

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



五礦建設有限公司*
MINMETALS LAND LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 230)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 DECEMBER 2015
AND
PROPOSED ADOPTION OF SECONDARY NAME

FINANCIAL RESULTS

The board of directors (“Directors”) of Minmetals Land Limited (the “Company”) is pleased to announce the consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2015, together with the comparative figures in 2014, as follows:

Consolidated Statement of Profit or Loss

For the year ended 31 December 2015

	<i>Notes</i>	2015 HK\$'000	2014 HK\$'000
Revenue	3	7,253,266	5,983,634
Cost of sales		(5,661,879)	(4,756,883)
Gross profit		1,591,387	1,226,751
Other gains, net	5	67,502	49,588
Fair value changes on investment properties		195,563	160,085
Selling and marketing expenses		(291,198)	(288,985)
Administrative and other expenses		(511,593)	(456,215)
Finance income		162,809	78,858
Finance costs		(57,511)	(65,845)
Share of results of associates		16,442	183,936
Profit before tax		1,173,401	888,173
Income tax expense	6	(553,794)	(452,244)
Profit for the year	4	619,607	435,929
Profit for the year attributable to:			
Equity holders of the Company		278,156	425,171
Non-controlling interests		341,451	10,758
		619,607	435,929
Earnings per share for profit attributable to equity holders of the Company, in HK cents			
Basic	7	8.32	12.74
Diluted	7	8.31	12.71

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2015

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
Profit for the year	619,607	435,929
Other comprehensive (expense)/income:		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Currency translation differences	(1,147,803)	(56,266)
Share of exchange differences of associates	(83,519)	(430)
	(1,231,322)	(56,696)
<i>Items that will not be reclassified subsequently to profit or loss:</i>		
Fair value gain/(loss) on financial assets at fair value through other comprehensive income	99,102	(110,626)
Other comprehensive expense for the year	(1,132,220)	(167,322)
Total comprehensive (expense)/income for the year	(512,613)	268,607
Total comprehensive (expense)/income for the year attributable to:		
Equity holders of the Company	(602,190)	300,895
Non-controlling interests	89,577	(32,288)
	(512,613)	268,607

Consolidated Statement of Financial Position

As at 31 December 2015

	<i>Notes</i>	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment		129,353	150,785
Investment properties		1,599,234	1,387,079
Goodwill		9,483	10,073
Interests in associates		1,352,198	1,419,275
Financial assets at fair value through other comprehensive income		610,745	511,643
Deferred tax assets		395,354	226,694
		<u>4,096,367</u>	<u>3,705,549</u>
Current assets			
Inventories		20,720,464	20,059,392
Amounts due from customers for contract work		433,277	366,651
Prepayments, trade and other receivables	9	3,404,857	3,315,265
Cash and bank deposits, restricted		293,551	488,315
Cash and bank deposits, unrestricted		10,672,861	5,240,461
		<u>35,525,010</u>	<u>29,470,084</u>
Total assets		<u>39,621,377</u>	<u>33,175,633</u>
EQUITY			
Share capital		334,428	334,051
Reserves	10	7,022,793	7,668,732
Equity attributable to equity holders of the Company		<u>7,357,221</u>	<u>8,002,783</u>
Non-controlling interests		<u>4,289,672</u>	<u>4,017,680</u>
Total equity		<u>11,646,893</u>	<u>12,020,463</u>
LIABILITIES			
Non-current liabilities			
Borrowings		8,126,450	11,524,591
Deferred tax liabilities		96,126	121,062
Other liabilities		386	386
		<u>8,222,962</u>	<u>11,646,039</u>
Current liabilities			
Borrowings		4,452,038	116,882
Trade and other payables	11	5,230,077	5,163,088
Deferred revenue		9,705,417	3,857,972
Taxation payable		363,990	371,189
		<u>19,751,522</u>	<u>9,509,131</u>
Total liabilities		<u>27,974,484</u>	<u>21,155,170</u>
Total equity and liabilities		<u>39,621,377</u>	<u>33,175,633</u>
Net current assets		<u>15,773,488</u>	<u>19,960,953</u>
Total assets less current liabilities		<u>19,869,855</u>	<u>23,666,502</u>

Notes to the Consolidated Financial Statements

1. General information

The Group is principally engaged in real estate development, specialised construction, property investment and securities investment. Hong Kong and the People's Republic of China (other than Hong Kong) (the "PRC") are the major markets for the Group's businesses.

The Company is a limited liability company incorporated in Bermuda. The Company is listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Its immediate holding company is June Glory International Limited (incorporated in the British Virgin Islands) and its ultimate holding company is China Minmetals Corporation (incorporated in the PRC).

The consolidated financial statements are presented in Hong Kong dollars ("HK\$" or "HK dollar(s)"), unless otherwise stated, which is also the functional currency of the Company.

2. Basis of preparation and accounting policies

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

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

The consolidated financial statements have been prepared under the historical cost convention, as modified by the fair value of investment properties and financial assets at fair value through other comprehensive income, which are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

In the current year, the Group has applied, for the first time, the following amendments issued by the HKICPA.

Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions
Amendments to HKFRSs	Annual Improvements to HKFRSs 2010 – 2012 Cycle
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011 – 2013 Cycle

The application of the amendments to HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

3. Revenue and segment information

Revenue (represents turnover) comprised the following:

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
Sales of properties	6,501,484	4,844,750
Revenue from specialised construction contracts	681,881	1,071,319
Rental and management fee income from investment properties	69,901	67,565
	<u>7,253,266</u>	<u>5,983,634</u>

(a) **Operating segments**

The chief operating decision-maker has been identified as the executive directors. The executive directors review the Group's internal financial reports in order to assess performance and allocate resources. The executive directors have determined the operating segments based on these reports as follows:

Real estate development:	Development of residential and commercial properties
Specialised construction:	Design, installation and selling of curtain walls and aluminium windows, doors and other materials
Property investment:	Holding of properties to generate rental income and/or to gain from the appreciation in the properties' values in the long-term
Securities investment:	Investment of securities

No operating segments identified by the executive directors have been aggregated in arriving at the reportable segments of the Group.

