,873.7**	16,149.0
Yangzhou Mingfa Jiangwan City	**161,425.8**	241,296.1	**26,611.1**	42,194.3	**6,066.1**	5,718.7
Nanjing Mingfa Cloud Mansion	**141,044.2**	839,292.5	**6,001.7**	49,181.7	**23,500.6**	17,065.1
Nanjing Mingfa Pearl Spring Resort	**116,849.1**	93,596.7	**5,050.9**	4,987.6	**23,134.5**	18,765.8
Nanjing Mingfa New City Finance Building	**112,380.7**	2,092,726.7	**6,205.4**	187,903.5	**18,110.2**	11,137.2
Quanzhou Mingfa International Huachang City	**103,271.4**	91,920.9	**20,260.4**	19,307.5	**5,097.2**	4,760.9
Shenzhen Mingfa Guangming Xuan	**92,959.1**	n/a	**2,906.1**	n/a	**31,988.1**	n/a
Zhenjiang Mingfa Jinxiu Yinshan	**72,671.6**	197,925.5	**15,051.8**	48,860.5	**4,828.1**	4,050.8
Wuxi Mingfa International New Town	**70,977.2**	354,086.1	**9,215.3**	59,340.1	**7,702.1**	5,967.1
Nanjing Mingfa Pearl River International	**68,985.2**	460,416.1	**2,130.9**	20,876.0	**32,374.5**	22,054.8
Changsha Mingfa Shopping Mall	**5,836.2**	389,775.7	**926.6**	82,200.1	**6,298.5**	4,741.8
Pingliang Mingfa European City	**n/a**	236,728.8	**n/a**	57,934.9	**n/a**	4,086.1
Zhangzhou Longhai Mingfa Mall	**n/a**	14,532.5	**n/a**	2,347.3	**n/a**	6,191.2
Nanjing Mingfa City Square	**n/a**	2,231.8	**n/a**	187.5	**n/a**	11,904.2
Others	**263,887.7**	293,388.4	**42,206.7**	52,542.8	**6,252.3**	5,583.8
Total	**11,123,617.6**	9,578,734.2	**1,248,064.7**	1,029,064.7	**8,912.7**	9,308.2

PRE-SOLD PROPERTIES

As at 31 December 2018, the attributable GFA of pre-sold properties not yet delivered to the buyers was 2,685,253 sq.m. (2017: 2,400,122 sq.m.). Set out below are the details of the properties, the Group's interest and the attributable pre-sold GFA of the Group:

City	Property	Group's Interest	Attributable Pre-sold GFA *(sq.m.)*
Changsha	Changsha Mingfa Shopping Mall	100%	210,732
Chizhou	Taoyuan Mingzhu	100%	61,442
Chizhou	Taoyuan Xiangsong	100%	41,914
Dangtu	Taoyuan Xi'an	100%	35,148
Guang'an	Guang'an Mingfa Mall	100%	123,174
Guang'an	Guang'an Wealth Centre	100%	37,233
Hefei	Hefei Mingfa Shopping Mall	100%	19,946
Honglai	Honglai Mingfa Commercial Centre	100%	315
Huai'an	Huai'an Mingfa Shopping Mall	100%	15,701
Huizhou	Huizhou Mingfa Gaobang New City	80%	21,942
Jinzhai	Jinzhai Mingfa City Square	100%	238,365
Jinzhai	Jinzhai Mingfa Yueshanyuefu	100%	15,369
Laian	Mingfa North Station New Town	70%	81,281
Laian	Mingfa North Station Center	100%	24,302
Ma'anshan	Mingfa Mingbao Town	100%	107,671
Ma'anshan	Ma'anshan Hecheng Shoufu	100%	9,061
Nanjing	Nanjing Mingfa Riverside New Town	100%	4,436
Nanjing	Nanjing Mingfa City Square	100%	6,016
Nanjing	Nanjing Mingfa Yuejingyuan	100%	3,746
Nanjing	Nanjing Mingfa Pearl River International	100%	810
Nanjing	Nanjing Mingfa Cloud Mansion	40%	184
Nanjing	Nanjing Mingfa Shopping Mall	100%	30,547
Nanjing	Nanjing Rong Li	51%	28,218
Nanjing	Nanjing Mingfa Xianghill Garden	100%	3,358
Nanjing	Nanjing Mingfa New City Finance Building	100%	602
Nanjing	Nanjing Mingfa Wealth Centre	100%	129,265
Nanjing	Nanjing Mingfa Yueshanyuefu	100%	39,175
Nanjing	Nanjing Ming Hong Xin Yue City	40%	32,484
Pingliang	Pingliang Mingfa European City	60%	23,791
Quanjiao	Taoyuan New Town	100%	90,018
Quanjiao	Taoyuan Mansion	100%	28,361
Quanzhou	Quanzhou Mingfa Hua Chang City	100%	40,771
Shenyang	Shenyang Mingfa Jinxiuhwa City	100%	88,170
Shenyang	Shenyang Creative Industrial Estate	100%	23,744

City	Property	Group's Interest	Attributable Pre-sold GFA *(sq.m.)*
Shenzhen	Shenzhen Mingfa Guangming Xuan	100%	679
Sihong	Sihong 2017-A04	100%	77,198
Taizhou	Taizhou Mingfa City Complex	100%	139,014
Tianjin	Tianjin Binhai Mingfa Shopping Mall	100%	6,466
Wujiang	Wujiang Mingfa Jiangwan New City	100%	554,011
Wuxi	Wuxi Mingfa Shopping Mall	70%	2,561
Wuxi	Wuxi Mingfa International New Town	100%	14,485
Xiamen	Xiamen Mingfa Xiang Wan Peninsula	100%	2,079
Xiamen	Xiamen Mingfa Harbour Resort	100%	3,471
Xiamen	Xiamen Mingfa Shopping Mall	70%	15,982
Xiamen	Xiamen Mingfeng Town	100%	17,751
Yangzhou	Yangzhou Mingfa Shopping Mall	100%	7,047
Yangzhou	Yangzhou Mingfa Jiangwan City	100%	3,461
Zhangzhou	Zhangzhou Mingfa Shopping Mall	100%	2,822
Zhangzhou	Zhangzhou Longhai Mingfa Mall	100%	124,999
Zhengjiang	Zhenjiang Mingfa Xinjin Yuancheng	100%	1,386
Zhengjiang	Zhengjiang Jinxiu Yishan	100%	45,030
Zibo	Shandong Zibo World Trade Center	100%	49,519
Total			2,685,253

SUMMARY OF LAND BANK

As at 31 December 2018, land bank attributable to the Group increased by 4.7% to approximately 22.4 million sq.m. (2017: approximately 21.4 million sq.m.), consisting of 116 projects (2017: 99 projects) in total.

