LIPPO CHINA RESOURCES LIMITED
力寶華潤有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 156)

FINAL RESULTS
FOR THE FIFTEEN MONTHS ENDED 31ST MARCH, 2013

The consolidated final results for the fifteen months ended 31st March, 2013 of Lippo China Resources Limited (the "Company") were prepared due to the change of financial year end date from 31st December to 31st March, as set out in the announcement of the Company dated 28th December, 2012. The Directors of the Company announce the consolidated final results of the Company and its subsidiaries (collectively, the "Group") for the fifteen months ended 31st March, 2013 (the "period ended 31st March, 2013") together with the comparative figures for the year ended 31st December, 2011 as follows:

CONSOLIDATED INCOME STATEMENT
For the fifteen months ended 31st March, 2013

	Note	**Period ended 31st March, 2013** *HK$'000*	Year ended 31st December, 2011 *HK$'000* (Restated)
Revenue	2	**396,102**	244,372
Cost of sales		**(88,870)**	(18,915)
Gross profit		**307,232**	225,457
Administrative expenses		**(127,950)**	(84,448)
Other operating expenses		**(158,513)**	(75,215)
Fair value gains on investment properties		**534,077**	384,316
Gain/(Loss) on disposal of investment properties		**68,282**	(784)
Gain/(Loss) on disposal of subsidiaries		**69,491**	(15,776)
Gain on disposal of available-for-sale financial assets		**21,179**	–
Loss on derecognition of an associate		**(61,365)**	–
Net fair value loss on financial instruments at fair value through profit or loss		**(58,437)**	(6,989)
Provisions for impairment losses:			
Associates		**(36,771)**	(419)
Available-for-sale financial assets		**(23,161)**	–
Properties under development		**–**	(27,071)
Finance costs		**(90,179)**	(49,651)
Share of results of associates		**6,956**	25,041
Share of results of jointly controlled entities		**177**	1,597
Profit before tax	4	**451,018**	376,058
Income tax	5	**(149,443)**	(54,011)
Profit for the period/year		**301,575**	322,047

	Note	Period ended 31st March, 2013 *HK$'000*	Year ended 31st December, 2011 *HK$'000* (Restated)
Attributable to:			
Equity holders of the Company		**293,364**	316,735
Non-controlling interests		**8,211**	5,312
		301,575	322,047
		HK cents	*HK cents* (Restated)
Earnings per share attributable to equity holders of the Company	*6*		
Basic		**3.19**	3.45
Diluted		**3.19**	3.45

Details of the dividends payable and proposed for the period/year are disclosed in Note 7 to the final results.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the fifteen months ended 31st March, 2013

	Period ended 31st March, 2013	Year ended 31st December, 2011
	HK$'000	*HK$'000*
		(Restated)
Profit for the period/year	**301,575**	322,047
Other comprehensive income/(loss)		
Available-for-sale financial assets:		
Changes in fair value	**81,893**	(80,857)
Reclassification adjustment for disposal	**(16,525)**	–
Reclassification adjustment relating to disposal of a subsidiary	**(78,020)**	–
	(12,652)	(80,857)
Share of other comprehensive loss of associates	**(3,514)**	(5,841)
Exchange differences on translation of foreign operations	**39,589**	105,321
Reclassification adjustment relating to derecognition of a foreign associate	**61,365**	–
Other comprehensive income for the period/year, net of tax	**84,788**	18,623
Total comprehensive income for the period/year	**386,363**	340,670
Attributable to:		
Equity holders of the Company	**366,767**	338,670
Non-controlling interests	**19,596**	2,000
	386,363	340,670

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31st December, 2013

	Note	**31st March, 2013** *HK$'000*	31st December, 2011 *HK$'000* (Restated)	1st January, 2011 *HK$'000* (Restated)
Non-current assets				
Fixed assets		**116,627**	114,364	116,496
Investment properties		**4,599,855**	4,599,721	4,215,948
Interests in associates		**859,315**	763,032	762,349
Interests in jointly controlled entities		**4,899**	8,783	7,276
Available-for-sale financial assets		**236,628**	360,412	400,926
Loans and advances		**–**	–	5,100
Other financial asset		**17,639**	–	–
		5,834,963	5,846,312	5,508,095
Current assets				
Properties held for sale		**13,248**	68,557	13,121
Properties under development		**314,274**	–	75,459
Deposits paid for properties under development		**–**	192,624	119,720
Loans and advances		**–**	5,100	15,698
Debtors, prepayments and deposits	8	**85,873**	42,178	258,270
Financial assets at fair value through profit or loss		**290,519**	106,417	77,991
Other financial asset		**7,275**	18,625	23,198
Restricted cash		**32,989**	–	–
Cash and bank balances		**1,202,355**	558,233	460,068
		1,946,533	991,734	1,043,525
Current liabilities				
Bank loans		**80,668**	126,340	109,008
Other payables, accruals and deposits received		**188,004**	220,217	187,272
Other financial liabilities		**35,713**	–	–
Tax payable		**46,213**	52,147	53,612
		350,598	398,704	349,892
Net current assets		**1,595,935**	593,030	693,633
Total assets less current liabilities		**7,430,898**	6,439,342	6,201,728

	31st March, 2013 HK$'000	31st December, 2011 HK$'000 (Restated)	1st January, 2011 HK$'000 (Restated)
Non-current liabilities			
Bank loans	**1,920,772**	1,269,956	1,254,737
Other financial liabilities	**32,440**	–	–
Deferred tax liabilities	**661,732**	527,968	456,555
	2,614,944	1,797,924	1,711,292
Net assets	**4,815,954**	4,641,418	4,490,436
Equity			
Equity attributable to equity holders of the Company			
Issued capital	**918,691**	919,125	919,125
Reserves	**3,835,629**	3,680,290	3,397,274
	4,754,320	4,599,415	4,316,399
Non-controlling interests	**61,634**	42,003	174,037
	4,815,954	4,641,418	4,490,436

Note:

1. PRINCIPAL ACCOUNTING POLICIES

The final results have been reviewed by audit committee of the Company.

