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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 2014

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 2014, together with the comparative figures in 2013, as follows:

Consolidated Statement of Profit or Loss

For the year ended 31 December 2014

	Notes	2014 HK\$'000	2013 HK\$'000
Revenue	3	5,983,634	5,905,854
Cost of sales		(4,756,883)	(4,463,399)
Gross profit		1,226,751	1,442,455
Other gains, net	5	49,588	36,088
Fair value changes on investment properties		160,085	169,417
Selling and marketing expenses		(288,985)	(184,907)
Administrative expenses		(456,215)	(448,244)
Finance income		78,858	62,404
Finance costs		(65,845)	(107,213)
Share of results of associated companies		183,936	55,262
Profit before tax		888,173	1,025,262
Income tax expense	6	(452,244)	(449,466)
Profit for the year	4	435,929	575,796
Profit for the year attributable to:			
Equity holders of the Company		425,171	476,832
Non-controlling interests		10,758	98,964
		435,929	575,796
Earnings per share for profit attributable to equity holders of the Company, in HK cents			
Basic	7	12.74	14.29
Diluted	7	12.71	14.26

	Note	2014 HK\$'000	2013 HK\$'000
Dividends	8	50,108	50,068

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2014

	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Profit for the year	<u>435,929</u>	<u>575,796</u>
Other comprehensive (expense)/income, net of income tax:		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Currency translation differences	(56,266)	306,357
Share of exchange differences of associated companies	(430)	<u>25,079</u>
	(56,696)	331,436
<i>Items that will not be reclassified subsequently to profit or loss:</i>		
Loss arising from revaluation of financial assets at fair value through other comprehensive income	(110,626)	<u>(20,742)</u>
Other comprehensive (expense)/income for the year	(167,322)	<u>310,694</u>
Total comprehensive income for the year, net of income tax	<u>268,607</u>	<u>886,490</u>
Total comprehensive income/(expense) for the year attributable to:		
Equity holders of the Company	300,895	742,420
Non-controlling interests	(32,288)	<u>144,070</u>
	<u>268,607</u>	<u>886,490</u>

Consolidated Statement of Financial Position

As at 31 December 2014

	<i>Notes</i>	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment		150,785	141,214
Investment properties		1,387,079	1,235,149
Goodwill		10,073	10,107
Interests in associated companies		1,419,275	853,073
Financial assets at fair value through other comprehensive income		511,643	622,269
Deferred tax assets		226,694	189,055
		<u>3,705,549</u>	<u>3,050,867</u>
Current assets			
Inventories		20,059,392	18,025,653
Amounts due from customers for contract work		366,651	200,334
Prepayments, trade and other receivables	9	3,315,265	1,914,110
Cash and bank deposits, restricted		488,315	115,605
Cash and bank deposits, unrestricted		5,240,461	6,102,303
		<u>29,470,084</u>	<u>26,358,005</u>
Total assets		<u>33,175,633</u>	<u>29,408,872</u>
EQUITY			
Share capital		334,051	333,785
Reserves	10	7,668,732	7,403,746
Equity attributable to equity holders of the Company		<u>8,002,783</u>	7,737,531
Non-controlling interests		<u>4,017,680</u>	3,606,661
Total equity		<u>12,020,463</u>	<u>11,344,192</u>
LIABILITIES			
Non-current liabilities			
Borrowings		11,524,591	8,739,607
Deferred tax liabilities		121,062	97,748
Other liabilities		386	386
		<u>11,646,039</u>	<u>8,837,741</u>
Current liabilities			
Borrowings		116,882	1,412,171
Trade and other payables	11	5,163,088	5,536,742
Deferred revenue		3,857,972	2,023,791
Taxation payable		371,189	254,235
		<u>9,509,131</u>	<u>9,226,939</u>
Total liabilities		<u>21,155,170</u>	<u>18,064,680</u>
Total equity and liabilities		<u>33,175,633</u>	<u>29,408,872</u>
Net current assets		<u>19,960,953</u>	<u>17,131,066</u>
Total assets less current liabilities		<u>23,666,502</u>	<u>20,181,933</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 and Macau) (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").

The consolidated financial statements are presented in Hong Kong dollars, unless otherwise stated.