	Number of Projects	Attributable GFA *(million sq.m.)*
Completed Projects	32	2.6
Projects under Development	54	14.1
Projects for Future Development	30	5.7
Total	**116**	**22.4**

The following tables summarize the details of the Group's land bank as at 31 December 2018:

Property Name	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area *(Sq.m.)* *(Note 3)*	Approximate Leasable and Saleable GFA *(Sq.m.)*	Group's Interest	Attributable GFA *(Sq.m.)*
Completed property (held for sale/leasing) *(Note 1)*								
Xiamen Mingfa Seascape Garden	Located at Qianpu South 2 Road, Siming District, Xiamen, Fujian Province	Dec/2004	Residential/ Commercial/ Office	Completed	18,247	450	100%	450
Xiamen Mingfa Noble Place	Located at Jiangtou Residential, Huli District, Xiamen, Fujian Province	Dec/2004	Residential/ Commercial/ Office	Completed	5,529	1,287	100%	1,287
Xiamen Mingfa Garden	Located at Huanhuli South, lvling Road, Siming District, Xiamen, Fujian Province	Apr/2005	Residential/ Commercial	Completed	18,697	13,809	100%	13,809
Xiamen Jianqun Elegant Garden	Located at Qianpu Lianqian East Road North, Huli District, Xiamen, Fujian Province	Apr/2005	Residential/Office	Completed	10,257	1,418	100%	1,418
Xiamen Mingfa International New Town	Located at Qianpu Lianqian Road South, Siming District, Xiamen, Fujian Province	Feb/2002	Residential/ Commercial/ Office	Completed	26,016	5,527	100%	5,527
Xiamen Mingfa Shopping Mall	Located to the northwest of Jiahe Road and Lianqian Road, Siming District, Xiamen, Fujian Province	Oct/2007	Commercial/Office/ Hotel	Completed	166,775	26,750	70%	18,725
Xiamen Mingfa Town	Located at lvling Road, Siming Industrial Park, Siming District, Xiamen, Fujian Province	Jan/2008	Residential/ Commercial	Completed	12,879	14,930	100%	14,930
Nanjing Pearl Spring Resort	Located in Pearl Spring Resort, Pukou District, Nanjing, Jiangsu Province	Dec/2008	Residential/Hotel	Completed	112,973	5,201	100%	5,201
Nanjing Mingfa Riverside New Town	Located in Taishan Village, Pukou District, Nanjing, Jiangsu Province	Nov/2009	Residential/ Commercial	Completed	1,072,182	67,084	100%	67,084
Nanjing Mingfa Shopping Mall	Located at the intersection of Dingqiang Road and Yulan Road in Yuhuatai District, Nanjing, Jiangsu Province	Dec/2010	Commercial/Office/ Hotel	Completed	182,588	112,186	100%	112,186
Wuxi Mingfa Shopping Mall	Located in Sitou Village and Tangtou Village, Yanqiao Town, Huishan District, Wuxi, Jiangsu Province	Dec/2011	Residential/ Commercial/ Hotel	Completed	216,643	436,336	70%	305,435
Hefei Mingfa Shopping Mall	Located along the northeast side of the junction of Silihe Road and Dangshan Road, Luyang District, Hefei, Anhui Province	Dec/2011	Residential/ Commercial/ Office/Hotel	Completed	176,698	188,337	100%	188,337

Property Name	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area *(Sq.m.)* *(Note 3)*	Approximate Leasable and Saleable GFA *(Sq.m.)*	Group's Interest	Attributable GFA *(Sq.m.)*
Yangzhou Mingfa Shopping Mall	Located at the south of Yunhe Road East and west of Baolin Road, Guangling District, Yangzhou, Jiangsu Province	Dec/2011	Residential/ Commercial/ Hotel	Completed	145,267	226,320	100%	226,320
Nanjing Mingfa City Square	Located on Dingshan Road, Pukou District, Nanjing, Jiangsu Province	Dec/2012	Residential/ Commercial/ Office	Completed	128,683	70,138	100%	70,138
Honglai Mingfa Commercial Center	Located at Honglai District, Nanan, Fujian Province	Jun/2012	Residential/ Commercial	Completed	27,065	11,726	100%	11,726
Xiamen Mingfa Xiang Wan Peninsula	Located at east part of Xiang'an Road, Xiang'an, Fujian Province	Dec/2012	Residential/ Commercial	Completed	104,380	13,345	100%	13,345
Zhangzhou Mingfa Shopping Mall	Located at Longjiang Road East, Shuixian Street North, No. 6 Road West, Xinpu Road South, Zhangzhou, Fujian Province	Dec/2013	Residential/ Commercial/ Office/Hotel	Completed	223,589	238,023	100%	238,023
Xiamen Mingfa Harbor Resort	Located at south of Wu Yuan Wan Bridge, west of Huan Wan Road, and along the seaview strip of Huli District, Xiamen, Fujian Province	Dec/2013	Hotel	Completed	58,952	136,972	100%	136,972
Huaian Mingfa Shopping Mall (Block C)	Located in Weihai East Road, Huaian, Jiangsu Province	Dec/2014	Residential	Completed	51,345	10,506	100%	10,506
Nanjing Mingfa Pearl River International (G11)	Located at Jiangpu Street, east to Xianzhuang Road, south to Jiangpu Secondary School, north to South River, west to Guihua Road, Pukou District, Jiangsu Province	Sep/2017	Residential	Completed	8,586	7,604	100%	7,604
Nanjing Mingfa New City Finance Building	Located in New Town Business Avenue North, Pukou District, Nanjing, Jiangsu Province	Dec/2017	Residential/ Commercial	Completed	59,042	166,839	100%	166,839
Nanjing Mingfa Cloud Mansion	Located in along the mountain road South, Jiangpu Street, Nanjing, Jiangsu Province	Sep/2017	Residential	Completed	32,787	72,138	40%	28,855
Jinzhai Mingfa City Square	Located at New Town District, Meishan Town, Jinzhai County, Hefei, Anhui Province	Sep/2017	Residential/ Commercial	Completed	105,504	222,243	100%	222,243
Jinzhai Mingfa City Square (Plot D)	Located at New City, Meishan Town, Jinzhai County, Anhui Province	Dec/2017	Residential/ Commercial	Completed	62,885	58,221	100%	58,221

Property Name	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area *(Sq.m.)* *(Note 3)*	Approximate Leasable and Saleable GFA *(Sq.m.)*	Group's Interest	Attributable GFA *(Sq.m.)*
Wuxi Mingfa International	Located South of Yanqiao Town, Huishan District, Wuxi, Jiangsu Province	Jun/2017	Residential/ Commercial	Completion certificate had been granted for GFA of 519,938 Sq.m. in December 2017. The remaining GFA of 29,623 Sq.m. will be completed in December 2019	258,297	117,933	100%	117,933
Jinzhai Mingfa City Square (Plot E, F)	Located at New City, Meishan Town, Jinzhai County, Anhui Province	Jun/2018	Residential/ Commercial	Completed	203,406	233,182	100%	233,182
Beijing Mingfa Mall	Located in Beizang Village, Daxing District, Beijing	Dec/2018	Residential/ Commercial	Completed	45,414	112,640	100%	112,640
Nanjing Dream Garden	Located at Yuhuatai Economic Development Zone, Nanjing, Jiangsu Province	Jul/2018	Residential	Completed	58,914	154,394	51%	21,460
Xiamen Mingfeng Town	Located at Lingdou Siming District, Xiamen, Fujian Province	Jul/2018	Commercial	Completed	19,190	120,595	100%	120,595
Zhenjiang Mingfa Xinjin Yuancheng	Located at east of the New Road, Danbei Town, Danyang City	Jan/2018	Residential/ Commercial	Completed	14,287	13,304	100%	13,304
Shenzhen Mingfa Guangming Xuan	Located at Tianliao Yulv Area, Guangming New District, Shenzhen	Dec/2018	Commercial	Completed	4,109	12,320	100%	9,414
Nanjing Mingfa Yuejingyuan (G07)	Located at Pukou South along the mountain road, east side Nanjing University of Technology	Oct/2018	Commercial	Completed	31,455	40,754	100%	40,754
Sub-total					**3,662,637**	**2,912,512**		**2,594,463**
Properties under development *(Note 2)*								
Zhenjiang Jinxiu Yinshan	Located in the Centre of Zhenjiang City, Jiangsu Province	Dec/2019	Residential/ Commercial/ Hotel	Completion certificate had been granted for GFA of 246,245 Sq.m. in December 2017. The remaining GFA of 158,433 Sq.m. will be completed in December 2019.	296,702	195,029	100%	195,029
Huaian Mingfa Shopping Mall (Block A)	Located in Shenzhen South Road, Huaian, Jiangsu Province	Dec/2020	Commercial	Approximately 90% of construction has been completed	133,110	266,335	100%	266,335
Shenyang Mingfa Jinxiu Hua City	Located in Shenbei Xinqu Daoyi Development Zone, Liaoning Province	Dec/2019	Residential/ Commercial	Completion certificate had been granted for GFA of 280,040 Sq.m. in December 2014. The remaining GFA of 26,070 Sq.m. will be completed in December 2018	61,222	175,275	100%	175,275