Pursuant to a resolution of the Board of Directors passed on 28th December, 2012, the Company's financial year end date was changed from 31st December to 31st March. Accordingly, the current financial period covers a fifteen-month period from 1st January, 2012 to 31st March, 2013. The comparative figures cover a twelve-month period from 1st January, 2011 to 31st December, 2011, which may not be comparable with amounts shown for the current period.

The accounting policies and basis of preparation adopted in the preparation of these final results are consistent with those used in the Group's audited financial statements for the year ended 31st December, 2011, except in relation to the following revised Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and Interpretations (hereinafter collectively referred to as the "revised HKFRSs"), that are adopted for the first time for the current period's final results:

HKFRS 1 Amendments	Amendments to HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards — Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters*
HKFRS 7 Amendments	Amendments to HKFRS 7 *Financial Instruments: Disclosures — Transfers of Financial Assets*
HKAS 12 Amendments	Amendments to HKAS 12 *Income Taxes — Deferred Tax: Recovery of Underlying Assets*

Other than as further explained below regarding the impact of HKAS 12 Amendments, the adoption of the above revised HKFRSs has had no significant impact on the accounting policies of the Group and the methods of computation in these final results.

The HKAS 12 Amendments clarify the determination of deferred tax for investment property measured at fair value and introduce a rebuttable presumption that deferred tax on investment property measured at fair value should be determined on the basis that its carrying amount will be recovered through sale. Furthermore, the amendments incorporate the requirement previously in HK(SIC)-Int 21 *Income Taxes — Recovery of Revalued Non-Depreciable Assets* that deferred tax on non-depreciable assets, measured using the revaluation model in HKAS 16, should always be measured on a sale basis.

In prior years, deferred tax was provided on the basis that the carrying amounts of investment properties will be recovered through use. Upon adoption of HKAS 12 Amendments, deferred tax is provided on the basis that the carrying amounts of the investment properties will be recovered through sale except that the basis of recovery through use will continue to apply to those investment properties which are held with an objective to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. This change in accounting policy has been applied retrospectively and the effects are summarised below:

	Period ended 31st March, 2013	Year ended 31st December, 2011
	HK$'000	*HK$'000*
Consolidated income statement		
Decrease/(Increase) in income tax expense and increase/(decrease) in profit for the period/year	**(76,777)**	28,278
Increase/(Decrease) in basic earnings per share *(HK cents)*	**(0.84)**	0.31
Increase/(Decrease) in diluted earnings per share *(HK cents)*	**(0.84)**	0.31

	31st March, 2013	31st December, 2011	1st January, 2011
Consolidated statement of financial position			
Decrease in deferred tax liabilities	**170,655**	247,432	219,154
Increase in net assets and equity	**170,655**	247,432	219,154

In addition, the Group has changed voluntarily its accounting policy regarding the current/non-current assets classification for properties under development intended for sale. In prior years, the Group classified the properties under development intended for sale as properties under development in non-current assets in the consolidated statement of financial position which would be transferred to properties under development in current assets when the construction was expected to be completed within one year from the end of the reporting period. Under the revised accounting policy, properties under development intended for sale are classified as current assets. In the opinion of the Directors, the financial statements according to the revised policy will provide more relevant information to the users of the financial statements and bring the Group in line with the treatment adopted by other entities in the real estate industry. This change in policy has been applied retrospectively and comparative amounts have been restated. The above change has had no effect on the consolidated income statement and the net assets of the Group.

2. REVENUE

Revenue, which is also the Group's turnover, represents the aggregate of gross rental income, gross proceeds from sales of properties, gross income on treasury investment which includes interest income on bank deposits and debt securities, income from securities investment which includes gain/(loss) on sales of securities investment, dividend income and related interest income, gross income from property management, and interest and other income from money lending and other businesses.

An analysis of the revenue of the Group by principal activity is as follows:

	Period ended 31st March, 2013	Year ended 31st December, 2011
	HK$'000	*HK$'000*
Property investment	**280,392**	221,521
Property development	**77,713**	–
Treasury investment	**5,720**	3,096
Securities investment	**8,940**	2,392
Other	**23,337**	17,363
	396,102	244,372

3. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services, and has reportable operating segments as follows:

(a) the property investment segment includes letting and resale of properties;

(b) the property development segment includes development and sale of properties;

(c) the treasury investment segment includes investments in cash and bond markets;

(d) the securities investment segment includes dealings in securities and disposals of investments; and

(e) the "other" segment comprises principally mineral exploration, extraction and processing, food business, money lending and the provision of property management services.

Management monitors the results of its operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit/(loss) before tax except that finance costs as well as head office and corporate expenses are excluded from such measurement.

