LAI SUN GARMENT

Lai Sun Garment (International) Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 191)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 JULY 2013

RESULTS

The board of directors (the "**Board**") of Lai Sun Garment (International) Limited (the "**Company**") is pleased to announce the consolidated results of the Company and its subsidiaries (the "**Group**") for the year ended 31 July 2013 together with the comparative figures of the last year as follows:

Consolidated Income Statement
For the year ended 31 July 2013

	Notes	**2013** *HK$'000*	2012 *HK$'000*
TURNOVER	*3*	**1,049,050**	947,247
Cost of sales		**(387,933)**	(360,729)
Gross profit		**661,117**	586,518
Other revenue	*4*	**68,518**	20,942
Selling and marketing expenses		**(25,441)**	(14,378)
Administrative expenses		**(317,238)**	(347,021)
Other operating expenses, net		**(42,813)**	(56,213)
Employee share option benefits		**(61,066)**	(12,673)
Fair value gains on investment properties		**2,431,172**	1,175,491
(Provision)/reversal of provision for tax indemnity	*5*	**(149,315)**	53,213
PROFIT FROM OPERATING ACTIVITIES	*6*	**2,564,934**	1,405,879
Finance costs	*7*	**(181,839)**	(67,640)
Share of profits and losses of associates		**(2,319)**	442,304
Share of profits and losses of joint ventures		**605,032**	676,730
Discount on acquisition of additional interest in an associate		**134,930**	88,695
PROFIT BEFORE TAX		**3,120,738**	2,545,968
Tax	*8*	**(50,099)**	(35,080)
PROFIT FOR THE YEAR		**3,070,639**	2,510,888
Attributable to:			
Owners of the Company		**1,663,904**	1,385,898
Non-controlling interests		**1,406,735**	1,124,990
		3,070,639	2,510,888
EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY	*9*		
Basic		**HK$1.029**	HK$0.857
Diluted		**HK$1.016**	HK$0.857

Consolidated Statement of Comprehensive Income

For the year ended 31 July 2013

	2013	2012
	HK$'000	*HK$'000*
PROFIT FOR THE YEAR	**3,070,639**	2,510,888
OTHER COMPREHENSIVE INCOME/(EXPENSES)		
Items that may be subsequently reclassified to profit or loss:		
Changes in fair value of available-for-sale financial assets	**33,727**	92,842
Exchange realignments	**(3,882)**	(3,845)
Share of other comprehensive income of an associate	**56,175**	(72,744)
OTHER COMPREHENSIVE INCOME FOR THE YEAR	**86,020**	16,253
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**3,156,659**	2,527,141
Attributable to:		
Owners of the Company	**1,705,740**	1,393,694
Non-controlling interests	**1,450,919**	1,133,447
	3,156,659	2,527,141

Consolidated Statement of Financial Position

As at 31 July 2013

	Notes	2013 HK$'000	2012 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**838,735**	672,960
Prepaid land lease payments		**23,982**	25,010
Investment properties		**12,775,296**	10,254,611
Properties under development for sale		**879,561**	1,435,473
Interests in associates		**3,415,620**	3,115,115
Interests in joint ventures		**5,688,887**	3,914,401
Available-for-sale financial assets		**1,198,321**	1,185,810
Pledged bank balances and time deposits		**216,222**	-
Deposits paid		**23,500**	61,500
Total non-current assets		**25,060,124**	20,664,880
CURRENT ASSETS			
Completed properties for sale		**817,990**	106,580
Equity investments at fair value through profit or loss		**7,489**	1,648
Inventories		**6,456**	5,305
Debtors, deposits paid and other receivables	*10(a)*	**126,214**	104,692
Held-to-maturity debt investments		**8,317**	-
Pledged bank balances and time deposits		**-**	106,037
Cash and cash equivalents		**3,183,396**	1,746,822
Total current assets		**4,149,862**	2,071,084
CURRENT LIABILITIES			
Creditors, deposits received and accruals	*10(b)*	**358,446**	273,070
Tax payable		**84,839**	65,843
Bank borrowings		**430,886**	1,417,818
Total current liabilities		**874,171**	1,756,731
NET CURRENT ASSETS		**3,275,691**	314,353
TOTAL ASSETS LESS CURRENT LIABILITIES		**28,335,815**	20,979,233
NON-CURRENT LIABILITIES			
Bank borrowings		**(2,983,993)**	(1,707,404)
Guaranteed notes	*11*	**(2,695,474)**	-
Other borrowing, note payable and interest payable		**(338,944)**	(327,620)
Amounts due to associates		**-**	(20,799)
Deferred tax		**(177,989)**	(171,224)
Provision for tax indemnity	*5*	**(865,923)**	(716,608)
Long term rental deposits received		**(87,480)**	(65,929)
Total non-current liabilities		**(7,149,803)**	(3,009,584)
		21,186,012	17,969,649
EQUITY			
Equity attributable to owners of the Company			
Issued capital		**16,174**	16,174
Share premium account		**1,908,840**	1,908,840
Investment revaluation reserve		**158,034**	140,492
Share option reserve		**16,214**	8,658
Hedging reserve		**(5,889)**	-
Asset revaluation reserve		**55,494**	55,494
Other reserve		**327,231**	35,432
Exchange fluctuation reserve		**30,601**	422
Retained profits		**8,528,561**	6,861,232
		11,035,260	9,026,744
Non-controlling interests		**10,150,752**	8,942,905
		21,186,012	17,969,649

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"), accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, equity investments at fair value through profit or loss and certain available-for-sale financial assets, which have been measured at fair value. These financial statements are presented in Hong Kong dollars ("**HK$**") and all values are rounded to the nearest thousand except when otherwise indicated.