Segment revenue and results

	Real estate development		Specialised construction		Property investment		Securities investment		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue										
Total segment revenue	6,501,484	4,844,750	787,553	1,173,189	72,261	69,913	—	—	7,361,298	6,087,852
Inter-segment revenue	—	—	(105,672)	(101,870)	(2,360)	(2,348)	—	—	(108,032)	(104,218)
Sales to external customers	6,501,484	4,844,750	681,881	1,071,319	69,901	67,565	—	—	7,253,266	5,983,634
Results										
Segment results	953,737	587,819	2,651	57,122	259,462	217,360	26,478	21,884	1,242,328	884,185
Unallocated corporate expenses, net									(190,667)	(192,961)
Finance income									1,051,661	691,224
Finance costs									162,809	78,858
Share of results of associates									(57,511)	(65,845)
Profit before tax									16,442	183,936
									1,173,401	888,173

The accounting policies of the reportable and operating segments are the same as the Group's accounting policies. Segment result represents the profit before taxation without allocation of unallocated corporate expenses, finance income, finance costs and share of results of associates.

Inter-segment revenue are charged at prevailing market rates.

Segment assets and liabilities

	Real estate development		Specialised construction		Property investment		Securities investment		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>
Assets										
Segment assets	32,478,365	27,475,652	1,219,268	1,288,637	1,610,324	1,409,257	610,745	511,643	35,918,702	30,685,189
Unallocated corporate assets									3,702,675	2,490,444
Total assets									39,621,377	33,175,633
Liabilities										
Segment liabilities	26,250,493	19,288,201	768,689	938,689	24,040	21,110	—	—	27,043,222	20,248,000
Unallocated corporate liabilities									931,262	907,170
Total liabilities									27,974,484	21,155,170

Segment assets consist primarily of interests in associates, property, plant and equipment, investment properties, goodwill, inventories, receivables and operating cash but exclude items such as bank deposits for corporate use and deferred tax assets. Segment liabilities comprise all operating liabilities but exclude item such as taxation.

Finance income, finance costs and share of results of associates are not included in the measure of segment results while operating cash and interests in associates have been allocated into the segment assets and borrowings have been allocated into the segment liabilities.

Other segment information

Amounts included in the measure of segment profit or loss or segment assets:

	Real estate development		Specialised construction		Property investment		Securities investment		Segment total		Unallocated		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>	<i>HKS'000</i>
Interests in associates	1,352,198	1,419,275	—	—	—	—	—	—	1,352,198	1,419,275	—	—	1,352,198	1,419,275
Capital expenditures	3,166	2,726	2,075	3,718	1,880	302	—	—	7,121	6,746	122	798	7,243	7,544
Depreciation recognised in the consolidated statement of profit or loss	4,520	5,542	3,645	3,406	462	598	—	—	8,627	9,546	1,305	2,147	9,932	11,693
Fair value changes on investment properties	—	—	—	—	195,563	160,085	—	—	195,563	160,085	—	—	195,563	160,085
Impairment loss of inventories	71,827	74,065	—	—	—	—	—	—	71,827	74,065	—	—	71,827	74,065
Impairment loss of trade and other receivables	15,845	1,921	8,493	—	—	—	—	—	24,338	1,921	—	—	24,338	1,921

(b) Geographical information

The Group operates its businesses in two main geographical areas:

Hong Kong: Specialised construction, property investment and securities investment

The PRC: Real estate development and specialised construction

In presenting geographical information, sales are presented based on the geographical locations of the customers. Total non-current assets excluded financial instrument and deferred tax assets.

	Hong Kong		The PRC		Total	
	2015	2014	2015	2014	2015	2014
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
External sales	245,166	240,816	7,008,100	5,742,818	7,253,266	5,983,634
Total non-current assets	1,675,611	1,486,672	1,414,657	1,480,540	3,090,268	2,967,212

(c) **Information about major customer**

No revenue from transaction with single external customer is amounted to 10% or more of the Group's revenue for both years.

4. Profit for the year

	2015	2014
	<i>HK\$'000</i>	<i>HK\$'000</i>
Advertising and other promotional costs	291,198	288,985
Cost of properties sold (Note (i))	5,034,087	3,786,437
Cost of specialised construction	615,406	959,388
Depreciation	9,932	11,693
Auditor's remuneration	4,150	3,930
Direct out-goings arising from investment properties that generated rental income	12,386	11,058
Employee benefit expense (including directors' emoluments)	150,983	135,807
Legal and professional fees	14,149	11,952
Operating lease charges – minimum lease payment in respect of land and buildings	29,744	31,567
Provision for impairment of trade and other receivables	24,338	1,921
Provision for impairment of inventories	71,827	74,065
Net exchange loss	16,802	2,023

Note:

(i) Included in cost of properties sold are interest expenses of HK\$392,015,000 (2014: HK\$224,098,000).

5. Other gains, net

	2015	2014
	<i>HK\$'000</i>	<i>HK\$'000</i>
Government subsidies	17,614	2,537
Dividend income	26,504	21,895
Gain on disposal of property, plant and equipment	—	13,124
Others	23,384	12,032
	67,502	49,588

6. Income tax expense

No provision for Hong Kong profits tax has been made in the consolidated financial statements as the Group has no assessable profit for the year or has sufficient tax losses brought forward to offset current year's assessable profit (2014: Nil). PRC enterprise income tax has been calculated on the estimated assessable profit for the year derived in the PRC at the rate of 25% (2014: 25%).

Land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including costs of land and development and construction expenditures.

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
Current tax — PRC		
Enterprise income tax	595,599	278,668
Land appreciation tax	159,249	187,217
	<u>754,848</u>	<u>465,885</u>
Deferred tax	(201,054)	(13,641)
	<u>553,794</u>	<u>452,244</u>

7. Earnings per share – basic and diluted

The calculation of basic earnings per share is based on the profit attributable to equity holders of the Company divided by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume exercise of share options granted under the Company's share option schemes.