Segment assets exclude other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude tax payable, deferred tax liabilities and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

Inter-segment transactions are on an arm's length basis in a manner similar to transactions with third parties.

Period ended 31st March, 2013

	Property investment *HK$'000*	Property development *HK$'000*	Treasury investment *HK$'000*	Securities investment *HK$'000*	Other *HK$'000*	Inter-segment elimination *HK$'000*	Consolidated *HK$'000*
Revenue	**280,392**	**77,713**	**5,720**	**8,940**	**23,337**	**–**	**396,102**
Segment results	**807,359** *(Note)*	**5,562**	**5,720**	**32,791**	**(29,195)**	**–**	**822,237**
Unallocated corporate expenses							**(288,173)**
Finance costs							**(90,179)**
Share of results of associates	**–**	**–**	**–**	**–**	**6,956**	**–**	**6,956**
Share of results of jointly controlled entities	**–**	**205**	**–**	**–**	**(28)**	**–**	**177**
Profit before tax							**451,018**
Segment assets	**4,783,031**	**349,670**	**1,204,081**	**546,442**	**6,394**	**–**	**6,889,618**
Interests in associates	**–**	**–**	**–**	**–**	**859,315**	**–**	**859,315**
Interests in jointly controlled entities	**–**	**4,899**	**–**	**–**	**–**	**–**	**4,899**
Unallocated assets							**27,664**
Total assets							**7,781,496**
Segment liabilities	**523,853**	**353,146**	**–**	**511,458**	**646,930**	**(1,868,096)**	**167,291**
Unallocated liabilities							**2,798,251**
Total liabilities							**2,965,542**

Year ended 31st December, 2011 (restated)

	Property investment *HK$'000*	Property development *HK$'000*	Treasury investment *HK$'000*	Securities investment *HK$'000*	Other *HK$'000*	Inter-segment elimination *HK$'000*	Consolidated *HK$'000*
Revenue	221,521	–	3,096	2,392	17,363	–	244,372
Segment results	554,124 *(Note)*	(34,147)	2,585	(4,597)	(10,554)	–	507,411
Unallocated corporate expenses							(108,340)
Finance costs							(49,651)
Share of results of associates	(3)	–	–	–	25,044	–	25,041
Share of results of jointly controlled entities	–	1,606	–	–	(9)	–	1,597
Profit before tax							376,058
Segment assets	4,740,043	288,938	521,400	488,718	11,481	–	6,050,580
Interests in associates	–	–	–	–	763,032	–	763,032
Interests in jointly controlled entities	–	4,488	–	–	4,295	–	8,783
Unallocated assets							15,651
Total assets							6,838,046
Segment liabilities	1,869,052	61,902	–	232,561	285,487	(2,304,054)	144,948
Unallocated liabilities							2,051,680
Total liabilities							2,196,628

Note: The amount included fair value gains on investment properties of HK$534,077,000 (year ended 31st December, 2011 — HK$384,316,000).

Geographical information

(a) Revenue from external customers

	Period ended 31st March, 2013 *HK$'000*	Year ended 31st December, 2011 *HK$'000*
Hong Kong	**87,887**	66,759
Mainland China	**228,914**	174,142
Republic of Singapore	**77,771**	492
Other	**1,530**	2,979
	396,102	244,372

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	31st March, 2013 *HK$'000*	31st December, 2011 *HK$'000* (Restated)
Hong Kong	**1,254,371**	1,721,110
Mainland China	**3,532,074**	3,097,441
Republic of Singapore	**724,590**	667,296
Other	**69,661**	53
	5,580,696	5,485,900

The non-current asset information above is based on the locations of the assets and excludes financial instruments.

Information about a major customer

Revenue of approximately HK$77,713,000 was derived from sale by the property development segment to a single customer. No revenue from a single customer accounted for 10 per cent. or more of the total revenue for the year ended 31st December, 2011.

4. PROFIT BEFORE TAX

Profit before tax is arrived at after crediting/(charging):

	Period ended 31st March, 2013 *HK$'000*	Year ended 31st December, 2011 *HK$'000*
Interest income:		
Loans and advances	**354**	178
Other	**5,720**	3,096
Dividend income:		
Listed investments	**1,782**	2,034
Unlisted investments	**–**	358
Gain on disposal of:		
Listed financial assets at fair value through profit or loss	**6,813**	–
Unlisted financial assets at fair value through profit or loss	**345**	–
Listed available-for-sale financial assets	**19,879**	–
Unlisted available-for-sale financial assets	**1,300**	–
Net fair value gain/(loss) on:		
Listed financial assets at fair value through profit or loss	**(23,118)**	1,606
Unlisted financial assets at fair value through profit or loss	**–**	(4,022)
Financial liabilities at fair value through profit or loss, designated as such upon initial recognition	**(8,589)**	–
Derivative financial instruments	**(26,730)**	(4,573)
Provision for impairment losses on unlisted available-for-sale financial assets	**(23,161)**	–
Gain/(Loss) on disposal of fixed assets:		
Leasehold land and buildings	**–**	1,394
Other items of fixed assets	**(96)**	(201)
Gain on disposal of properties held for sale	**15,798**	–
Depreciation	**(5,518)**	(4,036)
Foreign exchange gains/(losses) — net	**(7,865)**	1,838

