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PROFIT WARNING

This announcement is made by Minmetals Land Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) of Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) informs the shareholders of the Company and the potential investors that, based on the preliminary review of the management accounts of the Group and other currently available information, it is expected that the Group would record a loss attributable to equity holders of the Company in the range of HK\$1,200 million to HK\$1,400 million for the year ended 31 December 2022 (2021: profit attributable to equity holders of the Company of HK\$89 million). The expected loss was attributable to:

- i) the ongoing COVID-19 pandemic, with a particularly serious situation in the fourth quarter of last year, resulting in delays in construction activities and delivery of properties to buyers, in particular, the real estate development projects in the Pearl River Delta with a total amount of contracted sales of approximately RMB5.8 billion could not be recognised in 2022 as planned;
- ii) the decrease in gross profit margin of real estate development business due to a higher proportion of real estate development projects with lower gross profit margin being recognised during the year;
- iii) in light of the downturn in the real estate market, increase in provision for impairment of real estate development projects for prudence;
- iv) the decline in rental and related income from the investment properties due to the economic slowdown caused by the COVID-19 pandemic; and
- v) the loss incurred by the specialised construction business due to cost overruns on some projects caused by increases in material and labour costs based on the latest estimates.

With the support of China Minmetals Corporation, the controlling shareholder of the Company, the Board is cautiously optimistic about the future development of the Group and is confident in maintaining its healthy financial position.

The information contained in this announcement is only a preliminary review of the management accounts of the Group and information currently available to the Board, and is not based on any figure or information audited or reviewed by the auditors of the Company and may be subject to adjustments arising from further review. Details of the audited annual results to be disclosed in the Company's annual results announcement for the year ended 31 December 2022 (which is expected to be released by the end of March 2023) shall prevail.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

By order of the Board
Minmetals Land Limited
He Jianbo
Chairman

Hong Kong, 17 February 2023

As at the date of this announcement, the Board comprises nine directors, namely Mr. He Jianbo as the Chairman and an executive director, Mr. Liu Bo, Mr. Chen Xingwu and Mr. Yang Shangping as executive directors, Ms. He Xiaoli and Mr. Huang Guoping as non-executive directors, and Mr. Lam Chung Lun, Billy, Ms. Law Fan Chiu Fun, Fanny and Professor Wang Xiuli as independent non-executive directors.