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 revaluation 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 to HKFRSs and Hong Kong Accounting Standards ("HKAS") and new interpretation ("HK(IFRIC) - Int") (hereinafter collectively referred to as the "new and revised HKFRSs") issued by the HKICPA.

Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting
HK(IFRIC) - Int 21	Levies

Amendments to HKAS 36 Recoverable Amount Disclosures for Non-Financial Assets

The amendments to HKAS 36 modify the disclosure requirements for impaired non-financial assets. Among them, the amendments expand the disclosures required for an impaired asset or cash-generating unit (CGU) whose recoverable amount is based on fair value less costs of disposal. These new disclosures include the fair value hierarchy, key assumptions, and valuation techniques used which are in line with the disclosure required by HKFRS 13. On the other hand, the amendments remove the requirement to disclose the recoverable amount of a CGU to which goodwill or other intangible assets with indefinite useful lives had been allocated when there has been no impairment or reversal impairment of the related CGU.

The adoption of such amendments does not have any impact to the Group.

The application of the other new and revised 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. Segment information

(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 to gain from the appreciation in the properties' values in the long-term
Securities investment:	Investment of securities

Revenue (represents turnover) comprised the following:

	2014	2013
	<i>HK\$'000</i>	<i>HK\$'000</i>
Sales of properties	4,844,750	4,734,704
Revenue from specialised construction contracts	1,071,319	1,109,648
Rental and management fee income from investment properties	67,565	61,502
	<u>5,983,634</u>	<u>5,905,854</u>

Segment revenue and results

	Real estate development		Specialised construction		Property investment		Securities investment		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
	<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	4,844,750	4,734,704	1,173,189	1,123,117	69,913	63,456	—	—	6,087,852	5,921,277
Inter-segment revenue	—	—	(101,870)	(13,469)	(2,348)	(1,954)	—	—	(104,218)	(15,423)
Sales to external customers	4,844,750	4,734,704	1,071,319	1,109,648	67,565	61,502	—	—	5,983,634	5,905,854
Results										
Segment results	587,819	979,510	57,122	(22,428)	217,360	223,196	21,884	16,072	884,185	1,196,350
Unallocated corporate expenses, net									(192,961)	(181,541)
									691,224	1,014,809
Finance income									78,858	62,404
Finance costs									(65,845)	(107,213)
Share of results of associated companies									183,936	55,262
Profit before tax									888,173	1,025,262

Segment assets and liabilities

	Real estate development		Specialised construction		Property investment		Securities investment		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Assets										
Segment assets	27,475,652	24,639,097	1,288,637	926,416	1,409,257	1,247,270	511,643	622,269	30,685,189	27,435,052
Unallocated corporate assets									2,490,444	1,973,820
Total assets									33,175,633	29,408,872
Liabilities										
Segment liabilities	19,288,201	16,641,456	938,689	649,044	21,110	19,998	—	—	20,248,000	17,310,498
Unallocated corporate liabilities									907,170	754,182
Total liabilities									21,155,170	18,064,680

Segment assets consist primarily of 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 items such as taxation.

Other segment information

	Real estate development		Specialised construction		Property investment		Securities investment		Unallocated		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Interests in associated companies	1,419,275	853,073	—	—	—	—	—	—	—	—	1,419,275	853,073
Capital expenditures	2,726	1,429	3,718	6,150	302	881	—	—	798	389	7,544	8,849
Depreciation recognised in the consolidated statement of profit or loss	5,542	6,670	3,406	2,473	598	619	—	—	2,147	2,032	11,693	11,794
Fair value changes on investment properties	—	—	—	—	160,085	169,417	—	—	—	—	160,085	169,417
Impairment loss	75,986	—	—	3,191	—	—	—	—	—	—	75,986	3,191

(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 are presented based on the geographical locations of the assets.