	2015	2014
Weighted average number of ordinary shares in issue (thousands shares)	3,343,125	3,338,458
Adjustment for share options (thousands shares)	2,815	5,471
Weighted average number of ordinary shares for diluted earnings per share (thousands shares)	<u>3,345,940</u>	<u>3,343,929</u>
Profit attributable to equity holders of the Company (HK\$'000)	<u>278,156</u>	<u>425,171</u>
Basic earnings per share (HK cents)	<u>8.32</u>	<u>12.74</u>
Diluted earnings per share (HK cents)	<u>8.31</u>	<u>12.71</u>

8. Dividends

The Directors recommend the payment of a final dividend of HK2.0 cents (2014: HK1.5 cents) per ordinary share with total amount of HK\$66,886,000 (2014: HK\$50,108,000). Such dividend is to be approved by the shareholders at the annual general meeting of the Company to be held on 27 May 2016. These consolidated financial statements do not reflect this dividend payable.

Final dividend in respect of the year ended 31 December 2014 of HK1.5 cents per ordinary share totaling HK\$50,162,000 (2014: final dividend in respect of the year ended 31 December 2013 of HK1.5 cents per ordinary share totaling HK\$50,068,000) was recognised as distribution during the year.

9. Prepayments, trade and other receivables

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
Trade and contract receivables, net (a)	795,379	810,870
Retention receivables (b)	85,578	77,097
Deposits	66,263	90,141
Prepayments (c)	1,038,620	642,239
Prepayment for land cost (d)	320,249	1,609,419
Loans to non-controlling shareholders of subsidiaries	1,052,757	26,100
Others	<u>46,011</u>	<u>59,399</u>
	<u>3,404,857</u>	<u>3,315,265</u>

- (a) The aging analysis of trade and contract receivables based on due date for rental receivables, date of properties delivered to purchasers and billing date of construction services certified is as follows:

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
0 to 90 days	454,752	472,937
91 to 180 days	85,174	28,485
181 days to 1 year	103,002	89,466
1 year to 2 years	114,070	115,733
Over 2 years	<u>66,968</u>	<u>112,609</u>
	823,966	819,230
Less: provision for impairment	<u>(28,587)</u>	<u>(8,360)</u>
	<u>795,379</u>	<u>810,870</u>

In respect of trade and contract receivables, a credit period of three to twelve months may be granted to customers on a case-by-case basis.

Trade and contract receivables neither past due nor impaired are with customers having good repayment history and no default in the past.

- (b) As at 31 December 2015, retention receivables with carrying amount of HK\$58,564,000 (2014: HK\$56,304,000) are expected to be recovered after twelve months from the end of the reporting period.
- (c) As at 31 December 2015, prepayments include prepaid other taxes and other charges of approximately HK\$1,017,814,000 (2014: HK\$502,439,000).
- (d) As at 31 December 2015, prepayment for land cost represents payment to the PRC Bureau of Land and Resources for the acquisition of lands in the PRC and the amount will be recognised as inventory upon issuance of Land Use Rights Certificates.

10. Reserves

	Share premium <i>HK\$ '000</i>	Contributed surplus <i>HK\$ '000</i>	Capital redemption reserve <i>HK\$ '000</i>	Employee share-based compensation reserve <i>HK\$ '000</i>	Investments revaluation reserve <i>HK\$ '000</i>	Revaluation reserve <i>HK\$ '000</i>	Other reserve <i>HK\$ '000</i>	Exchange reserve <i>HK\$ '000</i>	Retained earnings <i>HK\$ '000</i>	Total <i>HK\$ '000</i>
Balance as at 1 January 2014	4,267,699	565,404	769	19,211	64,532	1,314	31,640	595,730	1,857,447	7,403,746
Issue of shares	930	—	—	—	—	—	—	—	—	930
Employee share option benefits	—	—	—	13,229	—	—	—	—	—	13,229
Fair value loss of financial assets at fair value through other comprehensive income	—	—	—	—	(110,626)	—	—	—	—	(110,626)
Currency translation adjustments	—	—	—	—	—	—	—	(13,650)	—	(13,650)
2013 final dividend paid	—	(50,068)	—	—	—	—	—	—	—	(50,068)
Profit for the year	—	—	—	—	—	—	—	—	425,171	425,171
Balance as at 31 December 2014	4,268,629	515,336	769	32,440	(46,094)	1,314	31,640	582,080	2,282,618	7,668,732
Issue of shares	1,319	—	—	—	—	—	—	—	—	1,319
Employee share option benefits	—	—	—	5,094	—	—	—	—	—	5,094
Fair value gain of financial assets at fair value through other comprehensive income	—	—	—	—	99,102	—	—	—	—	99,102
Currency translation adjustments	—	—	—	—	—	—	—	(979,448)	—	(979,448)
2014 final dividend paid	—	—	—	—	—	—	—	—	(50,162)	(50,162)
Profit for the year	—	—	—	—	—	—	—	—	278,156	278,156
Balance as at 31 December 2015	4,269,948	515,336	769	37,534	53,008	1,314	31,640	(397,368)	2,510,612	7,022,793

11. Trade and other payables

	2015	2014
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade, bills and contract payables (a)	528,240	678,055
Retention payables	25,310	16,936
Accruals and other payables	3,266,813	2,388,305
Rental deposits received	19,779	18,524
Amounts due to non-controlling shareholders of subsidiaries	154,822	664,715
Amounts due to associates	1,235,113	1,396,553
	<u>5,230,077</u>	<u>5,163,088</u>

(a) The aging analysis of trade, bills and contract payables of the Group based on invoice date is as follows:

	2015	2014
	<i>HK\$'000</i>	<i>HK\$'000</i>
0 to 90 days	226,444	305,162
91 to 180 days	40,961	26,954
181 days to 1 year	44,360	41,070
1 year to 2 years	51,729	170,738
Over 2 years	164,746	134,131
	<u>528,240</u>	<u>678,055</u>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group's consolidated revenue for 2015 was HK\$7,253.3 million, representing an increase of 21.2% compared to HK\$5,983.6 million of last year. Real estate development segment recorded a revenue growth of 34.2% to HK\$6,501.5 million (2014: HK\$4,844.8 million). Revenue from specialised construction segment recorded a drop of 36.3% to HK\$681.9 million (2014: HK\$1,071.3 million) whilst revenue from property investment segment grew by 3.6% to HK\$69.9 million (2014: HK\$67.5 million).