Property Name	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area *(Sq.m.) (Note 3)*	Approximate Leasable and Saleable GFA *(Sq.m.)*	Group's Interest	Attributable GFA *(Sq.m.)*
Yangzhou Mingfa Jiangwan City	Located at east of Xuzhuang road, north of Kaifa East road, west of Liaojiagou road, south of Ming Cheng road, Yangzhou, Jiangsu Province	Dec/2019	Residential	Completion certificate had been granted for GFA of 196,412 Sq.m. in December 2017. The remaining GFA of 25,120 Sq.m. will be completed in December 2019	158,238	11,121	100%	11,121
Taizhou Mingfa International Mall (Phase 1)	Located in Gaogang District, Taizhou, Jiangsu Province	Dec/2020	Residential/ Commercial	Completion certificate had been granted for GFA of 417,064 sq.m. in December 2015. The remaining GFA of 361,737 sq.m. will be completed in December 2020	292,487	401,777	100%	401,777
Taizhou Mingfa International Mall (Phase 2)	Located in Gaogang District, Taizhou, Jiangsu Province	Oct/2020	Residential/ Industrial	Completion certificate had been granted for GFA of 143,995 sq.m. in December 2018. The remaining GFA of 163,859 sq.m. will be completed in October 2020	237,075	245,687	100%	245,687
Zhangzhou Longhai Mingfa Mall (2011G17, 2011G18 Phase 1)	Located in Bangshan Town, Kekeng Village, Longhai, zhangzhou, Fujian Province	Dec/2020	Residential/ Commercial	Completion certificate had been granted for GFA of 39,734 sq.m. in December 2016. The remaining GFA of 244,449 sq.m. will be completed in December 2019	78,622	239,221	100%	239,221
Shanghai Mingfa Shopping Mall	Located in Hu Yi Highway East,Baiyin Road of South, Boundary of West, Gaotai Road North, Shanghai	Dec/2019	Commercial	Completion certificate had been granted for GFA of 39,459 sq.m. in December 2016. The remaining GFA of 121,079 sq.m. will be completed in December 2019	53,779	152,555	100%	152,555
Pingliang Mingfa European City	Located in Water Bridge West,Linjing Road North, Kongdong District, Pingliang, Gansu Province	Dec/2021	Residential	Approximately 75% of construction has been completed	117,594	122,163	60%	73,298
Changsha Mingfa Shopping Mall	Located in Star Cheng Town, Wangcheng County, Changsha, Hunan Province	Dec/2021	Residential/ Commercial	Completion certificate had been granted for GFA of 74,461 sq.m. in December 2016. The remaining GFA of 843,189 sq.m. will be completed in December 2021	285,594	798,588	100%	798,588
Huizhou Mingfa Gaobang New City	Huizhou City West Train Station, Guangdong Province	Dec/2020	Residential	Approximately 70% of construction has been completed	332,335	708,157	80%	566,526

Property Name	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area *(Sq.m.)* *(Note 3)*	Approximate Leasable and Saleable GFA *(Sq.m.)*	Group's Interest	Attributable GFA *(Sq.m.)*
Nanjing Mingfa Xiang Hill Garden	Located in along the mountain road to the south, Caibei Road East, Pukou District, Nanjing, Jiangsu Province	Dec/2019	Residential	Completion certificate had been granted for GFA of 244,877 sq.m. in December 2017. The remaining GFA of 10,484 sq.m. will be completed in December 2019	115,876	116,409	100%	116,409
Tianjin Binhai Mingfa Shopping Mall	Located in Tanggu Marine Hi-Tech Development Zone, Tianjin	Dec/2021	Commercial	Completion certificate had been granted for GFA of 68,620 sq.m. in December 2018. The remaining GFA of 349,476 sq.m. will be completed in December 2021	209,048	369,547	100%	369,547
Nanjing Mingfa Wealth Center	Located in NewCity Headquarters Avenue on the north side of 05 Plots, Pukou District, Nanjing, Jiangsu Province	Dec/2019	Commercial/Office	Approximately 40% of construction has been completed	56,694	283,470	100%	283,470
Nanjing Rong Li	Located at Jiangpu Street, Puzhu Road North, Directional River Road East, Pukou District, Nanjing, Jiangsu Province	Dec/2019	Residential	Completion certificate had been granted for GFA of 200,563 sq.m. in December 2018. The remaining GFA of 642,626 sq.m. will be completed in December 2019	132,937	31,415	51%	16,022
Wujiang Mingfa Jiangwan New City (Phase 1)	Located at Wujiang Town Four Lian, Hexian, Anhui Province	Dec/2019	Residential/ Commercial	Completion certificate had been granted for GFA of 269,628 sq.m. in December 2018. The remaining GFA of 440,275 sq.m. will be completed in December 2021	298,289	508,345	100%	508,345
Wujiang Mingfa Jiangwan New City (Phase 2)	Located at Wujiang Town Four Lian, Hexian, Anhui Province	Dec/2021	Residential/ Commercial	Approximately 55% of construction has been completed	489,567	1,395,484	100%	1,395,484
Quanzhou Mingfa International Huachang City	Located at Neicuo Village, Guanqiao Town, Nanan, Fujian Province	Dec/2021	Residential/ Commercial	Approximately 50% of construction has been completed	276,120	747,653	100%	747,653
Guang'an Mingfa Mall (GC2013–45 Block)	Located in Bridge Group, Guanan, Sichuan Province	Dec/2020	Residential/ Commercial	Approximately 50% of construction has been completed	76,153	382,692	100%	382,692
Shandong Zibo World Trade Center	Located in People's Road to the north, Shanghai Road to the east, Zhangdian District, Zibo, Shandong Province	Dec/2021	Residential/ Commercial	Completion certificate had been granted for GFA of 173,743 sq.m. in December 2018. The remaining GFA of 445,215 sq.m. will be completed in December 2021	147,371	451,338	100%	451,338
Shenyang Creative Industrial Estate	Located in Shenbei Xinqu Daoyi Development Zone, Liaoning Province	Dec/2021	Residential/ Commercial	Approximately 70% of construction has been completed	154,024	462,072	100%	462,072