5. INCOME TAX

	Period ended 31st March, 2013	Year ended 31st December, 2011
	HK$'000	*HK$'000*
		(Restated)
Hong Kong:		
Charge for the period/year	**5,868**	3,856
Overprovision in prior years	**(3,635)**	(5,056)
Deferred	**2,006**	363
	4,239	(837)
Overseas:		
Charge for the period/year	**17,157**	14,879
Overprovision in prior years	**(69)**	–
Deferred	**128,116**	39,969
	145,204	54,848
Total charge for the period/year	**149,443**	54,011

Hong Kong profits tax has been provided at the rate of 16.5 per cent. (year ended 31st December, 2011 — 16.5 per cent.) on the estimated assessable profits arising in Hong Kong during the period/year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

6. EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

(a) Basic earnings per share

Basic earnings per share is calculated based on (i) the consolidated profit for the period/year attributable to equity holders of the Company; and (ii) the weighted average number of 9,188,660,000 ordinary shares (year ended 31st December, 2011 — 9,191,253,000 ordinary shares) in issue during the period/year.

(b) Diluted earnings per share

Diluted earnings per share is calculated based on (i) the consolidated profit for the period/year attributable to equity holders of the Company; and (ii) the weighted average number of 9,189,080,000 ordinary shares (year ended 31st December, 2011 — 9,192,983,000 ordinary shares), as follows:

	Number of shares	
	Period ended 31st March, 2013	Year ended 31st December, 2011
Weighted average number of ordinary shares in issue during the period/year used in the basic earnings per share calculation	**9,188,660,000**	9,191,253,000
Effect of dilution — weighted average number of ordinary shares:		
Share options	**420,000**	1,730,000
	9,189,080,000	9,192,983,000

7. DIVIDENDS

	Period ended 31st March, 2013 *HK$'000*	Year ended 31st December, 2011 *HK$'000*
Interim dividend, declared, of HK0.3 cent (year ended 31st December, 2011 — HK0.2 cent) per ordinary share	**27,554**	18,383
Final dividend, proposed, of HK0.75 cent (year ended 31st December, 2011 — HK0.5 cent) per ordinary share	**68,902**	45,956
2011 special final dividend, proposed, of HK1.5 cent per ordinary share	**–**	137,869
	96,456	202,208

The proposed final dividend for the period is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

8. DEBTORS, PREPAYMENTS AND DEPOSITS

Included in the balances are trade debtors with an aged analysis as follows:

	31st March, 2013 *HK$'000*	31st December, 2011 *HK$'000*
Outstanding balances with ages:		
Within 30 days	**3,479**	2,306
Between 31 and 60 days	**38**	513
Between 61 and 90 days	**12**	14
Between 91 and 180 days	**12**	–
	3,541	2,833

Trading terms with customers are either on a cash basis or credit. For those customers who trade on credit, a credit period is allowed according to relevant business practice. Credit limits are set for customers. The Group seeks to maintain tight control over its outstanding receivables in order to minimise credit risk. Overdue balances are regularly reviewed by senior management.

The balances of trade debtors are non-interest-bearing.

MANAGEMENT DISCUSSION AND ANALYSIS

In 2012, under the headwinds of unresolved eurozone sovereign debt crisis and slowdown of U.S. recovery, global economy is subdued and the growth in Singapore and emerging economies like mainland China fell lower than the original forecast. Until the end of 2012, macroeconomic conditions showed signs of improvement, the global economic growth is expected to improve gradually this year.

Pursuant to a resolution of the Board of Directors passed on 28th December, 2012, the Company's financial year end date was changed from 31st December to 31st March. Accordingly, the current financial period covers a fifteen-month period from 1st January, 2012 to 31st March, 2013, and the comparative figures cover a twelve-month period from 1st January, 2011 to 31st December, 2011 ("year 2011"), which may not be comparable with amounts shown for the current period.

For the fifteen months ended 31st March, 2013, the Group recorded a profit attributable to shareholders of HK$293 million (year 2011 — HK$317 million, restated), benefited from the fair value gains of the Group's investment properties.

Results for the financial period

Turnover for the fifteen months ended 31st March, 2013 totalled HK$396 million (year 2011 — HK$244 million). Property investment and property development were the principal sources of revenue of the Group, representing 90 per cent. (year 2011 — 91 per cent.) of the total turnover.

Property investment

Property investment business continued to provide stable and recurring rental income to the Group. Total revenue from the property investment business for the fifteen months ended 31st March, 2013 amounted to HK$280 million (year 2011 — HK$222 million). Lippo Centre in Hong Kong and Lippo Plaza in Shanghai, being the landmarks of the Group in Hong Kong and in mainland China respectively, continued to contribute significant results to the Group. Given the quality and strategic location of the investment properties, the Group recorded revaluation gains on its investment properties of a total of HK$534 million for the period (year 2011 — HK$384 million).

In the current period, the Group completed the disposal of a number of residential units in Hong Kong at an aggregate consideration of approximately HK$622 million and recognised a gain of HK$68 million. The disposals represented an opportunity for the Group to realise a good profit at appropriate time. As a result of such disposal as well as the above mentioned revaluation gains, the Group's investment properties as at 31st March, 2013 remained at HK$4.6 billion (31st December, 2011 — HK$4.6 billion).

Property development

The Group primarily focuses on property development projects in mainland China and participated in development projects in Huai An City (the "Huai An Project") and Taizhou City (the "Taizhou Project"), both in Jiangsu Province. Huai An Project will be developed into an integrated residential, commercial and retail complex whereas Taizhou Project is a residential project comprising townhouses and residential apartments. Both projects are currently under planning and design stage. Constructions are expected to be commenced later this year.