Segment Revenue

	For the year ended 31 December				Year-on-year change
	2015		2014		
	HK\$ million	%	HK\$ million	%	%
Real estate development	6,501.5	89.6	4,844.8	81.0	34.2
Specialised construction	681.9	9.4	1,071.3	17.9	-36.3
Property investment	69.9	1.0	67.5	1.1	3.6
Securities investment	—	—	—	—	—
Total	7,253.3	100.0	5,983.6	100.0	21.2

Segment Results

	For the year ended 31 December				Year-on-year change %
	2015		2014		
	HK\$ million	%	HK\$ million	%	
Real estate development	953.6	76.8	587.8	66.5	62.2
Specialised construction	2.7	0.2	57.1	6.4	-95.3
Property investment	259.5	20.9	217.4	24.6	19.4
Securities investment	26.5	2.1	21.9	2.5	21.0
Total	1,242.3	100.0	884.2	100.0	40.5

Boosted by a strong surge in the recognition of sale of properties from previous years in 2015, particularly from Academic Royale, the real estate development segment revenue grew by 34.2% to HK\$6,501.5 million (2014: HK\$4,844.8 million). The decline in revenue in specialised construction segment of 36.3% to HK\$681.9 million (2014: HK\$1,071.3 million) was attributed to lesser recognised contract work as a result of the delay in project completion. Due to the change in product mix of property sold and delivered, overall gross profit margin improved from 20.5% to 21.9%. Fair value gain on investment properties increased by 22.2% as a result of higher rental rate achieved. The Group's selling and marketing costs increased 0.8% to HK\$291.2 million (2014: HK\$289.0 million) while administrative and other costs rose 12.1% to HK\$511.6 million (2014: HK\$456.2 million) mainly due to higher impairment losses of trade receivable and exchange loss incurred for the depreciation in Renminbi.

During the year under review, finance costs dropped 12.7% to HK\$57.5 million (2014: HK\$65.9 million), as a result of increasing portion of interest expenses capitalised as property under development in 2015. Due to project completion and delivery by an associate with descended profit, share of results of associates posted a significant decrease of 91.1% to HK\$16.4 million (2014: HK\$183.9 million). In addition, as a result of projects completed and delivered with substantial minority interests, profit attributable to equity holders of the Company dropped 34.6% to HK\$278.2 million from HK\$425.2 million of last year, representing a basic earnings per share of HK8.32 cents (2014: HK12.74 cents) for the year.

As at 31 December 2015, the Group's total assets grew 19.4% to HK\$39,621.4 million (2014: HK\$33,175.6 million) whilst net asset dropped 3.1% to HK\$11,646.9 million (2014: HK\$12,020.5 million). The financial position of the Group remained healthy. The Group's net gearing ratio maintained at a relatively low level of 13.8% and its net current assets dropped 21.0% to HK\$15,773.5 million (2014: HK\$19,961.0 million). Deferred revenue, which mainly represented contracted sales carried forward and subsequently will be recognised as the Group's revenue when presold properties are completed and delivered to buyers, rose 151.6% to HK\$9,705.4 million (2014: HK\$3,858.0 million).

REAL ESTATE DEVELOPMENT

Contracted Sales*

In 2015, the Group's total contracted sales rose 16.2% to RMB8,730 million (2014: RMB7,510 million) and the gross floor area ("GFA") contracted for sale amounted to 423,000 square metres (2014: 415,000 square metres) over 4,661 units (2014: 3,483 units). The average selling price ("ASP") rose 14.2% to approximately RMB20,700 per square metre (2014: RMB18,100) and the majority of the contracted sales were derived from Tier 1 and 2 cities.

The table below provides an analysis of contracted sales by project for years 2014 and 2015:

Project	Year ended 31 December 2015			Year ended 31 December 2014		
	Contracted amount (RMB million)	Contracted GFA (sq.m.)	ASP (RMB/sq.m.)	Contracted amount (RMB million)	Contracted GFA (sq.m.)	ASP (RMB/sq.m.)
Beijing Fortune Garden	2,774	50,227	55,238	2,810	57,355	48,994
Yingkou Platinum Bay	50	9,540	5,255	151	21,873	6,887
Langfang Minmetals						
Vanke City	551	70,970	7,767	282	41,048	6,871
Tianjin Minmetals						
International	228	21,186	10,785	98	8,712	11,248
Nanjing Laguna Bay	54	1,593	33,612	80	6,652	12,039
Nanjing Riviera Royale	36	958	37,971	46	2,259	20,583
Nanjing Sello Royale	328	19,617	16,726	837	57,971	14,444
Nanjing Academic Royale	3,101	120,067	25,829	2,442	101,703	24,008
Nanjing Yan Shan Ju	1,029	37,633	27,334	—	—	—
Changsha LOHAS						
International						
Community	324	60,062	5,390	626	107,201	5,842
Changsha Scotland Town	2	771	2,576	31	536	6,135
Changsha Kaifu Project	152	19,251	7,905	40	3,097	12,947
Huizhou Hallstatt See	101	10,679	9,482	70	6,676	10,507
Total	8,730	422,554	20,663	7,513	415,083	18,100

Note: * “Contracted Sales” means sales contract entered into between the Group and purchasers pursuant to the Administrative Measures on the Sales of Commodity Buildings (“商品房銷售管理辦法”) promulgated by MOHURD (“住房和城鄉建設部”) on 4 April 2001 and implemented on 1 June 2001. Sale of commodity buildings included both pre-completion sales (pre-sale) and post-completion sales.

Project Profiles

Location/Project	Attributable interest to the Group	Site Area (sq.m.)	Estimated GFA (sq.m.)	GFA completed (sq.m.)	GFA under development (sq.m.)	GFA held for future development (sq.m.)
Pan Bohai Rim						
1. Beijing Fortune Garden	51.00%	139,000	414,000	182,000	215,000	17,000
2. Yingkou Platinum Bay	100.00%	396,000	521,000	146,000	2,000	373,000
3. Langfang Minmetals Vanke City	50.00%	433,000	704,000	—	162,000	542,000
4. Tianjin Minmetals International	100.00%	21,000	183,000	183,000	—	—
Yangtze River Delta						
5. Nanjing Laguna Bay	71.00%	310,000	319,000	319,000	—	—
6. Nanjing Riviera Royale	98.88%	73,000	222,000	222,000	—	—
7. Nanjing Sello Royale	100.00%	179,000	270,000	263,000	7,000	—
8. Nanjing Academic Royale	66.67%	136,000	482,000	152,000	302,000	28,000
9. Nanjing Yan Shan Ju	100.00%	91,000	203,000	—	203,000	—
Central China						
10. Changsha LOHAS International Community	100.00%	643,000	1,084,000	934,000	51,000	99,000
11. Changsha Scotland Town	100.00%	333,000	442,000	442,000	—	—
12. Changsha Kaifu Project	100.00%	150,000	534,000	73,000	55,000	406,000
Pearl River Delta						
13. Huizhou Hallsatt See	80.00%	984,000	1,003,000	162,000	51,000	790,000

