Mingfa Group (International) Company Limited
明發集團(國際)有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 00846)

SUPPLEMENTAL ANNOUNCEMENT ON THE ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2019

Reference is made to the announcement of Mingfa Group (International) Company Limited (the "**Company**", together with its subsidiaries, the "**Group**") dated 31 March 2020 (the "**2019 Unaudited Results Announcement**") in relation to the unaudited annual results of the Group for the year ended 31 December 2019 (the "**2019 Unaudited Annual Results**"). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the 2019 Unaudited Results Announcement.

AUDITOR'S AGREEMENT ON THE 2019 ANNUAL RESULTS

The Board is pleased to announce that the Group's auditor, BDO Limited, has completed its audit of the annual results of the Group for the year ended 31 December 2019 (the "**2019 Audited Annual Results**") in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants, including the financial figures in respect of the Group's consolidated statement of financial position, consolidated statements of profit or loss and other comprehensive income and the related notes.

The overall 2019 Audited Annual Results remain substantially the same as the 2019 Unaudited Annual Results, except major changes mainly in the reclassifications in the consolidated statement of financial position as follows:

— Non-current portion of land use rights, prepayments for land use rights and right-of-use assets amounted to RMB1,019 million, RMB105 million and RMB109 million respectively are reclassified to property, plant and equipment;

— Amounts due from associated companies amounted to RMB190 million are reclassified to amounts due to associated companies; and

— Properties under development amounted to RMB891 million are reclassified to completed properties held for sale.

Please refer to further details of the adjustment set out below:

Unaudited Consolidated Statement of Financial Position (Extract)

	31 December 2019	**31 December 2019**	**Change**
	RMB'000	*RMB'000*	*RMB'000*
	(Unaudited)	(Audited)	
Non-current assets			
Property, plant and equipment	2,077,767	3,310,556	1,232,789
Land use rights	1,018,789	—	(1,018,789)
Prepayments or deposits for land use rights	989,412	884,412	(105,000)
Right-of-use assets	109,043	43	(109,000)
Current assets			
Properties under development	29,692,629	28,801,629	(891,000)
Completed properties held for sale	15,844,139	16,735,139	891,000
Amounts due from related parties, joint ventures and associated companies	1,139,208	949,208	(190,000)
Total current assets	55,824,910	55,634,910	(190,000)
Total assets	75,916,166	75,726,166	(190,000)

	31 December 2019	31 December 2019	Change
	RMB'000	*RMB'000*	*RMB'000*
	(Unaudited)	(Audited)	
Current liabilities			
Amount due to related parties, joint ventures and associated companies	6,320,389	6,510,389	190,000
Total current liabilities	54,745,930	54,935,930	190,000
Net current assets	1,078,980	698,980	380,000
Total liabilities	59,231,700	59,421,700	190,000

On behalf of the Board
Mingfa Group (International) Company Limited
Poon Wing Chuen
Company Secretary

Hong Kong, 22 April 2020

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

Executive Directors:	*Mr. Huang Qingzhu, Mr. Huang Lianchun, Mr. Huang Li Shui and Mr. Liu Yuwei*
Non-Executive Director:	*Mr. Wong Wun Ming (Chairman)*
Independent Non-Executive Directors:	*Mr. Lau Kin Hon, Mr. Chu Kin Wang Peleus, Dr. Lam, Lee G. and Mr. Chan Sing Lai*