	Hong Kong		The PRC		Total	
	2014	2013	2014	2013	2014	2013
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
External sales	240,816	179,715	5,742,818	5,726,139	5,983,634	5,905,854
Total non-current assets	1,998,315	1,950,733	1,480,540	911,079	3,478,855	2,861,812

4. Profit for the year

	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Advertising and other promotional costs	288,985	184,907
Cost of properties sold	3,786,437	3,385,048
Cost of specialised construction	959,388	1,068,601
Depreciation	11,693	11,794
Auditor's remuneration	3,930	3,730
Direct out-goings arising from investment properties that generated rental income	11,058	9,750
Employee benefit expense (including directors' emoluments)	135,807	165,385
Loss on disposal of property, plant and equipment	—	1,381
Legal and professional fees	11,952	14,410
Operating lease charges – minimum lease payment in respect of land and buildings	31,567	24,074
Provision for impairment of trade and other receivables	1,921	3,191
Provision for impairment of inventories	74,065	—
Net exchange loss	<u>2,023</u>	<u>38,125</u>

5. Other gains, net

	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Government subsidies	2,537	12,949
Dividend income	21,895	16,133
Gain on disposal of property, plant and equipment	13,124	—
Others	<u>12,032</u>	<u>7,006</u>
	<u>49,588</u>	<u>36,088</u>

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 (2013: 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% (2013: 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.

	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Current tax — PRC		
Enterprise income tax	278,668	214,788
Land appreciation tax	187,217	188,802
	<u>465,885</u>	<u>403,590</u>
Deferred tax	(13,641)	45,876
	<u>452,244</u>	<u>449,466</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 conversion of all dilutive potential ordinary shares granted under the Company's share option schemes.

	2014	2013
Weighted average number of ordinary shares in issue (thousands shares)	3,338,458	3,337,853
Adjustment for share options (thousands shares)	5,471	7,041
Weighted average number of ordinary shares for diluted earnings per share (thousands shares)	<u>3,343,929</u>	<u>3,344,894</u>
Profit attributable to equity holders of the Company (HK\$'000)	425,171	476,832
Basic earnings per share (HK cents)	<u>12.74</u>	<u>14.29</u>
Diluted earnings per share (HK cents)	<u>12.71</u>	<u>14.26</u>

8. Dividends

The Directors recommend the payment of a final dividend of HK1.5 cents (2013: HK1.5 cents) per ordinary share. Such dividend is to be approved by the shareholders at the annual general meeting of the Company to be held on 28 May 2015. These consolidated financial statements do not reflect this dividend payable.

Dividend recognised as distribution and paid during the year ended 31 December 2014 amounted to HK\$50,068,000 (2013: HK\$33,379,000).

9. Prepayments, trade and other receivables

	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Trade and contract receivables, net (a)	810,870	763,470
Retention receivables	77,097	91,304
Deposits	90,141	502,908
Prepayments (b)	642,239	272,395
Prepayment for land cost (c)	1,609,419	239,728
Loan to a non-controlling shareholder of a subsidiary	26,100	—
Others	59,399	44,305
	<u>3,315,265</u>	<u>1,914,110</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:

	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
0 to 90 days	472,937	354,933
91 to 180 days	28,485	143,478
181 days to 1 year	89,466	68,274
1 year to 2 years	115,733	110,151
Over 2 years	112,609	93,091
	<u>819,230</u>	<u>769,927</u>
Less: provision for impairment	<u>(8,360)</u>	<u>(6,457)</u>
	<u>810,870</u>	<u>763,470</u>

No credit period is granted by the Group to customers in respect of trade and contract receivables.

Majority of trade and contract receivables are with customers having good repayment history and no default in the past.

- (b) As at 31 December 2014, prepayments include prepaid tax and other charges of approximately HK\$502,439,000 (2013: HK\$252,821,000).
- (c) As at 31 December 2014, 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 2013	4,267,699	598,783	769	5,505	85,274	1,314	21,967	309,400	1,380,615	6,671,326
Employee share option benefits	—	—	—	13,706	—	—	—	—	—	13,706
Fair value loss on revaluation of financial assets at fair value through other comprehensive income	—	—	—	—	(20,742)	—	—	—	—	(20,742)
Acquisition of non-controlling interest in a subsidiary	—	—	—	—	—	—	9,673	—	—	9,673
Currency translation adjustments	—	—	—	—	—	—	—	286,330	—	286,330
2012 final dividend paid	—	(33,379)	—	—	—	—	—	—	—	(33,379)
Profit for the year	—	—	—	—	—	—	—	—	476,832	476,832
Balance as at 31 December 2013	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 on revaluation 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