Property Name	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area (Sq.m.) (Note 3)	Approximate Leasable and Saleable GFA (Sq.m.)	Group's Interest	Attributable GFA (Sq.m.)
Zhangzhou Longhai Mingfa Mall (2011G15、2012G15 Phase 2)	Located in Bangshan Town, Kekeng Village, Longhai, Zhangzhou, Fujian Province	Jun/2021	Residential	Approximately 50% of construction has been completed	63,127	189,381	100%	189,381
Zhongao Town Building	Located at south of Xiang'an District, Xiamen, Fujian Province	Dec/2019	Commercial	Approximately 50% of construction has been completed	11,870	98,104	51%	50,033
Jinzhai Mingfa City Square (Plot AC)	Located at Jinzhai County Meishan Town New Town, Hefei, Anhui Province	Dec/2019	Residential/ Commercial	Completion certificate had been granted for GFA of 67,864 sq.m. in December 2018. The remaining GFA of 372,411 sq.m. will be completed in December 2019	111,142	162,164	100%	162,164
Mingfa MingBo Town	Located at Bowang Town Bowang District, Ma'anshan, Anhui Province	Dec/2019	Residential/ Commercial	Approximately 50% of construction has been completed	101,504	171,950	100%	171,950
New project in Nanjing Pukou G86	Pukou Jiangpu Street Angle at University Avenue and Flower Industry	Dec/2019	Residential	Approximately 70% of construction has been completed	72,280	79,508	100%	79,508
Taoyuan New Town	Located at Xianghe Town, Quanjiao, Anhui Province	Mar/2020	Residential	Approximately 50% of construction has been completed	109,452	240,794	100%	240,794
New project in Nanjing Pukou G42	Located in along the Street High and New Technology Industrial Development Zone, Nanjing, Jiangsu Province.	Nov/2022	Commercial	Approximately 50% of construction has been completed	27,428	82,283	40%	32,913
Taoyuan Mansion	Located at Xianghe Town, Quanjiao, Anhui Province	Mar/2020	Residential	Approximately 50% of construction has been completed	18,099	30,768	100%	30,768
Taoyuan Mingzhu	Located in Shengzhouhu Road, Chizhou, Anhui Province	Jun/2021	Residential	Approximately 50% of construction has been completed	99,943	159,909	100%	159,909
New project in Sihong 2017-A04	Located in Radish Li Road East, North of Sizhou Street, Sihong County, Suqian, Jiangsu Province	Mar/2020	Residential/ Commercial	Approximately 40% of construction has been completed	84,200	193,660	100%	193,660
Jinse Shuian	Located in north side of Huaihe Road, Jinhu County, Huanan, Jiangsu Province	Dec/2022	Residential/ Commercial	Approximately 40% of construction has been completed	289,236	336,769	100%	336,769
Taoyuan Xi'an	Located in Gushi Town, Dangtu County, Anhui Province	Dec/2020	Residential/ Commercial	Approximately 45% of construction has been completed	24,439	39,103	100%	39,103
Taoyuan Guandi	Located in south side of Taochang Road, Hanshan County, Anhui Province	Dec/2020	Residential	Approximately 45% of construction has been completed	43,868	74,576	100%	74,576
Wujiang Mingfa Jiangwan New City (Phase 3)	Located at Wujiang Town Four Lian, Hexian, Anhui Province	Dec/2021	Residential/ Commercial	Approximately 30% of construction has been completed	613,287	1,665,440	100%	1,665,440

Property Name	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area *(Sq.m.)* *(Note 3)*	Approximate Leasable and Saleable GFA *(Sq.m.)*	Group's Interest	Attributable GFA *(Sq.m.)*
New project in Nanjing Pukou G20	Located in Software Service Center High Tech Development Zone, Nanjing, Jiangsu Province	Dec/2021	Commercial	Approximately 30% of construction has been completed	62,015	446,246	80%	356,997
Taoyuan Xiangsong	Located in North New District, Dongzhi County, Chizhou, Anhui Province	Jun/2020	Residential/ Commercial	Approximately 30% of construction has been completed	36,590	62,202	100%	62,202
Taoyuan Fudi	Located at Xianghe Town, Quanjiao, Anhui Province	Apr/2020	Residential	Approximately 30% of construction has been completed	66,262	189,320	70%	132,524
Taoyuan Guanlan	Located at Xianghe Town, Quanjiao, Anhui Province	Apr/2020	Residential	Approximately 30% of construction has been completed	55,481	118,889	70%	83,222
Mingfa North Station New Town	Located in west side of Changjiang Road, Chahe Town, Laian County	Jan/2020	Residential/ Commercial	Approximately 30% of construction has been completed	65,335	163,337	70%	114,336
Guang'an Mingfa Wealth Centre (ChaMa Road B1-1 Block)	Located in Binjiang Road, Guang'an District, Guang'an, Sichuan Province	Dec/2021	Residential/ Commercial	Approximately 30% of construction has been completed	76,363	305,452	100%	305,452
New project in Zhangpu 2017SG15	Located in Houcai Village, Qianting Town, Zhangpu County, Zhangzhou, Fujian Province	May/2022	Residential/ Commercial	Approximately 30% of construction has been completed	46,885	204,457	100%	204,457
New project in Wuhu FT1714	Located in New City east of Chengdong, Fanchang County,Wuhu City,Anhui Province	May/2022	Residential	Approximately 30% of construction has been completed	64,607	129,214	100%	129,214
New project in Nanjing Pukou 2014GY04、2016GY020	Located in the Channel of Science and Technology Industrial Park, Pukou District, Nanjing, Jiangsu Province	Feb/2021	Industrial	Approximately 30% of construction has been completed	119,564	95,652	100%	95,652
Mingfa north station center	Located at Chahe Town, Laian, Anhui Province	Jun/2021	Residential/ Commercial	Approximately 50% of construction has been completed	69,757	132,699	100%	132,699
Mingfa north station villas	Located at Chahe Town, Laian, Anhui Province	Jun/2021	Residential	Approximately 50% of construction has been completed	66,350	383,664	100%	383,664
Hecheng Shoufu	Located at Liyang Town, Ma'anshan, Anhui Province	Jan/2021	Residential	Approximately 50% of construction has been completed	26,918	53,835	100%	53,835
Mingfa Huguangshanse Yihao	Located at Xiangquan Town Ma'anshan, Anhui Province	May/2020	Residential/ Commercial	Approximately 30% of construction has been completed	68,688	82,426	100%	82,426
	Located at Xiangquan Town Ma'anshan, Anhui Province	May/2020	Residential/ Commercial	Approximately 30% of construction has been completed	63,674	76,409	100%	76,409
New project in Nanjing Liuhe 2017G68	Located in Jinniu Lake Street, Liuhe District, Nanjing, jiangsu Province	Oct/2020	Residential	Approximately 30% of construction has been completed	34,330	68,661	51%	35,017

Property Name	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area *(Sq.m.)* *(Note 3)*	Approximate Leasable and Saleable GFA *(Sq.m.)*	Group's Interest	Attributable GFA *(Sq.m.)*
New project in Jinzhai (Plot 40, 41)	Located at Jinzhai County Meishan Town New Town, Hefei, Anhui Province	Jun/2021	Residential/ Commercial	Approximately 30% of construction has been completed	133,332	252,883	100%	252,883
New project in Nanjing Pukou G01	Located in Xinghuo Road Bus station, Jiangbei New District, Nanjing, jiangsu Province	Nov/2022	Commercial/Office	Approximately 20% of construction has been completed	7,025	21,145	40%	8,458
New project in Nanjing Pukou G22	Located in Puzhu Road, Jiangpu Street, Pukou District, Nanjing, Jiangsu Province	Dec/2020	Commercial	Vacant	26,530	66,325	100%	66,325
New project in Nanjing Pukou G30	Located at Pukou north of Nanjing University of Technology, south along the mountain road	Jun/2020	Commercial	Vacant	32,843	59,117	100%	59,117
Taohua Yuanzhu (Phase 2)	Located at Xingyuan Road Zibo, Shandong Province	Oct/2022	Residential	Vacant	75,474	135,853	100%	135,853
Sub-total					**6,870,734**	**14,636,527**		**14,056,153**
Properties with land use rights certificate for future development *(Note 3)*								
Nanjing Mingfa Furniture City	Located in Huangyao Village, Taishan Street, Pukou District, Nanjing, Jiangsu Province	Jun/2021	Industrial	Vacant	41,434	103,585	100%	103,585
Lanzhou Mingfa Zhongke Ecological park	Located in Weijia Village of Southwest, Gansu Province	Dec/2021	Residential	Vacant	1,371,786	1,371,786	51%	699,611
Taiwan Taoyuan 54 Block	Located in Air Passenger Park, Taoyuan, Taiwan	Jun/2021	Commercial	Vacant	13,710	32,905	100%	32,905
Taiwan Taoyuan 169 Block	Located in Air Passenger Park, Taoyuan, Taiwan	Jun/2021	Commercial	Vacant	16,110	38,663	100%	38,663
Shenyang Mingfa Wealth Center	Located at Young Street, Heping District, Shenyang, Liaoning Province	Dec/2021	Commercial	Vacant	5,468	54,677	100%	54,677
Shenyang Mingfa Square	Located in Shenbei Xinqu Daoyi Development Zone, Liaoning Province	Jun/2021	Residential/ Commercial	Vacant	119,154	238,308	100%	238,308
Shenyang Mingfa Comprehensive Technology Park	Located at Zaohua Street, Yuhong District, Shenyang, Liaoning Province	Dec/2021	Residential	Vacant	235,526	423,948	100%	423,948
New project in Lianyungang 2017G04	Located in east side of Silver Beach Road, Qingkou Town, Lianyungang, Jiangsu Province	Apr/2021	Residential	Vacant	50,458	75,687	100%	75,687
New project in Maanshan Mingkun	Located at Wujiang Town Four Lian, Hexian, Anhui Province	Apr/2021	Residential	Vacant	222,285	603,154	100%	603,154