During the period, the Group sold a held-for-sale property in Singapore at HK$78 million and recognised a gain of HK$16 million.

Treasury and securities investment

The investment market continues to be challenging and full of uncertainties. The Group cautiously managed its investment portfolio and looked for opportunities to realise its profit. For the fifteen months ended 31st March, 2013, turnover of HK$9 million (year 2011 — HK$2 million) was recorded from the disposal of the Group's financial assets held for trading and dividend income received from the investment portfolio. At the same time, the Group recognised a total net gain of HK$90 million (year 2011 — Nil) from the realisation of available-for-sale financial assets through the sale of a subsidiary which owned the financial assets and direct disposal in the market.

During the period, the Group invested HK$78 million in Lippo Select HK & Mainland Property ETF fund (stock code: 2824) , which in turn invested in property related securities listed on the main board of The Stock Exchange of Hong Kong Limited. In March 2013, the Group subscribed for new shares in GSH Corporation Limited, a listed company in Singapore as a strategic investment for a total consideration of approximately HK$111 million.

Besides, the Group's securities portfolio also included certain investments in mineral exploration and mining sectors. The Group further invested approximately HK$58 million in Haranga Resources Limited, a listed company in Australia engaged in the acquisition, exploration and development of iron ore projects in Mongolia. During the period, the Group made an additional investment of HK$87 million in Skye Mineral Partners, LLC ("Skye"), an unlisted company interested in a few copper ore deposits in State of Utah in the U.S. Flotation mill started operation in September 2012 after the formal approval of amended mine permit was obtained. The operation is at a preliminary stage.

In the highly volatile investment markets, the performance of the securities investments was diverse and an unrealised fair value loss was recorded. The treasury and securities investments business attained a net profit of HK$39 million for the fifteen months ended 31st March, 2013 (year 2011 — net loss of HK$2 million) after including the provision of approximately HK$23 million made for some investments.

Other businesses

Other businesses mainly comprise mineral exploration, extraction and processing, food business, money lending and the provision of property management services. The growth and recovery of the Group's various investments was hindered by the external uncertainties of the developed economies. Moreover, some of the investments concentrate on new products which are at the early development stage. Market acceptance and competitions from other competitors are uncertain and provision of approximately HK$37 million was made for the fifteen months ended 31st March, 2013 (year 2011 — HK$0.4 million). As a result, the other business segment recorded a loss of HK$29 million (year 2011 — HK$11 million).

The Group invests in food manufacturing, wholesale and distribution, food retail and food court operation in Singapore, China and other Asian regions through its interests in Auric Pacific Group Limited ("Auric" together with its subsidiaries, the "APG Group"), which in turn has a controlling stake in Food Junction Holdings Limited ("Food Junction"), both are listed companies in Singapore. Anticipating the operating conditions to remain challenging in the markets the APG Group operates in, it will remain focused on its core business and expand its business operations cautiously.

The Group also owns interests in Asia Now Resources Corp. ("Asia Now"), a listed company in Canada and is primarily engaged in the business of exploration of mineral deposits in Yunnan Province, mainland China. During the period, Asia Now reviewed the results of its exploration activities on each of the exploration site. Due to a lack of exploration prospects, Asia Now decided to discontinue further exploration activities on some of the sites in Beiya, Yunnan Province, and a write-down of C$3.4 million was made. For the site at Habo, Yunnan Province, impairment of C$3.5 million was made. As a result, the Group recorded a share of loss of HK$35 million (year 2011 — HK$3 million) from Asia Now during the period. Asia Now is currently focusing on the exploration of the site at Ma Touwan in Beiya.

Auric, Food Junction and Asia Now were regarded as associates of the Group before 1st April, 2013. Following the adoption of Hong Kong Financial Reporting Standards "Consolidated Financial Statements" from 1st April, 2013 onwards, Auric, Food Junction and Asia Now will be treated as subsidiaries of the Group and retrospective adjustments are required.

The Group made an initial investment in Export and Industry Bank, Inc. ("EIB"), a commercial bank incorporated in the Philippines, in 1996 but over the years the investment in EIB was fully written down. During the period, the Bangko Sentral ng Pilipinas issued a resolution placing EIB under receivership and Philippine Deposit Insurance Corporation took over EIB to implement this. As such, all the investments in EIB are derecognised and a loss on derecognition of associate of HK$61 million was recorded, which represented the related cumulative foreign exchange translation loss transferred from the equity to the income statement.

Financial position

As at 31st March, 2013, the Group's total assets increased to HK$7.8 billion (31st December, 2011 — HK$6.8 billion). Property-related assets increased to HK$5.1 billion (31st December, 2011 — HK$5.0 billion), representing 66 per cent. (31st December, 2011 — 74 per cent.) of the total assets. The cash and cash equivalents of the Group increased to HK$1.2 billion (31st December, 2011 — HK$0.6 billion). Total liabilities increased to HK$3.0 billion (31st December, 2011 — HK$2.2 billion, restated). The Group's financial position remained healthy and the current ratio (measured as current assets to current liabilities) was improved to 5.6 to 1 (31st December, 2011 — 2.5 to 1, restated).