11. Trade and other payables

	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Trade, bills and contract payables (a)	678,055	839,564
Retention payables	16,936	27,969
Accruals and other payables	2,388,305	1,793,103
Rental deposits received	18,524	16,648
Amounts due to non-controlling shareholders of subsidiaries	664,715	1,771,232
Amounts due to associated companies	1,396,553	1,088,226
	5,163,088	5,536,742

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

	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
0 to 90 days	305,162	316,853
91 to 180 days	26,954	230,061
181 days to 1 year	41,070	31,781
1 year to 2 years	170,738	74,861
Over 2 years	134,131	186,008
	678,055	839,564

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group's consolidated revenue for 2014 was HK\$5,983.6 million, representing an increase of 1.3% compared to HK\$5,905.9 million of last year. Real estate development segment recorded a revenue growth of 2.3% to HK\$4,844.8 million (2013: HK\$4,734.7 million). Revenue from specialised construction segment recorded a slight decrease of 3.5% to HK\$1,071.3 million (2013: HK\$1,109.7 million) whilst revenue from property investment segment increased by 9.8% to HK\$67.5 million (2013: HK\$61.5 million).

Segment Revenue

	For the year ended 31 December				Year-on-year change %
	2014		2013		
	HK\$ million	%	HK\$ million	%	
Real estate development	4,844.8	81.0	4,734.7	80.2	2.3
Specialised construction	1,071.3	17.9	1,109.7	18.8	-3.5
Property investment	67.5	1.1	61.5	1.0	9.8
Securities investment	—	—	—	—	—
Total	5,983.6	100.0	5,905.9	100.0	1.3

Segment Results

	For the year ended 31 December				Year-on-year change %
	2014		2013		
	HK\$ million	%	HK\$ million	%	
Real estate development	587.8	66.5	979.5	81.9	-40.0
Specialised construction	57.1	6.4	(22.4)	(1.9)	N/A
Property investment	217.4	24.6	223.2	18.7	-2.6
Securities investment	21.9	2.5	16.1	1.3	36.0
Total	884.2	100.0	1,196.4	100.0	-26.1

Due to the change in product mix of property sold and delivered, overall gross profit margin declined from 24.4% to 20.5%. In addition, selling and marketing expenses of the Group rose 56.3% to HK\$289.0 million (2013: HK\$184.9 million), which was primarily due to the increase in the number of projects launched and nationwide promotional activities.

During the year under review, the Group implemented strict control over operating expenses, resulting in a slight increase of administrative expenses of 1.8% to HK\$456.2 million (2013: HK\$448.2 million). Finance costs charged to profit or loss dropped 38.5% to HK\$65.9 million (2013: HK\$107.2 million), as a higher portion of interest expenses was capitalised as properties under development in 2014. Due to project completion and delivery of properties by an associated company with profit recognition, share of results of associated companies posted a significant increase of 232.5% to HK\$183.9 million (2013: HK\$55.3 million). Nonetheless, profit attributable to equity holders of the Company slid 10.8% to HK\$425.2 million from HK\$476.8 million of last year, representing a basic earnings per share of HK12.74 cents (2013: HK14.29 cents) for the year.

As at 31 December 2014, the Group's total assets rose 12.8% to HK\$33,175.6 million (2013: HK\$29,408.9 million) whilst net assets rose 6.0% to HK\$12,020.5 million (2013: HK\$11,344.2 million). The financial position of the Group remained healthy. The Group's net gearing ratio maintained at a relatively low level of 49.2% and its net current assets rose 16.5% to HK\$19,961.0 million (2013: HK\$17,131.1 million). Deferred revenue, which mainly represented contracted sales carried forward and will be subsequently recognised as the Group's revenue when presold properties are completed and delivered to purchasers, rose 90.6% to HK\$3,858.0 million (2013: HK\$2,023.8 million).