Beijing Fortune Garden

Fortune Garden is a residential development project located at Xibeiwang Town, Haidian District, Beijing. The development occupies an aggregate site area of approximately 139,000 square metres and has an aggregate planned gross floor area of approximately 414,000 square metres. The project received the “International Award” by the British Association of Landscape Industries in recognition of its outstanding landscape design. The project is comprised of two phases. Development of Phase I commenced in October 2011 and was completed and delivered. Construction of Phase II commenced in June 2013, pre-sale was launched in July 2013 and is scheduled to complete by early 2017. In year 2015, a contracted sales of around 50,227 square metres were recorded under this project.

Yingkou Platinum Bay

Platinum Bay is a residential development project comprises villas and apartments. It is located at Liaoning (Yingkou) Coastal Industrial Base, Yingkou City, Liaoning Province. The project occupies an aggregate site area of approximately 396,000 square metres and has an aggregate planned gross floor area of approximately 521,000 square metres. The project will be developed over six phases. Development of Phases I and II was completed in December 2012. Construction of Phase III commenced in March 2014, pre-sale was launched in June 2014 and has commenced delivery as of the end of 2015. The remaining three phases are currently under planning. In year 2015, a contracted sales of around 9,540 square metres were recorded under this project.

Langfang Minmetals Vanke City

Minmetals Vanke City is a residential development project located in Xianghe County, Langfang City, Hebei Province. The project occupies an aggregate site area of approximately 433,000 square metres and has an aggregate planned gross floor area of approximately 704,000 square metres. Construction of the project commenced in October 2014 and pre-sale was launched in December 2014. The project is scheduled to complete by the end of 2017. In year 2015, a contracted sales of around 70,970 square metres were recorded under this project.

Tianjin Minmetals International

Minmetals International is a completed mixed commercial and residential development project located at the east of Yingbin Main Road and south of Tuochang Road, Tanggu District, Tianjin. The project is comprised of office space, apartments and retail stores as well as car-parking spaces. The development occupies an aggregate site area of approximately 21,000 square metres and has an aggregate gross floor area of approximately 183,000 square metres. So far, 90% of the gross saleable floor area was sold. In year 2015, a contracted sales of around 21,186 square metres were recorded under this project.

Nanjing Laguna Bay

Laguna Bay is a completed residential development project located at the junction of Xue Si Road and Xue Qi Road, Science Park, Jiangning District, Nanjing, Jiangsu Province. The project is comprised of terrace houses, high-rise apartments, low-rise villas together with a three-storey commercial building. The project occupies an aggregate site area of approximately 310,000 square metres including the lake area and has an aggregate gross floor area of approximately 319,000 square metres. It features two lakes and an open green space at the centre of the development, supplemented with neighbouring land totaling 20 acres reserved for education purposes and other ancillary facilities. So far, 100% of the gross saleable floor area was sold. In year 2015, a contracted sales of around 1,593 square metres were recorded under this project.

Nanjing Riviera Royale

Riviera Royale is a completed residential development project comprises villas, apartments and LOFT units for high-end market. The project is located at Mengdu Avenue, Jianye District, Nanjing, Jiangsu Province. It occupies an aggregate site area of approximately 73,000 square metres and has an aggregate gross floor area of approximately 222,000 square metres. The project has ancillary facilities including a central park and a club house of approximately 12,000 square metres and approximately 2,000 square metres respectively. So far, 100% of the gross saleable floor area was sold. In year 2015, a contracted sales of around 958 square metres were recorded under this project.

Nanjing Sello Royale

Sello Royale is a residential development project located at south of Hongjing Road, Science Park, Jiangning District, Nanjing, Jiangsu Province. It occupies an aggregate site area of approximately 179,000 square metres and has an aggregate gross floor area of approximately 270,000 square metres. This project is comprised of villas and low-rise apartments. Construction of the project commenced in April 2012 and pre-sales of the project was launched in December 2012. Development of residential portion was completed and delivered at the end of 2015. The project was awarded the title of “Best Residential Development in 2014 (East & Central China)” (2014 年度中國華東及華中地區最佳住宅項目) at the first China Property Awards held by Ensign Media. Majority of the development works of this project have completed. So far, 87% of the gross saleable floor area was sold. In year 2015, a contracted sales of around 19,617 square metres were recorded under this project.

Nanjing Academic Royale

Academic Royale is a residential development project located at Tian He Road, southern part of Hexi, Jianye District, Nanjing, Jiangsu Province. It is approximately 5 kilometres from the Nanjing Olympic Sports Centre, the main stadium for the Nanjing 2014 Summer Youth Olympic Games. The project is located within the Nanjing Hexi New City Zone, a district of key future development with a construction plan of becoming comfortable living Eco-City. The project was designed as a high-quality residential community with low density. It occupies an aggregate site area of approximately 136,000 square metres and has an aggregate planned gross floor area of approximately 482,000 square metres. Academic Royale is comprised of four phases. Development of Phase I commenced in the third quarter of 2013 with presale in April 2014, and it was completed in the third quarter of 2015. Development of Phase II commenced in the first quarter of 2014 with presale in the third quarter of 2014, and it was completed at the beginning of 2016. Development of Phase III commenced in January 2015 with presale in November 2015, and it is scheduled to complete at the end of 2016. Development of Phase IV is expected to commence in June 2016 and pre-sale is expected to launch at the end of 2016. In year 2015, a contracted sales of around 120,067 square metres were recorded under this project.

