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China Minsheng Drawin Technology Group Limited

中民築友科技集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 726)

POSITIVE PROFIT ALERT

This announcement is made by China Minsheng Drawin Technology Group Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) (a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under 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**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on preliminary assessment and review of the latest unaudited consolidated management accounts of the Group for the six months ended 30 June 2017 (the “**Period**”), the Group is expected to record a break-even position in terms of profit and loss attributable to owners of the Company for the Period, as compared to a net loss of approximately HK\$95 million for the corresponding period of last year. The Board considers that the aforesaid turnaround from a loss position is primarily attributable to (i) the reversal of impairment losses amounting to HK\$30 million in respect of trade and other receivables as recognised in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2016, which relates to two significant receivable balances of approximately HK\$28 million and HK\$18 million, respectively (as disclosed in the 2016 Annual Report of the Company); (ii) the full collection of the aforesaid receivables after the continuous effort of the Group to collect the receivables; (iii) a realised gain of approximately HK\$1.4 million attributable to interest income received from the aforesaid receivables; and (iv) government grant of approximately HK\$23 million from Hunan, Nanjing, Anhui and Guangdong authorities in relation to our Green Construction Technology Parks.

The information in this announcement is based on a preliminary assessment by the management of the Company with reference to the unaudited consolidated management accounts of the Group for the Period. Such information has not been finalised, audited or reviewed by the Company's independent auditor, and has not been confirmed by the audit committee of the Board. Shareholders and potential investors are advised to refer to the details in the results announcement of the Company for the Period, which is expected to be published in August 2017. There may be changes or adjustments following review of the unaudited management accounts by the independent auditor of the Company. **Shareholders and potential investors are advised to exercise caution when dealing in the shares or other securities of the Company.**

By order of the Board
China Minsheng Drawin Technology Group Limited
Yin Jun
Chairman of the Board

Hong Kong, 20 July 2017

As at the date of this announcement, the Board comprises Mr. Yin Jun (Chairman), Mr. Chen Domingo and Mr. Mi Hongjun as executive directors; Mr. Chen Donghui, Ms. Gan Ping and Mr. Zhao Xiaodong as non-executive directors; Mr. Chan Chi Hung, Mr. Jiang Hongqing, Mr. Lee Chi Ming, and Mr. Ma Lishan as independent non-executive directors.