REAL ESTATE DEVELOPMENT

Contracted Sales*

In 2014, the Group's total contracted sales rose 25.0% to RMB7,513 million (2013: RMB6,011 million) and the accumulated gross floor area ("GFA") sold amounted to 415,000 square metres (2013: 448,000 square metres) over 3,483 units (2013: 3,493 units). The average selling price ("ASP") rose 35.1% to approximately RMB18,100 per square metre (2013: RMB13,400 per square metre) 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 2013 and 2014:

Project	Year ended 31 December 2014			Year ended 31 December 2013		
	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	2,810	57,355	48,994	2,276	46,897	48,532
Yingkou Platinum Bay	151	21,873	6,887	202	27,492	7,328
Langfang Minmetals Vanke City	282	41,048	6,871	—	—	—
Tianjin Minmetals International	98	8,712	11,248	231	19,428	11,900
Nanjing Laguna Bay	80	6,652	12,039	105	7,945	13,272
Nanjing Riviera Royale	46	2,259	20,583	405	16,243	24,957
Nanjing Sello Royale	837	57,971	14,444	1,052	71,179	14,781
Nanjing Academic Royale	2,442	101,703	24,008	—	—	—
Changsha LOHAS International Community	626	107,201	5,842	862	130,369	6,609
Changsha Scotland Town	31	536	5,770	550	95,824	5,741
Changsha Kaifu Project	40	3,097	12,947	—	—	—
Huizhou Hallstatt See	70	6,676	10,507	328	32,234	10,159
Total	7,513	415,083	18,100	6,011	447,611	13,429

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	416,000	150,000	139,000	127,000
2. Yingkou Platinum Bay	100.00%	396,000	517,000	103,000	44,000	370,000
3. Langfang Minmetals Vanke City	50.00%	395,000	622,000	—	202,000	420,000
4. Tianjin Minmetals International	100.00%	21,000	183,000	183,000	—	—
Yangtze River Delta						
5. Nanjing Laguna Bay	71.00%	310,000	310,000	310,000	—	—
6. Nanjing Riviera Royale	98.88%	73,000	222,000	222,000	—	—
7. Nanjing Sello Royale	100.00%	179,000	270,000	236,000	34,000	—
8. Nanjing Academic Royale	66.67%	136,000	465,000	—	327,000	138,000
9. Nanjing Yan Shan Ju*	100.00%	91,000	197,000	—	—	197,000
Central China						
10. Changsha LOHAS International Community	100.00%	643,000	1,084,000	744,000	194,000	146,000
11. Changsha Scotland Town	100.00%	333,000	440,000	440,000	—	—
12. Changsha Kaifu Project	100.00%	150,000	520,000	—	128,000	392,000
Pearl River Delta						
13. Huizhou Hallsatt See	80.00%	984,000	1,154,000	115,000	132,000	907,000

Note: * New project acquired in 2014

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 GFA of approximately 416,000 square metres. In December 2012, the project received the “International Award” by the British Association of Landscape Industries in recognition of its outstanding landscape design. The project will be developed in two phases. Development of Phase I commenced in October 2011 and has been partially completed and delivered. Construction of Phase II commenced in June 2013, pre-sale was launched in July 2013 and is scheduled to complete by the end of 2016. In 2014, the contracted GFA sold was around 57,355 square metres.

Yingkou Platinum Bay

Platinum Bay is a residential development project that 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 GFA of approximately 517,000 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 is expected to deliver at the end of 2015. The remaining three phases are currently under planning. In 2014, the contracted GFA sold was around 21,873 square metres.

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 395,000 square metres and has an aggregate planned GFA of approximately 622,000 square metres. Construction of the project commenced in October 2014 and pre-sale was launched in December 2014. In 2014, the contracted GFA sold was around 41,048 square metres.

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 project occupies an aggregate site area of approximately 21,000 square metres and has an aggregate GFA of approximately 183,000 square metres. So far, 75% of the gross saleable floor area including car-parking lots was sold. In 2014, the contracted GFA sold was around 8,712 square metres.

Nanjing Laguna Bay

Laguna Bay is a completed project located at the junction of Xue Si Road and Xue Qi Road, Science Park, Jiangning District, Nanjing, Jiangsu Province. Having developed this residential development project over three phases, it 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 GFA of approximately 310,000 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, 99.4% of the gross saleable floor area including car-parking lots was sold. It is noteworthy that this project has successfully established a high benchmark in Nanjing and the Group has gained considerable market recognition in the region. In 2014, the contracted GFA sold was around 6,652 square metres.

Nanjing Riviera Royale

Riviera Royale is a completed residential development project comprises villas, apartments and LOFT units aiming at the high-end market. The project is located at Mengdu Avenue, Jianye District, Nanjing, Jiangsu Province. It has ancillary facilities including a central park and a club house of approximately 12,000 square metres and approximately 2,000 square metres respectively. It occupies an aggregate site area of approximately 73,000 square metres and has an aggregate GFA of approximately 222,000 square metres. So far, 99% of the gross saleable floor area including car-parking lots was sold. In 2014, the contracted GFA sold was around 2,259 square metres.