Nanjing Yan Shan Ju

Yan Shan Ju is a residential development project located at southeast of Zijin Mountains in Nanjing Xuanwu District, the prime high-end residential district where land supply is limited. The project occupies an aggregate site area of approximately 91,000 square metres and has an aggregate planned gross floor area of approximately 203,000 square metres. There are well developed transportation facilities and the project is in close proximity to the Ninghang Expressway and Subway Line 2. In addition, it enjoys excellent surrounding environment and neighbours a number of educational and research institutions. The project will be developed into a high-end low-density residential community comprises low-rise apartments for first time buyers and upgraders from the local district and the Nanjing city. It is comprised of two phases. Construction of Phase I commenced in the first quarter of 2015, pre-sale was launched in July 2015 and it is scheduled to complete in the third quarter of 2016. Construction of Phase II commenced in the third quarter of 2015 and pre-sale is scheduled to launch in the third quarter of 2016. In year 2015, a contracted sales of around 37,633 square metres were recorded under this project.

Changsha LOHAS International Community

LOHAS International Community is a large-scale residential development project with ancillary facilities, such as clubhouse, shops, car-parking lots, schools and landscaped garden. Located at Gaoyun Road, Muyun Town, Changsha County, Hunan Province, the project occupies an aggregate site area of approximately 643,000 square metres, including a private lake of 30,000 square metres. It has an aggregate planned gross floor area of approximately 1,084,000 square metres. This project is comprised of five phases. Development of Phases I was completed in December 2010. Development of Phase II and III was completed in August 2013. Development of Phase IV commenced in March 2013 and was completed at the end of 2014. Development of Part I of Phase V commenced in December 2013 and was completed in the fourth quarter of 2015. Development of Part II of Phase V is currently under planning. So far, 84% of the gross saleable floor area was sold. In year 2015, a contracted sales of around 60,062 square metres were recorded under this project.

Changsha Scotland Town

Scotland Town is a completed residential development project located at Yuntang Village and Yuetang Village, Muyun Town, Changsha County, Hunan Province, and is adjacent to LOHAS International Community. The development occupies an aggregate site area of approximately 333,000 square metres and has an aggregate gross floor area of approximately 442,000 square metres. Development of Phases I and II reached completion in August 2011 and November 2013 respectively. So far, 96% of the gross saleable floor area was sold. In year 2015, a contracted sales of around 771 square metres were recorded under this project.

Changsha Kaifu Project

Kaifu Project is a residential development project located at Fu Yuan West Road, Kaifu District, Changsha County, Hunan Province. The project is located at a comfortable living Eco-City zone under planning, with close proximity to the Kaifu District Administration Centre. The development occupies an aggregate site area of approximately 150,000 square metres and has an aggregate planned gross floor area of approximately 534,000 square metres, of which approximately 331,000 square metres is designated for residential purpose, approximately 113,000 square metres for commercial purpose, approximately 5,000 square metres for public ancillary facility purpose, and approximately 71,000 square metres for car-parking and civil air defense purpose. The residential portion of the project will be developed into a quality residential community for first home buyer and upgraders, whilst the commercial portion will be positioned as a 5A graded office building, business hotel, commercial zone with shops of lifestyle and leisure goods and services, and office building zone positioned for cultural and creative sector. The project is comprised of three phases. Development of phase I commenced in September 2014 and is expected to complete in the fourth quarter of 2016, in which development of the villas and selected high-rise units was completed by December 2015, and development of the high-rise units is scheduled to complete in the fourth quarter of 2016. In year 2015, a contracted sales of around 19,251 square metres were recorded under this project.

Huizhou Hallstatt See

Hallstatt See is a large-scale residential development project located at Mai Tian Ling, Boluo County, Huizhou City, Guangdong Province and is in close proximity to many amenities including golf course. Surrounded by hills and a 20-acre lake, the development occupies an aggregate site area of approximately 984,000 square metres and has an aggregate planned gross floor area of approximately 1,003,000 square metres. The project received 4A tourist attraction rating by the China National Tourism Administration in 2015, and was given an award for its innovative cultural and resort real estate model (文化與旅遊度假地產模式創新大獎) in the 10th Annual Real Estate Billboard event hosted by the China Commercial Real Estate Commission. It is comprised of seven phases. Development of Phase I and part of Phase II was completed and delivered in 2013 and 2014 respectively. Construction of the majority of Phase II and Phase III was completed by November 2015. The entire project is scheduled to complete by the end of 2019. In year 2015, a contracted sales of around 10,679 square metres were recorded under this project.

Land Bank

As at 31 December 2015, the Group had a land bank developable in gross floor area of approximately 3.5 million square metres across 13 real estate development projects in 7 cities located in mainland China, including Beijing, Yingkou, Langfang, Tianjin, Nanjing, Changsha and Huizhou.

SPECIALISED CONSTRUCTION

The Group is engaged in the business of specialised construction mainly encompassing the services of design, production and installation of curtain walls system via Minmetals Condo (Shanghai) Construction Co., Ltd. (“Condo Shanghai”) for the PRC market, Minmetals Condo (Hong Kong) Engineering Company Ltd. for the Hong Kong market and Minmetals Condo (Macau) Engineering Company Ltd. for the Macau market. In 2015, revenue derived from this operating segment showed a decline of 36.3% and its operating results, net of intra-group transactions, showed an operating profit of HK\$2.7 million (2014: HK\$57.1 million).

During the year, Condo Shanghai implemented stringent management on company financial and cashflow. Through active participation in project bidding and stringent risk management, the specialized construction segment lowered financial risks and achieved record turnover in the Macau market, and recorded steady revenue in light of extremely competitive Hong Kong market condition.

PROPERTY INVESTMENT

The Group's investment property portfolio in Hong Kong comprises two commercial office buildings, namely China Minmetals Tower in Tsimshatsui and LKF 29 (formerly "ONFEM Tower") in Central, and four residential units, all of which are located in Hong Kong with a total gross floor area of 15,826 square metres. In 2015, revenue from this operating segment rose 3.6% to HK\$69.9 million (2014: HK\$67.5 million). As at 31 December 2015, the occupancy rate of LKF 29 was 92.0% (31 December 2014: 95.9%) while China Minmetals Tower remained 100% occupied (31 December 2014: 100%).