Property Name	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area *(Sq.m.)* *(Note 3)*	Approximate Leasable and Saleable GFA *(Sq.m.)*	Group's Interest	Attributable GFA *(Sq.m.)*
New project in Maanshan MingPu	Located at Wujiang Town Four Lian, Hexian, Anhui Province	Apr/2021	Industrial	Vacant	31,258	46,888	100%	46,888
New project in Maanshan Mingshu	Located at Wujiang Town Four Lian, Hexian, Anhui Province	Apr/2021	Residential	Vacant	179,980	539,941	100%	539,941
New project in Maanshan Mingnan	Located at Wujiang Town Four Lian, Hexian, Anhui Province	Apr/2021	Residential/ Commercial	Vacant	114,945	336,206	100%	336,206
New project in Maanshan Mingzhao	Located at Wujiang Town Four Lian, Hexian, Anhui Province	Apr/2021	Residential	Vacant	71,080	213,241	100%	213,241
New project in Maanshan MingLin	Located at Wujiang Town Four Lian, Hexian, Anhui Province	Apr/2021	Residential/ Commercial/ Industrial	Vacant	169,934	328,534	100%	328,534
New project in Maanshan Mingzhang	Located at Wujiang Town Four Lian, Hexian, Anhui Province	Apr/2021	Residential	Vacant	22,491	78,719	100%	78,719
Siyang Mingfa Shoufu2013E1 Plot	Located at Zhongxing Town Siyang, Suqian, Jiangsu Province	Dec/2021	Residential/ Commercial	Vacant	64,173	320,865	70%	224,606
Siyang Mingfa Shoufu2013E2 Plot	Located at Zhongxing Town Siyang, Suqian, Jiangsu Province	Dec/2021	Residential/ Commercial	Vacant	39,799	198,995	70%	139,297
Taohua Yuanzhu (Phase 2)	Located at Xingyuan Road Zibo, Shandong Province	Oct/2022	Residential	Vacant	81,217	146,191	100%	146,191
Mingfa internet industrial park (Phase 1)	Located at Xingyuan Road Zibo, Shandong Province	Oct/2022	Commercial	Vacant	32,415	48,623	100%	48,623
Mingfa internet industrial park (Phase 2)	Located at Xingyuan Road Zibo, Shandong Province	Oct/2022	Commercial	Vacant	34,741	52,112	100%	52,112
New project in Jurong 2018-J2-1-15 Plot	Located at the east side of Ninghang North Road and the west side of Chigang Road Jurong, Jiangsu Province	Aug/2022	Residential/ Commercial	Vacant	53,892	296,406	100%	296,406
Mingfa Huguangshanse Erhao	Located at Xiangquan Town Ma'anshan, Anhui Province	May/2021	Residential	Vacant	108,972	108,972	100%	108,972
New project in Jurong 2017-2-1-08	Located in Huanhu Road, Jurong, Jiangsu Province	Apr/2021	Commercial	Vacant	9,265	13,898	49%	6,810
New project in Jurong 2017-2-1-15	Located in Baohua Town, Jurong, Jiangsu Province	Apr/2021	Residential	Vacant	8,378	20,945	51%	10,682
Sub-total					**3,098,473**	**5,693,248**		**4,847,763**
Properties with signed land use rights contract for future development *(Note 4)*								
Hong Six highway rebuilding project	Located at Xixia Village, Honglai Town, Nanan, Fujian Province	Dec/2022	Residential/ Commercial	Vacant	22,784	92,298	100%	92,298
Zhangzhou Longhai Mingfa Mall (Phase 3)	Located in Bangshan Town, Kekeng Village, Longhai, Zhangzhou, Fujian Province	Dec/2022	Residential	Vacant	105,188	315,564	100%	315,564

Property Name	Location	Actual/ Estimated Completion Date	Type of Property	Status	Site Area *(Sq.m.)* *(Note 3)*	Approximate Leasable and Saleable GFA *(Sq.m.)*	Group's Interest	Attributable GFA *(Sq.m.)*
Mingfa City Lights JZZB-GT-2018–37	Located in Jinzhai Modern Industrial Park, Anhui Province	Mar/2021	Residential/ Commercial	Vacant	43,995	131,986	100%	131,986
Mingfa City Lights JZZB-GT-2018–38	Located in Jinzhai Modern Industrial Park, Anhui Province	Mar/2021	Residential	Vacant	63,421	139,527	100%	139,527
Kangyang Town	Located in Jiangjun Road, Jinzhai, Anhui Province	Sep/2021	Residential/ Commercial	Vacant	64,539	103,263	100%	103,263
New project in Jinniuhu TP201813–3	Located in east of Changxing Road and north of Nameless Road, Jinniu Lake New City, Tianchang, Anhui Province	Oct/2021	Residential/ Commercial	Vacant	48,073	96,145	100%	96,145
Sub-total					**348,000**	**878,782**		**878,782**
Total Land Bank					**13,979,844**	**24,121,070**		**22,377,162**

Notes:

1. Completed properties refer to the properties in respect of which (a) the certificates of completion, (b) the permits for commencement of construction works, and (c) the land use rights certificates had been obtained as at 31 December 2018.

2. Properties under development refer to the properties in respect of which (a) the permits for commencement of construction works and (b) the land use rights certificates had been obtained as at 31 December 2018.

3. The site area is in respect of the whole property (regardless of GFA that have been sold).

4. The approximate leasable and saleable GFA have excluded the GFA that have been sold/leased.

SUMMARY OF PROPERTIES HELD BY THE GROUP FOR INVESTMENT

The following table summarizes the details of the Group's major properties held for investment as at 31 December 2018:

Property Name	Location	Existing usage	Attributable GFA *(sq.m.)*	Term of Leases with Tenants	Percentage of Interest in the Properties Attributable to the Group
Xiamen Mingfa Shopping Mall	Located to the northwest of Jiahe Road and Lianqian Road, Siming district, Xiamen, Fujian Province.	Commercial	112,945	8–20 years	70%–100%
Xiamen Mingfa Group Mansion	Located at Qianpu Industrial Park, Xiamen, Fujian Province.	Commercial	1,123	5–6 years	100%
Nanjing Mingfa Shopping Mall	Located at the intersection of Dingqiang Road and Yulan Road in Yuhuatai district, Nanjing, Jiangsu Province.	Commercial	135,436	10–15 years	100%
Xiamen Mingfa Technology Park	Located in Kaiyuan Xing'an Industrial Park, Tong'an district, Xiamen, Fujian Province.	Industrial	62,131	18 years	100%
Nanjing Mingfa Riverside New Town	Located in Taishan village, Pukou district, Nanjing, Jiangsu Province.	Commercial	44,349	3–9 years	100%
Xiamen Mingfa Hotel	Located at No. 413 Lianqian East Road, Xiamen, Fujian Province	Hotel	10,925	10 years	100%
Xiamen Mingfa Industrial Park	Located at No. 2 Honglian Road West, Siming District, Xiamen, Fujian Province.	Industrial	11,588	8–15 years	100%
Xiamen Lianfeng Furniture Park	Located on Honglian Road, Siming district, Xiamen, Fujian Province	Industrial	26,120	20 years	100%
Zhangzhou Mingfa Shopping Mall	Located at Longjiang Road East, Shuixian Street North, No.6 Road West, Xinpu Road South, Zhangzhou, Fujian Province	Commercial	112,416	12–19 years	100%
Wuxi Mingfa Shopping Mall	Located in Sitou Village and Tangtou Village, Yanqiao town, Huishan district, Wuxi, Jiangsu Province	Commercial	6,695	15–20years	70%
Hefei Mingfa Shopping Mall	Located along the northeast side of the junction of Silihe Road and Dangshan Road, Luyang district, Hefei, Anhui Province	Commercial	154,052	15–20 years	100%
Quanzhou Mingfa Hotel	Located in Licheng District, Jiangnan Torch Village, Quanzhou, Fujian Province	Hotel	4,755	5 years	100%
Yangzhou Mingfa Shopping Mall	Located at the south of Yunhe Road East and west of Baolin Road, Guangling District, Yangzhou, Jiangsu Province	Commercial	55,883	15 years	100%
Tianjin Mingfa City Complex	Located in Tanggu Marine Hi-Tech Development Zone, Tianjin	Commercial	62,631	Under construction	100%
Changsha Mingfa Shopping Mall	Located in Star Cheng Town, Wangcheng County, Changsha, Hunan Province.	Commercial	70,742	Under construction	100%
Xiamen Mingfa Harbour Resort	Located at south of Wu Yuan Wan Bridge, west of Huan Wan Road, and along the seaview strip of Huli District, Xiamen, Fujian Province	Commercial	46,782	3 years	100%
Wuxi Mingfa International New Town	Located at south of Yanqiao Town, Huishan District, Wuxi, Jiangsu Province	Commercial	1,004	3 years	100%
Zhenjiang Jinxiu Yinshan	Located in the centre of Zhenjiang City, Jiangsu Province	Commercial	2,859	15.5 years	100%
Beijing Mingfa Mall	Located at Bizang Village, Daxing District, Beijing.	Residential/ Commercial	60,937	3–10 years	100%
Jinzhai Mingfa City Square (Plot G)	Located at New Town District, Meishan Town, Jinzhai County, Hefei, Anhui Province	Commercial	53,281	2–15 years	100%
Taizhou Mingfa International Mall	Located in Gaogang District, Taizhou, Jiangsu Province	Commercial	6,355	10 years	100%
Total			1,043,009		

Properties to be Completed in 2019

Set out below are the properties expected to be completed by the Group in 2019. The total GFA for such properties available for sale/leasing by the Group upon completion will be approximately 965,055 sq.m. including those already pre-sold as at 31 December 2018.

Property	Expected Completion Date	Usage	GFA Available for Sales/ Leasing *(sq.m.)*	Percentage of interest in the property attributable to the Group
Zhenjiang Jinxiu Yinshan	Dec/2019	Residential/ Commercial	158,433	100%
Shenyang Mingfa Jinxiu Hua City	Dec/2019	Residential/ Commercial	26,070	100%
Yangzhou Mingfa Jiangwan City	Dec/2019	Residential/ Commercial	25,120	100%
Shanghai Mingfa Shopping Mall	Dec/2019	Commercial	121,079	100%
Nanjing Mingfa Xiang Hill Garden	Dec/2019	Residential/ Commercial	10,484	100%
Jinzhai Mingfa City Square	Dec/2019	Residential/ Commercial	372,411	100%
Mingfa Mingbo Town	Dec/2019	Residential/ Commercial	171,950	100%
Nanjing Pukou G86	Dec/2019	Residential/ Commercial	79,508	100%
Total			965,055	

ACQUISITION FRAMEWORK AGREEMENTS

As at 31 December 2018, the Group entered into 10 uncompleted memoranda of understanding (the "MOU(s)") with various local governmental bodies of the PRC after being approached by them in relation to various urban renewal and redevelopment programs in different cities and locations. All MOUs were signed in or before 2014. These MOUs are not legally-binding and there is no assurance that the Group will be granted the land use rights after signing of the MOUs. On the contrary, the MOUs only set out the parties' intention of cooperation in the future development of land and the Group still has to go through the public tender, auction or listing-for-sale procedures pursuant to the relevant PRC rules and regulations in order to obtain the land use rights from the PRC governmental authorities for such lands. Notwithstanding that, the Company considers these as opportunities for the Group to establish a closer strategic and working relationship with the relevant PRC governmental authorities which are in the interest and to the benefit of the Group in the long run. Summary of these MOUs and the related projects are listed as follows:

Project Name	**Location**	**Date of MOU**	**Site Area** *(sq.m.)*	**GFA** *(sq.m.)*	*Note*
Huai'an Mingfa International Industrial Material Park and Mingfa International Town	Huai'an City, Jiangsu Province	28-Nov-07	666,670	1,180,219	*(1)*
Shenyang Creative Park	Shenyang City, Liaoning Province	28-Jan-10	912,005	2,000,000	*(2)*
Shenyang Residential and Commercial Complex Project	Shenyang City, Liaoning Province	28-Jan-10	142,800	714,000	*(3)*
Panjin Mingfa City Square	Panjin City, Liaoning Province	20-Oct-10	427,332	1,281,996	
Jiangsu Taizhou Mingfa City Complex Project	Taizhou City, Jiangsu Province	22-Dec-10	1,466,674	3,666,685	*(4)*
Shenyang Mingfa Integrated Science and Technology Park	Shenyang City, Liaoning Province	23-Sep-11	1,344,007	1,830,000	*(5)*
Nanjing Software Park Starting Area Project	Nanjing City, Jiangsu Province	14-Jan-12	220,001	800,000	
Nanjing Zijin (Pukou) Technology Entrepreneurship Special Community 2# Block Project	Nanjing City, Jiangsu Province	9-Oct-12	200,001	800,000	

Project Name	Location	Date of MOU	Site Area	GFA	Note
			(sq.m.)	*(sq.m.)*	
Nanjing Software Valley Technology City Project	Nanjing City, Jiangsu Province	6-Dec-12	106,667	373,335	*(6)*
Anhui Hexian Wujiang New Town	Maanshan City, Anhui Province	28-Apr-13	2,000,010	7,000,035	*(7)*
Total			7,486,167	19,646,270	

Notes:

(1) The Group had acquired 3 plots of land in 2010 and 2011 under the MOU signed on 28 November 2007. The land is located at Weihai East Road, Shenzhen South Road, and east of Guangzhou Road respectively in Huai'an. Total land area and GFA is approximately 184,455 sq.m. and approximately 420,370 sq.m. respectively.

(2) The Group had acquired 1 plot of land in 2010 under the MOU signed on 28 January 2010. The land is located in Shenbei Xinqu Daoyi Development Zone, Shenyang. Total land area and GFA is approximately 154,024 sq.m. and approximately 462,072 sq.m. respectively.

(3) The Group had acquired 2 plots of land in 2010 under the MOU signed on 28 January 2010. The land is located in Shenbei Xinqu Daoyi Development Zone, Shenyang. Total land area and GFA is approximately 61,222 sq.m. and approximately 306,110 sq.m. respectively.