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 planned GFA of approximately 270,000 square metres. The project is planned for development of villas and low-rise apartments. Construction of the project commenced in April 2012 and pre-sale of the project was launched in December 2012. Development of residential portion was expected to complete and be ready for delivery by 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, 77% of the gross saleable floor area including car-parking lots was sold. In 2014, the contracted GFA sold was around 57,971 square metres.

Nanjing Academic Royale

Academic Royale is a residential development project located at Tian He Road, southern part of Hexi, Jianye District, Nanjing, Jiangsu Province, approximately 5 kilometres from the Nanjing Olympic Sports Centre, the main stadium for the Nanjing 2014 Summer Youth Olympic Games. The site 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 will be developed into 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 GFA of approximately 465,000 square metres. The project will be developed over four phases. Development of Phase I commenced in the third quarter of 2013 which is expected to complete in the third quarter of 2015. Pre-sale of Phase I was launched in April 2014 and market response has been very positive. Development of Phase II commenced in the first quarter of 2014 and is expected to complete at the beginning of 2016. Pre-sale of Phase II was launched in the third quarter of 2014. Development of Phase III commenced in January 2015 and is scheduled to complete at the end of 2016. Pre-sale of Phase III will be launched in July 2015. Development of Phase IV is currently under planning. In 2014, the contracted GFA sold was around 101,703 square metres.

Nanjing Yan Shan Ju

The site was acquired from the Bureau of Nanjing Land Resources on 22 October 2014 at a consideration of approximately RMB2.0 billion. At the Southeast of Zijin Mountains in Nanjing Xuanwu District, the site is located at the established prime residential area of the district where land supply is limited. There are well developed transportation facilities and the site is in close proximity to the Ninghang Expressway and Subway Line 2. Well equipped with a wide range of facilities, the site enjoys excellent surrounding environment and neighbours a number of educational and research institutions. According to the construction plan, the site will be developed into a high-end low-density residential community comprising low-rise apartments for first time buyers and upgraders from the local district and the Nanjing city. The aggregate site area of these lands is approximately 91,000 square metres and the maximum GFA is approximately 197,000 square metres. The project will be developed over two phases. Construction of Phase I is expected to commence in the first quarter of 2015, pre-sale is expected to launch in September 2015 and construction is scheduled to complete in the third quarter of 2016. Construction of Phase II is expected to commence in the third quarter of 2015 and pre-sale will be launched in the third quarter of 2016.

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, and has an aggregate planned GFA of approximately 1,084,000 square metres. The project will be developed over five phases. Development of Phase I was completed in December 2010. Development of Phases 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 is scheduled to complete in the fourth quarter of 2015. Development of Part II of Phase V is currently under planning. So far, 54% of the gross saleable floor area including car-parking lots was sold. In 2014, the contracted GFA sold was around 107,201 square metres.

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 project occupies an aggregate site area of approximately 333,000 square metres and has an aggregate GFA of approximately 440,000 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 including car-parking lots was sold. In 2014, the contracted GFA sold was around 536 square metres.

Changsha Kaifu Project

Kaifu Project is a residential development project located at Fu Yuan West Road, Kaifu District, Changsha County, Hunan Province. It is located at a comfortable living Eco-City zone under planning, with close proximity to the Kaifu District Administration Centre. The project occupies an aggregate site area of approximately 150,000 square metres and has an aggregate planned GFA of approximately 520,000 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. According to the development plan, the residential portion will be turned into a residential community for first time buyers and upgraders, whilst the commercial portion will be positioned as a 5A graded office building. The project will be developed over 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 is scheduled to complete by December 2015, and development of the high-rise units is scheduled to complete by December 2016. In 2014, the contracted GFA sold was around 3,097 square metres.

Huizhou Hallstatt See

Hallstatt See is a large-scale residential development project located in 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 project occupies an aggregate site area of approximately 984,000 square metres and has an aggregate planned GFA of approximately 1,154,000 square metres. The project 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. The project will be developed over seven phases. Development of Phase I and part of Phase II was completed and delivered in 2013 and 2014 respectively. The remaining part of Phase II and Phase III are currently under construction. The entire project is scheduled to complete by the end of 2019. In 2014, the contracted GFA sold sales was around 6,676 square metres.