As at 31st March, 2013, the bank loans of the Group increased to HK$2.0 billion (31st December, 2011 — HK$1.4 billion). The increase was mainly attributable to the additional bank loans drawn from the refinancing completed during the period. The bank loans were denominated in Hong Kong dollars and Renminbi and were secured by certain properties and certain bank deposits of the Group. Where appropriate, the Group uses interest rate swaps to modify the interest rate characteristics of its borrowings to limit interest rate exposure. As at 31st March, 2013, 38 per cent. of the Group's total borrowings effectively carried fixed rate of interest and the remaining were at floating rates. Approximately 4 per cent. (31st December, 2011 — 9 per cent.) of the bank loans were repayable within one year. At the end of the reporting period, the gearing ratio (measured as total borrowings to shareholders' funds) was 42.1 per cent. (31st December, 2011 — 30.4 per cent., restated).

The net asset value of the Group remained strong and increased to HK$4.8 billion (31st December, 2011 — HK$4.6 billion, restated). This was equivalent to HK52 cents per share (31st December, 2011 — HK50 cents per share, restated).

During the period, the Company repurchased 6,640,000 issued shares at a total consideration of approximately HK$1.2 million. Besides, 2,300,000 shares were issued by the Company upon the exercise of the share option by an option holder in 2012 at a cash consideration of approximately HK$0.4 million.

The Group monitors the relative foreign exchange position of its assets and liabilities to minimise foreign currency risk. During the period, the Group has entered into forward contracts to manage exposures to fluctuations of foreign exchange rates. When appropriate, additional hedging instruments including forward contracts, swap and currency loans would be used to manage the foreign exchange exposure.

Apart from the abovementioned, there were no charges on the Group's assets at the end of the period (31st December, 2011 — Nil). The Group had no material contingent liabilities outstanding as at 31st March, 2013 (31st December, 2011 — Nil).

As at 31st March, 2013, the Group's total commitment amounted to HK$104 million (31st December, 2011 — HK$230 million), mainly related to the property development projects held by the Group. The investments or capital assets will be financed by the Group's internal resources and/or external bank financing, as appropriate.

Staff and remuneration

The Group had 211 employees as at 31st March, 2013 (31st December, 2011 — 187 employees). Staff costs (including directors' emoluments) charged to the income statement during the period amounted to HK$113 million (year 2011 — HK$71 million). The Group ensures that its employees are offered competitive remuneration packages. Certain employees of the Group were granted options in prior years under share option scheme of the Company. All outstanding options which remained unexercised by the expiry date in December 2012 lapsed accordingly.

Outlook

Looking ahead, growth is expected to be in modest pace. The Group remains cautiously optimistic about the prospects of the Asia Pacific region over the medium term and will continue to focus on business development in the region. The Group will respond to the fast changing market conditions, refine its existing businesses and prudently seek new investment opportunities with long-term growth potential.

DIVIDENDS

The Directors have resolved to recommend to shareholders at the forthcoming Annual General Meeting (the "2013 AGM") the payment of a final dividend of HK0.75 cent per share (Financial year 2011 — final dividend of HK0.5 cent per share and a special final dividend of HK1.5 cent per share) amounting to approximately HK$68.9 million for the fifteen months ended 31st March, 2013 (Financial year 2011 — approximately HK$183.8 million). Together with the interim dividend of HK0.3 cent per share (Financial year 2011 — HK0.2 cent per share) paid on 18th October, 2012, total dividends for the fifteen months ended 31st March, 2013 will be HK1.05 cent per share (Financial year 2011 — HK2.2 cents per share) amounting to approximately HK$96.5 million (Financial year 2011 — approximately HK$202.2 million). Subject to the approval of shareholders at the 2013 AGM, the final dividend will be paid on or about Monday, 23rd September, 2013 to shareholders whose names appear on the Register of Members on Thursday, 12th September, 2013.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed during the following periods:

(i) from Tuesday, 27th August, 2013 to Friday, 30th August, 2013 (both dates inclusive) during which period no transfer of share will be registered, for the purpose of ascertaining shareholders' entitlement to attend and vote at the 2013 AGM. In order to be entitled to attend and vote at the 2013 AGM, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Registrars, Tricor Tengis Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 26th August, 2013; and

(ii) from Monday, 9th September, 2013 to Thursday, 12th September, 2013 (both dates inclusive) during which period no transfer of shares will be registered, for the purpose of ascertaining shareholders' entitlement to the proposed final dividend. In order to qualify for the proposed final dividend, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Registrars, Tricor Tengis Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 6th September, 2013.

BUSINESS REVIEW

Overview

The global economy continued to be held back by the eurozone sovereign debt crisis in 2012. Since late 2012, global market sentiments have improved with eurozone sovereign debt crisis being stabilised and the financial cliff in the U.S. being partially resolved. Supported by healthy domestic demand and rising intra-regional trade, the major economies in the Asia region including mainland China were able to maintain their growth momentum but the pace of economic growth has slowed down.

Results

During the period for the fifteen months ended 31st March, 2013 (the "Period"), the Group recorded a consolidated profit attributable to shareholders of approximately HK$293 million, as compared with a consolidated profit of HK$317 million (restated) for the year ended 31st December, 2011. The profit was mainly attributable to the fair value gains of the Group's investment properties.