(4) The Group had acquired 5 plots of land in 2011 under the MOU signed on 22 December 2010. One plot of the land is located at west of Machang Zhonggou and south of Huangang Avenue in Taizhou and the other is located at east of Diaodong Zhonggou and south of Huangang Avenue in Taizhou. Total land area and GFA is approximately 292,487 sq.m. and approximately 731,300 sq.m. respectively.

(5) The Group had acquired 2 plots of land under the MOU signed on 23 September 2011. The land is located at Zaohua Street, Guan Jia Village, Yuhong District, Liaoning Province. Total land area and GFA is approximately 235,526.47 sq.m. and approximately 423,947.63 sq.m. respectively.

(6) The Group had acquired 1 plot of land under the MOU signed on 6 December 2012. The land is located at west of Software Park, Gaoxin District, Nanjing, Jiangsu Province. Total land area and GFA is approximately 11,244 sq.m. and approximately 67,465 sq.m. respectively.

(7) The Group had acquired 47 plots of land under the MOU signed on 28 April 2013. The land is located at New City, Mei Shan Town, Jinzhai Country, Hefei, Anhui Province. Total land area and GFA is approximately 549,651 sq.m. and approximately 1,400,401.5 sq.m. respectively.

PROSPECTS

Looking forward to 2019, the regulatory policies will continue to be imposed on the real estate market to cure the speculative investment. Following the national strategic plans launched in Yangtze Economic Belt, the real estate market in the cities located in the Belt Area is expected to have higher growth as compared to the first tier cities.

Being a long established entity in Jiangsu and Anhui Province, the Group is expected to be benefited from the Belt Strategies. As at 31 December 2018, the Group had 21.7% and 41.9% of land bank located at Jiangsu and Anhui Province respectively. It is expected that such land bank allocation will be beneficial to the future growth.

The Group will continue to apply a coherent and prudent land acquisition policies for further replenishment of selected quality land parcel in 2019. The land reserves increased by 4.7% in 2018 to 22.4 million sq.m., which is expected to be sufficient for projected growth for seven to eight years. Looking ahead, the Group remains focused on capturing the opportunities presented by the market trends and government policies to optimize the regional layout of property projects.

FINANCIAL REVIEW AND ANALYSIS

For the year ended 31 December 2018, revenue generated by the Group was approximately RMB11,641.9 million (2017: approximately RMB10,071.4 million), representing an increase of 15.6% as compared to 2017. The increase in revenue in 2018 was mainly due to the increase in the GFA delivered from 1,029,065 sq.m. in 2017 to 1,248,065 sq.m. in 2018. Revenue from various sectors is analyzed as follows:

For the year ended 31 December	Commercial Properties *(RMB' million)*	Residential Properties *(RMB' million)*	Properties Investment and Management *(RMB' million)*	Hotel *(RMB' million)*	Others *(RMB' million)*	Total *(RMB' million)*	Percentage of Increase
2018	**886.7**	**10,236.9**	**285.3**	**224.7**	**8.3**	**11,641.9**	**15.6%**
2017	548.6	9,030.1	257.1	226.2	9.4	10,071.4	97.9%

Revenue from the properties sector contributed 95.5% in total to the Group's revenue. Revenue from the commercial properties sector increased by 61.6% which was primarily due to more commercial properties delivered in a newly completed project, Jingzhai Mingfa Shopping Mall, in 2018. Revenue generated from the residential properties sector increased for 13.4% in 2018 as compared to 2017. The main reason was more GFA delivered from 1,029,065 sq.m. in 2017 to 1,248,065 sq.m. in 2018.

Revenue from the properties investment and management sector increased by 11.0%, which was mainly due to the regular rental increment.

Income generated from hotel sector decreased by 0.7% from approximately RMB226.2 million to approximately RMB224.7 million.

The gross profit of the Group was approximately RMB3,322.0 million for 2018, representing an increase of 37.4% as compared to 2017 (2017: approximately RMB2,418.2 million). The gross profit for 2018 increased primary as a result of the revenue growth.

The profit for the year of the Group increased by 8.7% from approximately RMB1,185.5 million in 2017 to approximately RMB1,289.1 million in 2018. The increase was mainly due to more profit generated from the increase in the revenue from approximately RMB10,071.4 million in 2017 to approximately RMB11,641.9 million in 2018.

The profit attributable to the equity holders of the Company was approximately RMB855.1 million for 2018, representing a decrease of approximately RMB169.1 million or approximately 16.5% from 2017 (2017: approximately RMB1,024.2 million).

The cost of sales of the Group was approximately RMB8,319.9 million for 2018, representing an increase of 8.7% as compared to 2017 (2017: approximately RMB7,653.2 million). Cost of sales increased in line with revenue.

The average cost of properties included in cost of sales of the Group was RMB6,261.9 per sq.m. for 2018, representing a decrease of 7.4% over 2017 (2017: average cost of properties included in cost of sales was RMB6,765.6 per sq.m.). The main reason was due to the lower land cost of Wujiang properties which were delivered in 2018.

Fair value gains on investment properties increased by 140.2% to approximately RMB749.3 million in 2018 (2017: approximately RMB312.0 million). The gain was mainly to due to the additional investment properties in Beijing and Jinzhai in 2018.

Other losses of approximately RMB168.2 million was incurred in 2018 (2017: other income and other gains of approximately RMB192.7 million). Such change was mainly due to the exchange losses arisen from currency translation of the offshore loans nominated in USD in 2018 while translation gain of approximately RMB211.0 million in 2017.

Selling and marketing costs of the Group were approximately RMB560.1 million in 2018, representing an increase of approximately 21.7% over 2017 (2017: approximately RMB460.0 million). The increase was mainly due to additional selling costs incurred for the increase in contracted sales from RMB12.5 billion in 2017 to RMB16.3 billion respectively.

General and administrative expenses of the Group were approximately RMB701.8 million in 2018, representing an increase of approximately 1.7% over 2017 (2017: approximately RMB690.0 million).

Net finance income of the Group decreased by 27.6% to approximately RMB72.8 million in 2018 (2017: approximately RMB100.5 million).

CAPITAL STRUCTURE

As at 31 December 2018, the Group had aggregated cash and cash equivalents (excluding restricted cash) of approximately RMB5,263.4 million (31 December 2017: approximately RMB2,849.2 million). Restricted cash of the Group was approximately RMB429.6 million (31 December 2017: approximately RMB366.4 million). Bank loans and other borrowings of the Group repayable within one year and after one year were approximately RMB8,729.8 million and RMB2,109.7 million respectively (31 December 2017: approximately RMB10,254.1 million and RMB2,611.1 million respectively). The cash and cash equivalents of the Group were mainly denominated in Renminbi as at 31 December 2018.

Total interest expenses including the capitalised interest costs amounted to approximately RMB1,011.2 million (31 December 2017: approximately RMB991.6 million) in total.

Set out below are the major ratios of the Group:

	As at and for the year ended 31 December	
	2018	2017
Gross profit margin	**28.5%**	24.0%
Operating profit margin	**21.4%**	17.6%
Net profit margin	**11.1%**	11.8%
Current ratio	**1.05**	1.08
Total liabilities to total assets	**79.7%**	78.6%
Bank loans and other borrowings to shareholders' funds	**77.7%**	95.5%
Non-current bank loans and other borrowings to total assets	**2.8%**	3.9%
Gearing ratio*	**25.2%**	40.1%

* Defined as net debt (total borrowings less cash and cash equivalents and cash restricted for borrowings) divided by the sum of shareholders' funds and net debt.