PROSPECTS AND OUTLOOK

Under the current market landscape with intensifying competition and surging land premium, the Group will strive to develop a diverse growth model by incorporating joint venture cooperation and mergers and acquisitions development strategy. We will build effective cohesion with our controlling shareholder and establish a single business operation platform to eliminate internal competition, strengthen management and development process, realign resource allocation and enhance operation scale. With respect to company operation, we will be proactive in product innovation, maximizing value-adding components and optimizing project's quality-to-price ratio. We will focus on buying the better located high quality sites situated in core Tier 1 and 2 cities with high future sales growth potential. In terms of financial management, the Group will continue to adhere to prudent financial management and monitor its costs and expenses stringently. Meanwhile, we will explore new fundraising channels by closely monitor onshore and offshore fund raising windows. Finally, we will strive to improve on asset turnover, return on equity and ensure ample funding for our business development in the future.

LIQUIDITY AND FINANCIAL RESOURCES

During the year of 2015, the Group's operations were financed mainly by cash flows generated internally from business operations as well as borrowings.

As at 31 December 2015, cash and bank deposits (excluding restricted cash and bank deposits) of the Group amounted to HK\$10,672.9 million (2014: HK\$5,240.5 million), of which 91.3%, 7.3%, 1.2% and 0.2% (2014: 99.2%, 0.6%, 0.2% and 0.0%) were denominated in Renminbi, Hong Kong dollar, United States dollar and Macau Pataca respectively.

The Group had utilised financing to supplement internal resources to finance the acquisition of new projects and the development of existing projects. Total borrowings of the Group stood at HK\$12,578.5 million as at 31 December 2015 (2014: HK\$11,641.5 million), which mainly comprised borrowings from banks and bond issuance. The net gearing ratio (net debt to total equity) of the Group as at 31 December 2015 was 13.8% (2014: 49.2%).

Maturity profile of the Group's borrowings is as follows:

	31 December 2015		31 December 2014	
	HK\$ million	%	HK\$ million	%
Within one year	4,452.0	35.4	116.9	1.0
In the second year	994.3	7.9	4,596.5	39.5
In the third to fifth year	6,174.3	49.1	5,970.8	51.3
Beyond five years	957.9	7.6	957.3	8.2
Total	12,578.5	100.0	11,641.5	100.0

The currency profile of the Group's borrowings is as follows:

	31 December 2015		31 December 2014	
	HK\$ million	%	HK\$ million	%
Renminbi	860.6	6.8	1,194.3	10.3
Hong Kong Dollar	9,027.2	71.8	7,761.6	66.6
United States Dollar	2,690.7	21.4	2,685.6	23.1
Total	12,578.5	100.0	11,641.5	100.0

Finance costs charged to the profit or loss for 2015 amounted to HK\$57.5 million (2014: HK\$65.9 million) after capitalisation of HK\$453.1 million (2014: HK\$458.7 million) into properties under development. The unutilised banking facilities of the Group as at 31 December 2015 amounted to HK\$336.9 million (2014: HK\$4,597.5 million).

EXPOSURE TO FLUCTUATION IN EXCHANGE RATES

During the year of 2015, most of the Group's revenue and costs were denominated in Hong Kong dollar and Renminbi. The Group is exposed to exchange rate risk on transactions that are denominated in a currency other than Hong Kong dollar, the reporting and functional currency of the Company. The Group has not implemented or entered into any foreign exchange hedging arrangement to manage its exchange rate risk during the year of 2015. However, the Group has been closely monitoring the recent fluctuation in Renminbi exchange rate, and will adopt necessary measures to minimize the impact arising from adverse currency fluctuation including adjustment to the proportion of borrowings in foreign currency and adoption of foreign exchange hedging instruments.

CHARGES ON GROUP ASSETS

As at 31 December 2015, certain assets of the Group were pledged to secure certain banking facilities granted to the Group and mortgage loan facilities to the buyers of the Group's properties, and these pledged assets of the Group included:

- i. properties under development with carrying amounts of HK\$1,388.7 million (2014: HK\$7,185.5 million); and
- ii. bank deposits with nil carrying amounts (2014: HK\$127.2 million).

FINANCIAL GUARANTEES AND CONTINGENT LIABILITIES

As at 31 December 2015, guarantees given to banks for mortgage facilities granted to certain purchasers of the Group's properties amounted to HK\$7,742.4 million (2014: HK\$3,750.8 million). Such guarantees will terminate upon the earlier of (i) issuance of the property ownership certificate which will generally be available within one year after the purchasers take possession of the relevant properties; or (ii) repayment of mortgaged loans by the purchasers. Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible for repaying the outstanding mortgage principals together with accrued interest owed by the defaulted purchasers to the banks and the Group is entitled to take the possession of the related properties. Under such circumstances, the Group is able to retain the property sales proceeds previously received from the purchasers and sell the property to recover any amounts paid by the Group to the banks. Therefore, after taking into account of the creditworthiness of the purchasers, the Directors consider that no provision is required in the consolidated financial statements for the guarantees.

EMPLOYEES

Total number of staff of the Group, including the Directors, dropped 21.5% to 904 as at 31 December 2015 (2014:

1,152). The Group will continue to adopt a remuneration policy in line with local market practice and standards. Total remuneration and benefits of the Directors and staff of the Group for the year ended 31 December 2015 were approximately HK\$276.3 million (2014: HK\$235.6 million).

SHARE OPTION SCHEME

The share option scheme adopted by the Company on 29 May 2003 (the “2003 Share Option Scheme”) has expired on 28 May 2013. Share options granted under the 2003 Share Option Scheme prior to its expiration shall continue to be valid and exercisable in accordance with their terms of issue.

A new share option scheme was adopted by the Company on 7 June 2013 (the “2013 Share Option Scheme”) to recognise and acknowledge eligible persons for their contribution or potential contribution to the Group. The 2013 Share Option Scheme shall remain in force for 10 years from its adoption date. Details of the 2013 Share Option Scheme will be set out in the 2015 annual report of the Company.

As at 31 December 2015, there were 51,256,002 (2014: 59,294,335) outstanding share options granted under the 2003 Share Option Scheme. No share options have yet been granted by the Company pursuant to the 2013 Share Option Scheme.

FINAL DIVIDEND

The Directors recommend the payment of a final dividend of HK2.0 cents (2014: HK1.5 cents) per share payable in cash to shareholders whose names appearing on the register of members of the Company on Wednesday, 8 June 2016.