Land Bank

As at 31 December 2014, the Group had a land bank developable in GFA of approximately 4.3 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.

Newly Acquired Land Reserves

In light of market uncertainty in 2014, the Group has adopted a conservative land replenishment strategy of “deepen our existing footprint and expand moderately”. As a result, the Group has only added a new real estate development project in Nanjing and the developable GFA of land bank increased by approximately 197,000 square metres.

City	Project Name ⁽¹⁾	Property Type	Site Area (sq.m)	Total GFA ⁽²⁾ (sq.m)	Total Cost (RMB million)	Average Land Cost (RMB per sq.m)
Nanjing	Yan Shan Ju	Residential	91,000	197,000	2,000	10,150

(1) Project name may be subject to change.

(2) Total GFA for the entire project includes GFA pending the grant of land use rights. GFA includes saleable and non-saleable GFA. Saleable GFA represents the GFA of a property which we intend to sell. Non-saleable GFA represents the GFA of a property that is not for sale and largely includes ancillary facilities.

(3) Figures are based on internal records and estimates.

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 two wholly-owned subsidiaries, namely Minmetals Condo (Shanghai) Construction Co., Ltd. (“Condo Shanghai”) for the PRC market and Minmetals Condo (Hong Kong) Engineering Company Limited (“Condo Hong Kong”) for the Hong Kong market. In 2014, revenue derived from this operating segment showed a slight decline of 3.5% and its operating results, net of intra-group transactions, showed an operating profit of HK\$57.1 million (2013: operating loss of HK\$22.4 million).

In 2014, Condo Shanghai implemented stringent management on company financial and cashflow. Through systemic project review, Condo Shanghai achieved positive operating cashflow and lowered financial risks. Condo Hong Kong recorded significant revenue growth and successfully won the tender of a new project with a contract value exceeding HK\$300 million. In addition, gross profit margin in year 2014 has returned to the anticipated level, resulting in an increase in operating profit.

PROPERTY INVESTMENT

The Group’s investment property portfolio in Hong Kong comprises two commercial office buildings, namely China Minmetals Tower in Tsimshatsui and ONFEM Tower (to be renamed as “LKF 29”) in Central, and four residential units, all of which are located in Hong Kong with a total GFA of 15,826 square metres. In 2014, revenue from this operating segment rose 9.8% to HK\$67.5 million (2013: HK\$61.5 million). As at 31 December 2014, the occupancy rate of ONFEM Tower was 95.9% (2013: 80.9%) while China Minmetals Tower remained 100% occupied (2013: 100%).

PROSPECTS AND OUTLOOK

Under the current market landscape with intensifying competition, rising funding cost 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 also seek divergence in other areas of development footpath to expedite our business expansion and operating scale. In the area of land replenishment, the Group will handle the ever-changing land market with composure, taking into account the cash inflow from its sales, and apply an investment strategy that is “moderately cautious, focused on existing footprint, promotes strategic cooperation and business innovations”. We will maintain a suitable scale of investment and capture opportunities offered by market adjustments to replenish our land bank and execute a prudent land policy. Leveraging on the committed support of the controlling shareholder, we will focus on buying the better located high quality sites situated in 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, improve sales cash collection, and monitor its costs and expenses stringently. Meanwhile, depending on the Group’s funding needs, we will continue to explore new fundraising channels and utilise its fundraising capability in the offshore financial market, to ensure ample funding for its business development in the future.

LIQUIDITY AND FINANCIAL RESOURCES

During 2014, the Group’s operations were mainly financed by cash flows generated internally from business operations as well as borrowings.

As at 31 December 2014, cash and bank deposits (excluding restricted cash and bank deposits) of the Group amounted to HK\$5,240.5 million (2013: HK\$6,102.3 million), of which 99.2%, 0.6% and 0.2% (2013: 88.7%, 3.1% and 8.2%) were denominated in Renminbi, Hong Kong dollar and United States dollar 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\$11,641.5 million as at 31 December 2014 (2013: HK\$10,151.8 million), which mainly comprised of borrowings from banks and bond

issuance. The net gearing ratio (net debt to total equity) of the Group as at 31 December 2014 was 49.2% (2013: 34.7%).