Property investment and property development

The Group's investment properties enjoyed a high occupancy rate during the Period. Rental income from the investment properties continued to provide the Group with stable recurrent income. During the Period, the Group disposed of a number of residential units in Hong Kong for a total consideration of approximately HK$622 million. Such disposals reflected the Group's seizing opportunities to realise its property portfolio at good market prices. The proceeds were applied towards other capital and development projects of the Group.

The Group has two major development projects in Jiangsu Province, mainland China. The project situated in Huai An City (the "Huai An Project") will be developed into an integrated residential, commercial and retail complex with a total permissible gross floor area (above ground) of approximately 185,000 square metres on a site of approximately 41,000 square metres. The Huai An Project is well-located in the central business district of Qing He District which itself is the political, commercial, business, financial and cultural centre of Huai An City. Another project is located in China Medical City (中國醫藥城) ("CMC"), Taizhou City (the "Taizhou Project") with a site of approximately 80,615 square metres and a total permissible gross floor area (above ground) of approximately 161,230 square metres. The Taizhou Project is a residential development comprising townhouses and residential apartments. CMC is the only national level development zone focused on high-tech medical related industries in mainland China. It is anticipated that foundation works for the Huai An Project and the Taizhou Project will commence later this year. The above two projects support the Group's strategic growth in property development business.

Mineral resource investment

Asia Now Resources Corp. ("Asia Now"), in which the Group is interested in approximately 49.9 per cent. of its issued share capital, has focused its efforts in exploration of the site at Qinhe district in Beiya, Yunnan Province, mainland China (the "Beiya Project"). An independent technical report prepared in accordance with the National Instrument 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum Standard Definitions for Mineral Projects on the initial mineral resource estimate for the deposit in Beiya Project was obtained in January 2012. In the second half of 2012, Asia Now retained an independent contractor (the "Contractor") for a strategic review of the Beiya Project. In early 2013, the Contractor referenced that, due to the geology of the deposits and ground conditions of the site, the expenditure required for development might be higher and concluded that further detailed work would be required to clarify the project's viability. After years of studies, surveys and drillings by Asia Now, no significant mineralisation has been identified in certain concessions. As a result, Asia Now decided to abandon such areas, totalling approximately 66 square kilometres. This will allow Asia Now to focus on the remaining concessions, totalling approximately 102 square kilometres, with a total area of approximately 60 square kilometres for two concessions in Habo, Yunnan Province and a total area of approximately 42 square kilometres for the concession in Beiya, Yunnan Province. Asia Now is listed on the TSX Venture Exchange of Canada, and is primarily engaged in the business of exploration of mineral deposits in mainland China.

In March 2012, the Group entered into a subscription agreement with Haranga Resources Limited ("Haranga") for the subscription of 15,000,000 new ordinary shares in Haranga at an aggregate subscription price of A$6 million. Together with additional shares acquired by the Group from the market, the Group is now interested in a total of 32,470,000 shares in, representing approximately 13.43 per cent. of, the existing issued share capital of Haranga. Haranga had reported that its drilling programmes have identified a significant increase in JORC Code (Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves) compliant resource in its Selenge iron ore project in Mongolia. Haranga expects that further drilling can expand the resource base in the above project, and is currently in the process of applying for a mining licence. Haranga is listed on the Australian Securities Exchange and is primarily engaged in the acquisition, exploration and development of iron ore projects in Mongolia, and owns a controlling interest in four separate iron ore projects in Mongolia.

During the Period, the Group further increased its interest in Skye Mineral Partners, LLC ("Skye") for a total consideration of US$11,220,000. As a result, the Group has an effective interest of 8,649 Class A units in Skye, representing approximately 17.3 per cent. of the total issued and outstanding Class A units in Skye and approximately 16.5 per cent. of the total issued and outstanding units in Skye. Through CS Mining, LLC ("CS Mining"), its majority owned subsidiary, Skye owns and controls a number of copper ore deposits located in the Milford Mineral Belt in Beaver County, State of Utah in the U.S., and is engaged in the business of mining and processing primarily copper, with additional recoveries of silver, gold and iron ore. CS Mining obtained all its required operating permits for mining and flotation processing and has started commercial operation. In order to maximise the recovery of its copper resource, CS Mining plans to set up a leaching facility.

Other businesses

Auric Pacific Group Limited ("Auric", together with its subsidiaries, the "APG Group"), a listed company in Singapore in which the Group is interested in approximately 49.3 per cent. of its issued share capital, recorded a consolidated profit attributable to shareholders of approximately S$16,300,000 for the Period, as compared with a profit of S$8,566,000 (restated) for the year ended 31st December, 2011. Potential labour shortages and rising costs of labour, rental and raw materials will continue to be challenges to the F&B industry. The APG Group plans to strengthen its existing businesses by improving operational efficiencies and leveraging its marketing capabilities to enhance its brands.

Food Junction Holdings Limited ("Food Junction"), a listed company in Singapore, in which the APG Group is interested in approximately 61.4 per cent. of its issued share capital (excluding treasury shares), recorded a consolidated loss attributable to shareholders of approximately S$7,457,000 for the Period, as compared with a profit of S$828,000 for the year ended 31st December, 2011. Food Junction is a regional food service company which operates and manages food courts and restaurants in Singapore, Malaysia, Indonesia, Hong Kong and mainland China. Although it expects business conditions to remain challenging in the markets in which it operates, Food Junction continues to remain committed to its core food court operations and will focus upon streamlining and rationalizing its food and beverage operations whilst controlling overall operating costs.