The dividend cheques will be distributed to shareholders on or about Friday, 24 June 2016.

ANNUAL GENERAL MEETING

An annual general meeting of the shareholders of the Company is convened to be held on Friday, 27 May 2016 (the “2016 AGM”). The notice of the 2016 AGM which forms part of the circular to shareholders of the Company will be despatched together with the 2015 annual report.

CLOSURE OF REGISTER OF MEMBERS FOR ANNUAL GENERAL MEETING

The register of members of the Company will be closed from Wednesday, 25 May 2016 to Friday, 27 May 2016 (both days inclusive), during which period no transfer of shares will be registered for the purpose of determining shareholders’ entitlement to attend and vote at the 2016 AGM.

In order to qualify to attend and vote at the 2016 AGM, all share certificates with completed transfer forms must be lodged with the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 4:30 p.m. on Tuesday, 24 May 2016.

CLOSURE OF REGISTER OF MEMBERS FOR FINAL DIVIDEND

The register of members of the Company will be closed from Monday, 6 June 2016 to Wednesday, 8 June 2016 (both days inclusive), for the purpose of determining shareholders’ entitlement to the proposed final dividend.

In order to qualify for the proposed final dividend, all share certificates with completed transfer forms must be lodged with the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 4:30 p.m. on Friday, 3 June 2016.

CORPORATE GOVERNANCE

Corporate Governance Code

In the opinion of the Directors, throughout the year ended 31 December 2015, the Company has complied with the code provisions of 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”), except for the following deviations:

1. Code provision A.4.2 requires that all directors appointed to fill a casual vacancy in listed companies be subject to election by shareholders at the first general meeting after their appointment. Every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

Instead of having elected at the first general meeting, Directors appointed by the Company to fill a casual vacancy would be subject to election at the first annual general meeting after their appointment. Besides, all Directors are subject to retirement by rotation in the manner as set out in the said code provision save for the Chairman and the Managing Director of the Company where they are not required to do so pursuant to the private company act 1991 by which the Company was incorporated.

2. Code provision E.1.2 requires that the chairman of the board and the chairman of all the board committees of listed companies to attend and answer questions at the annual general meeting.

Mr. Zhang Yuanrong, the Chairman of the Board and of the Nomination Committee, was not available for the Company’s annual general meeting for 2015 due to ad hoc business commitment. Accordingly, Mr. He Jianbo, the Deputy Chairman, Managing Director and a member of the nomination committee, took the chair of the said meeting.

Code for Securities Transactions by Directors

The Company has established a set of guidelines as its own “Rules and Procedures for Directors and Relevant Employees of the Company in respect of Dealings in Securities of the Company” (the “Rules for Securities Transactions”) on terms no less exacting than those contained in the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules.

Having made specific enquiries of all Directors, they had confirmed in writing that they had complied with the Rules for Securities Transactions throughout the year ended 31 December 2015.

REVIEW BY AUDIT COMMITTEE

The audit committee of the Company has discussed with the management of the Company and the Group’s auditor, Messrs. Deloitte Touche Tohmatsu, on the consolidated financial statements of the Group for the year ended 31 December 2015 and also reviewed accounting principles and practices adopted by the Group, internal control and other financial reporting matters. The consolidated financial statements of the Group for the year ended 31 December 2015 have been recommended by the audit committee of the Company to the Board for approval.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2015 as set out in this announcement have been agreed by the Group’s auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on this announcement.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2015.

PROPOSED ADOPTION OF SECONDARY NAME

The Board announces that the Company proposes to adopt and register “五礦地產有限公司” as its secondary name (the “Proposed Adoption of Secondary Name”). After the Proposed Adoption of Secondary Name has become effective, the Company will cease to use its existing name of “五礦建設有限公司” which was adopted by the Company for identification purpose only on 18 May 2007. The English name of the Company remains unchanged.

The Board believes that “五礦地產有限公司” can better reflect the identity of the Company in Chinese.

The Proposed Adoption of Secondary Name will be subject to (i) the passing of a special resolution by the shareholders of the Company at the 2016 AGM to be held on 27 May 2016; and (ii) the approval by the Registrar of Companies in Bermuda.

Subject to the satisfaction of the conditions set out above, the Proposed Adoption of Secondary Name will take effect from the date of entry of the secondary name of the Company on the register of companies maintained by the Registrar of Companies in Bermuda. The Company will then carry out all necessary filing procedures with the Companies Registry in Hong Kong.

The Proposed Adoption of Secondary Name will not affect any rights of the existing shareholders. All existing share certificates in issue will, after the Proposed Adoption of Secondary Name, continue to be evidence of legal title to the shares of the Company and will continue to be valid for trading, settlement and delivery purposes. Accordingly, there will not be any arrangement for exchange of existing share certificates for new certificates bearing the secondary name of the Company.

Subject to the confirmation by The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the Chinese stock short name of the Company for trading in the shares of the Company on the Stock Exchange will also be changed after the Proposed Adoption of Secondary Name has become effective.

A circular containing information on, among other things, the Proposed Adoption of Secondary Name together with a notice of the 2016 AGM will be despatched to shareholders of the Company as soon as practicable.

Further announcement(s) will be made by the Company in relation to the effective dates of the Proposed Adoption of Secondary Name and the new Chinese stock short name for trading in the shares of the Company on the Stock Exchange as and when appropriate.

BOARD OF DIRECTORS

As at the date of this announcement, the Board comprises eight Directors, namely Mr. Zhang Yuanrong as the Chairman and a non-executive Director, Mr. He Jianbo as the Deputy Chairman, Managing Director and an executive Director, Mr. Yin Liang, Ms. He Xiaoli and Mr. Liu Zeping as executive Directors, and Mr. Selwyn Mar, Ms. Tam Wai Chu, Maria and Mr. Lam Chung Lun, Billy as independent non-executive Directors.

By order of the Board

He Jianbo

Deputy Chairman and Managing Director

Hong Kong, 18 March 2016

The Company's 2015 annual report containing, inter alia, the corporate governance report, the report of the directors and the consolidated financial statements for the year ended 31 December 2015 will be published on the Company's website at www.minmetalsland.com and the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk in due course.

* *For identification purpose only*