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

	31 December 2014		31 December 2013	
	HK\$ million	%	HK\$ million	%
Within one year	116.9	1.0	1,412.2	13.9
In the second year	4,596.5	39.5	2,664.2	26.3
In the third to fifth year	5,970.8	51.3	5,118.8	50.4
Beyond five years	957.3	8.2	956.6	9.4
Total	11,641.5	100.0	10,151.8	100.0

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

	31 December 2014		31 December 2013	
	HK\$ million	%	HK\$ million	%
Renminbi	1,194.3	10.3	734.9	7.2
Hong Kong Dollar	7,761.6	66.6	6,738.4	66.4
United States Dollar	2,685.6	23.1	2,678.5	26.4
Total	11,641.5	100.0	10,151.8	100.0

During the year ended 31 December 2014, finance costs charged to the profit or loss amounted to HK\$65.9 million (2013: HK\$107.2 million) after capitalisation of HK\$458.7 million (2013: HK\$381.2 million) into properties under development. The unutilised banking facilities of the Group as at 31 December 2014 amounted to HK\$4,597.5 million (2013: HK\$3,208.7 million).

EXPOSURE TO FLUCTUATION IN EXCHANGE RATES

During 2014, 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 2014. 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 2014, 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. investment properties with carrying amount of nil (2013: HK\$1,205.1 million);
- ii. land and buildings with carrying amount of nil (2013: HK\$83.0 million);
- iii. properties under development with carrying amounts of approximately HK\$7,185.5 million (2013: HK\$1,583.9 million); and
- iv. bank deposits with carrying amounts of approximately HK\$127.2 million (2013: HK\$94.6 million).

FINANCIAL GUARANTEES AND CONTINGENT LIABILITIES

As at 31 December 2014, guarantees given to banks for mortgage facilities granted to certain purchasers of the Group's properties amounted to HK\$3,750.8 million (2013: HK\$2,986.4 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) satisfaction of mortgage loan 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, was 1,152 as at 31 December 2014 (2013: 995). 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 2014 were approximately HK\$235.6 million (2013: HK\$246.8 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 2014 annual report of the Company.

As at 31 December 2014, there were 59,294,335 (2013: 65,102,001) 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 HK1.5 cents (2013: HK1.5 cents) per share payable in cash to shareholders whose names appearing on the register of members of the Company on Thursday, 11 June 2015.

The dividend cheques will be distributed to shareholders on or about Friday, 26 June 2015.

ANNUAL GENERAL MEETING

An annual general meeting of the shareholders of the Company is convened to be held on Thursday, 28 May 2015 (the "2015 AGM"). The notice of the 2015 AGM which forms part of the circular to shareholders of the Company will be despatched together with the 2014 annual report.

CLOSURE OF REGISTER OF MEMBERS FOR ANNUAL GENERAL MEETING

The register of members of the Company will be closed from Tuesday, 26 May 2015 to Thursday, 28 May 2015 (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 2015 AGM.

In order to qualify to attend and vote at the 2015 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 Friday, 22 May 2015.

CLOSURE OF REGISTER OF MEMBERS FOR FINAL DIVIDEND

The register of members of the Company will be closed from Tuesday, 9 June 2015 to Thursday, 11 June 2015 (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 Monday, 8 June 2015.

CORPORATE GOVERNANCE

Corporate Governance Code

In the opinion of the Directors, throughout the year ended 31 December 2014, 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 deviation:

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. Sun Xiaomin, the then Chairman of the Board and of the Nomination Committee, was not available for the Company's annual general meeting for 2014 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 2014.

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 2014 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 2014 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 2014 as set out in this announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmastu, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmastu 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 Tohmastu 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 2014.

BOARD OF DIRECTORS

As at the date of this announcement, the Board comprises nine 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 and Ms. He Xiaoli as executive Directors, Mr. Tian Jingqi and Mr. Liu Zeping as non-executive Directors, and Mr. Lam Chun, Daniel, Mr. Selwyn Mar and Ms. Tam Wai Chu, Maria as independent non-executive Directors.

By order of the Board

He Jianbo

Deputy Chairman and Managing Director

Hong Kong, 20 March 2015

The Company's 2014 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 2014 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*