In June 2013, Auric announced that its wholly-owned subsidiary will make a voluntary unconditional cash offer to acquire all the issued and paid-up ordinary shares in the capital of Food Junction, other than treasury shares and those already owned, controlled or agreed to be acquired by Auric and its subsidiaries, at an offer price of S$0.255 in cash for each share (the "Offer"). Auric is of the view that the Offer represents an opportunity for Auric to acquire an increased stake in Food Junction as part of its strategic investments. Auric believes that there are synergistic benefits to be obtained by increasing its stake in Food Junction, whose current portfolio of food courts and restaurants will complement Auric's existing portfolio, and the increase in the sharing of resources relating to marketing and operations between both Auric and Food Junction will contribute to the growth of both companies.

In September 2012, the Group acquired units in Lippo Select HK & Mainland Property ETF (the "ETF"), an exchange traded fund listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") for a total consideration of approximately HK$78 million. The ETF's investment objective is to provide investment results that closely correspond to the performance of the Lippo Select HK & Mainland Property Index which comprises property related securities listed on the Main Board of the Stock Exchange, including property stocks and real estate investment trusts from Hong Kong and mainland China region.

In February 2013, the Group entered into a conditional subscription agreement in relation to the subscription of 184,653,669 new shares in GSH Corporation Limited ("GSH") for an aggregate subscription price of approximately S$17.5 million under a private placement. GSH is listed on the Main Board of the Singapore Exchange Securities Trading Limited, and is primarily engaged in the business of distribution of IT, photographic and timepiece products and is looking to diversify into the real estate business.

PROSPECTS

The global economic environment has stabilized since late last year but it is still overcast by a considerable number of unknown factors. The eurozone is expected to remain in recession amidst weak domestic demand and high unemployment. The U.S. economy has improved, and optimism pushed the U.S. stock market to record high. However, following the improvement in the U.S. economy, the U.S. Federal Reserve hinted that the U.S. Central Bank might scale back its asset purchases later this year. Recently, people are also concerned that the tightening liquidity conditions in mainland China may impede its economic growth. Against this background, the Group will streamline and strengthen its existing businesses and operations to meet the challenges ahead. Management would continue to adopt a cautious and prudent approach in selecting suitable investment opportunities for long-term growth.

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

During the fifteen months ended 31st March, 2013 (the "Period"), the Company had repurchased a total of 6,640,000 shares of HK$0.10 each in the Company on The Stock Exchange of Hong Kong Limited, all of which were subsequently cancelled. Particulars of the aforesaid repurchases are as follows:

	Number of shares of HK$0.10 each repurchased	**Highest price paid per share** *HK$*	**Lowest price paid per share** *HK$*	**Total price paid** *HK$*
2012				
August	4,928,000	0.186	0.171	871,802
September	1,712,000	0.184	0.180	312,604
Total	6,640,000			1,184,406
			Expenses incurred for shares repurchased	19,967
				1,204,373

The above repurchases were effected by the Directors with a view to benefiting the shareholders as a whole in enhancing the net asset value per share of the Company.

Save as disclosed herein, there was no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries during the Period.

CORPORATE GOVERNANCE

The Company is committed to ensuring high standards of corporate governance practices. The Board of Directors of the Company (the "Board") believes that good corporate governance practices are increasingly important for maintaining and promoting investor confidence. Corporate governance requirements keep changing, therefore the Board reviews its corporate governance practices from time to time to ensure they meet public and shareholders' expectation, comply with legal and professional standards and reflect the latest local and international developments. The Board will continue to commit itself to achieving a high quality of corporate governance so as to safeguard the interests of shareholders and enhance shareholders' value.

To the best knowledge and belief of the Directors, the Directors consider that, save as disclosed below, the Company has complied with the code provisions of the Code on Corporate Governance Practices for the period from 1st January, 2012 to 31st March, 2012 and the Corporate Governance Code (the "CG Code") for the period from 1st April, 2012 to 31st March, 2013 as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The CG Code is the new edition of the Code on Corporate Governance Practices and is applicable to financial reports covering a period after 1st April, 2012. Under the code provision A.6.7 of the CG Code, independent non-executive directors and other non-executive directors should also attend general meetings. One of the non-executive Directors of the Company was unable to attend the annual general meeting of the Company held on 5th June, 2012 as he was stranded in overseas due to an unexpected yacht sunken incident.

AUDIT COMMITTEE

The Company has established an audit committee (the "Committee"). The existing members of the Committee comprise three independent non-executive Directors, namely Mr. Victor Ha Kuk Yung (Chairman), Mr. Edwin Neo and Mr. King Fai Tsui and one non-executive Director, Mr. Leon Nim Leung Chan. The Committee has reviewed with the management of the Company the accounting principles and practices adopted by the Group and financial reporting matters including the review of the consolidated financial statements of the Company for the fifteen months ended 31st March, 2013.

By Order of the Board
Lippo China Resources Limited
John Luen Wai Lee
Chief Executive Officer

Hong Kong, 27th June, 2013

As at the date of this announcement, the Board of Directors of the Company comprises six directors, of which, Messrs. Stephen Riady (Chairman) and John Luen Wai Lee (Chief Executive Officer) as executive Directors, Mr. Leon Nim Leung Chan as non-executive Director and Messrs. Edwin Neo, King Fai Tsui and Victor Ha Kuk Yung as independent non-executive Directors.