PLEDGES OF ASSETS

As at 31 December 2018, investment properties of the Group with net book value of approximately RMB2,904.5 million (31 December 2017: approximately RMB2,630.5 million), buildings of approximately RMB381.6 million (31 December 2017: approximately RMB405.4 million), land use rights of approximately RMB3,587.1 million (31 December 2017: approximately RMB4,586.1 million), completed properties held for sale of approximately RMB2,623.0 million (31 December 2017: approximately RMB2,178.2 million) and properties under development of approximately RMB2,876.0

million (31 December 2017: approximately RMB1,794.9 million). Cash deposits of approximately RMB429.6 million (31 December 2017: approximately RMB366.3 million) were restricted and deposited in certain banks as security for project construction.

CAPITAL COMMITMENTS

As at 31 December 2018, the contracted capital commitments of the Group were approximately RMB7,844.2 million (31 December 2017: approximately RMB7,397.5 million), which were mainly the capital commitments for property development. It is expected that the Group will finance such commitments from internally generated funds and resources.

GUARANTEES AND CONTINGENT LIABILITIES

As at 31 December 2018, the contingent liabilities of the Group was approximately RMB5,448.3 million (31 December 2017: approximately RMB5,530.1 million), which were mainly the guarantees given by the Group in favour of certain banks for the grant of mortgage loans to buyers of the Group's properties. Such guarantees will be released following completion of transfer of property title by the Group to the buyers.

FOREIGN EXCHANGE RISK

As at 31 December 2018, the balance of the bank deposits maintained by the Group (including restricted bank balances) consisted of Renminbi, Hong Kong dollars and US dollars in the respective proportions of 99.8%, 0.1% and 0.1% (31 December 2017: Renminbi, Hong Kong dollars and US dollars accounted for 93.4%, 0.1% and 6.5% respectively of the total bank balances of the Group). The bank loans and other borrowings maintained by the Group were denominated in Renminbi, Hong Kong dollars, US dollars and New Taiwan dollars in respective proportions of 64.9%, 2.1%, 32.1% and 0.9% (31 December 2017: Renminbi, Hong Kong dollars, US dollars and New Taiwan dollars accounted for 73.0%, 5.8%, 20.4% and 0.8% respectively of the total bank loans and other borrowings of the Group).

As the sales, purchases, bank borrowings and other borrowings of the Group in 2018 were made mainly in Renminbi, Hong Kong dollars and US Dollars, and it is expected that the majority of future development and transactions carried out by the Group will be made and transacted either in Renminbi, Hong Kong dollars or US Dollars, the Group will convert the Hong Kong dollars and US dollars bank balances into Renminbi as and when required to minimize any foreign exchange risk. The Group did not adopt any foreign exchange hedging instruments to hedge against foreign exchange risk in 2018, and the Group believe that the foreign exchange risk exposed by the Group was relatively minimal.

INTEREST RATE RISK

As at 31 December 2018, the majority of the bank borrowings of the Group were floating rate borrowings and were denominated in Renminbi, Hong Kong dollars and US dollars, whereby any upward fluctuations in interest rates will increase the interest costs of the Group in connection with such loans or any new loans obtained by the Group calculated on a floating interest rate basis. The Group currently does not use any derivative instruments to hedge against its interest rate risk.

FUNDING AND TREASURY POLICY

The Group utilizes cash flows generated from operating activities and bank loans to finance its operations, construction and capital expenditure, to increase its land banks, to discharge its debt and to ensure the continuous growth of the Group's business.

CREDIT POLICIES

The Group has policies in place to ensure that sales of properties are made to purchasers with an appropriate financial strength and appropriate percentage of down payment. Credit is normally granted to anchor tenants with sufficient financial strength. It also has other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. Other receivables mainly comprise deposits made to government agencies for property development purposes which are to be recovered upon completion of the development, and advances to business partners for business cooperations. The Group closely monitors these deposits and advances to ensure actions are taken to recover these balances in the case of any risk of default.

HUMAN RESOURCES

As at 31 December 2018, the Group employed 3,438 staff (31 December 2017: 3,097 staff). The increase was mainly due to more staff was recruited for new project companies. For 2018, the staff costs of the Group including Directors' emoluments were approximately RMB435.8 million (2017: approximately RMB361.3 million). The increase was due to the increase in number of staff and annual salary adjustment. The staff costs include basic salary and welfare expenses, whereby employees' welfare includes medical insurance plan, pension plan, unemployment insurance plan, training and pregnancy insurance plan.

The Company values human capital and is keen to improve the professionalism and competitiveness of employees through training and regular performance reviews. The Group provides various training opportunities to employees, including training for accounting teams and other training in relation to the latest group reporting requirements and standards. The Group's employees are engaged according to the terms and provisions of their employment contracts and the Group normally conducts review on the remuneration packages and performance appraisal once every year for its employees, the results of which will be applied in annual salary review for considering the grant of annual bonus or not and in promotion assessment. The Group also studies and compares its remuneration packages with those of its peers and competitors and will make adjustment whenever necessary so as to maintain its competitiveness in the employment market.

CORPORATE GOVERNANCE PRACTICES

The Directors recognise the importance of incorporating the elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability to the shareholders of the Company as a whole. The Board strived to uphold good corporate governance and adopt sound corporate governance practices. During the year ended 31 December 2018, all code provisions in the Corporate Governance Code as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") were fulfilled by the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding the Directors' securities transactions on terms no less than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix 10 to the Listing Rules. Having made specific enquiries of all Directors, all Directors have confirmed that they had complied with the required standard set out in the Model Code and the Company's code of conduct regarding the Directors' securities transactions throughout the year under review.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the year under review, the Company redeemed all of the senior notes with principal amount of US$100,000,000 in February 2018.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

(a) Senior notes and bonds

(i) Bonds with principal amount of US$200,000,000, interest rate at 15 per cent and due date in 2020 ("2020 Bonds")

On 16 January 2019, the 2020 Bonds were issued.

(ii) Bonds with principal amount of US$200,000,000, interest rate at 11 per cent and due date in 2019 ("2019 Bonds")

The 2019 Bonds were issued on 17 January 2018 and redeemed on 16 January 2019.

(b) Disposal of a subsidiary

On 4 April 2019, the Group and an independent third party buyer entered into an Equity Transfer and Cooperation Agreement pursuant to which, the Group agreed to sell and the buyer agreed to buy the Group's 51% equity interests in subsidiaries, which have obtained the land use rights in relation to the project sites located in Silianpian District, Wujiang Town, He Country, Maanshan City, Anhui Province of a total gross floor area of 1,888,000 square metres, for the consideration of RMB2,792,000,000. Upon completion of the Equity Transfer, the Group will hold 49% equity interests in these subsidiaries and the Group and the buyer shall cooperate to develop the project. Details are disclosed in the Company's announcement date 4 April 2019.

AUDIT COMMITTEE

The Audit Committee comprises of all independent non-executive directors of the Company, namely, Mr. Lau Kin Hon, Mr. Chu Kin Wang Peleus and Dr. Lam Lee G. The duties of the Audit Committee include making recommendations to the Board in relation to the independency and engagement of external auditor, monitoring the integrity, accuracy and fairness of financial statements, reviewing the system of financial control, internal control and risk management and reviewing corporate governance practices of the Company. The Audit Committee had reviewed the annual results and consolidated financial statements of the Group for the year ended 31 December 2018. The figures in respect of the Group's consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of financial position, and the related notes thereto for the year ended 31 December 2018 as set out in this announcement have been agreed by the Company's auditor, BDO Limited, to the amounts set out in the Group's consolidated financial statements for the year.

PUBLICATION OF ANNUAL REPORT

The 2018 annual report of the Company will be despatched to the shareholders of the Company and published on the website of the Stock Exchange (http://www.hkexnews.hk) and the Company (http://www.ming-fa.com) in due course.

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.

By order of the Board of
MINGFA GROUP (INTERNATIONAL) COMPANY LIMITED
WONG WUN MING
Chairman

Hong Kong, 28 June 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 and Dr. Lam, Lee G.*