2. IMPACT OF NEW AND REVISED HKFRSs

Changes in accounting policies and disclosures

The Group has adopted the following revised HKFRS, applicable to the Group, for the first time for the current year's financial statements.

HKAS 1 Amendments	Amendments to HKAS 1 *Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income*

The HKAS 1 Amendments change the grouping of items presented in other comprehensive income. Items that could be reclassified (or recycled) to profit or loss at a future point of time (for example, net gain on hedge of a net investment, exchange differences on translation of foreign operations, net movement on cash flow hedges and net loss or gain on available-for-sale financial assets) would be presented separately from items which will never be reclassified (for example, actuarial gains and losses on defined benefit plans and revaluation of land and buildings). The amendments will affect presentation only and have no impact on the financial position or performance.

Issued but not yet effective HKFRSs

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

HKFRS 1 Amendments	Amendments to HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards – Government Loans* [1]
HKFRS 7 Amendments	Amendments to HKFRS 7 *Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities* [1]
HKFRS 9	*Financial Instruments* [3]
HKFRS 9 and HKFRS 7 Amendments	Amendments to HKFRS 9 *Financial Instruments* and HKFRS 7 *Financial Instruments: Disclosures – Mandatory Effective Date of HKFRS 9 and Transition Disclosures* [3]
HKFRS 10, HKFRS 12 and HKAS 27 (2011) Amendments	Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011) – *Investment Entities* [2]
HKFRS 13	*Fair Value Measurement* [1]
HKAS 19 (2011)	*Employee Benefits* [1]
HKAS 32 Amendments	Amendments to HKAS 32 *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities* [2]
HKAS 36 Amendments	Amendments to HKAS 36 *Recoverable Amount Disclosures for Non-Financial Assets* [2]
HKAS 39 Amendments	Amendments to HKAS 39 *Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting* [2]
HK(IFRIC)-Int 20	*Stripping Costs in the Production Phase of a Surface Mine* [1]
HK(IFRIC)-Int 21	*Levies* [2]
Annual Improvements 2009-2011 Cycle	Amendments to a number of HKFRSs issued in June 2012 [1]

[1] Effective for annual periods beginning on or after 1 January 2013
[2] Effective for annual periods beginning on or after 1 January 2014
[3] Effective for annual periods beginning on or after 1 January 2015

2. IMPACT OF NEW AND REVISED HKFRSs *(continued)*

Issued but not yet effective HKFRSs *(continued)*

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. The Group is not yet in a position to state whether they would have a significant impact on the Group's results of operations and financial position.

3. SEGMENT INFORMATION

Segment revenue and results

The following table presents revenue and results for the Group's reportable segments:

	Property development and sales		Property investment		Hotel and restaurant operations		Others		Eliminations		Consolidated	
	2013	2012	**2013**	2012	**2013**	2012	**2013**	2012	**2013**	2012	**2013**	2012
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue:												
Sales to external customers	**100,312**	92,122	**519,887**	468,228	**409,928**	362,759	**18,923**	24,138	**-**	-	**1,049,050**	947,247
Intersegment sales	**-**	-	**16,651**	11,585	**-**	-	**27,532**	26,094	**(44,183)**	(37,679)	**-**	-
Other revenue	**1,126**	5,444	**1,206**	2,388	**972**	2	**9,814**	973	**-**	-	**13,118**	8,807
Total	**101,438**	97,566	**537,744**	482,201	**410,900**	362,761	**56,269**	51,205	**(44,183)**	(37,679)	**1,062,168**	956,054
Segment results	**13,274**	5,349	**417,266**	368,502	**55,370**	68,442	**10,055**	4,214	**-**	-	**495,965**	446,507
Interest income and unallocated revenue											**55,400**	12,135
Fair value gains on investment properties	**-**	-	**2,431,172**	1,175,491	**-**	-	**-**	-	**-**	-	**2,431,172**	1,175,491
Unallocated expenses											**(268,288)**	(281,467)
(Provision)/reversal of provision for tax indemnity											**(149,315)**	53,213
Profit from operating activities											**2,564,934**	1,405,879
Finance costs											**(181,839)**	(67,640)
Share of profits and losses of associates	**(41)**	768	**5,306**	2,697	**(887)**	(1,538)	**-**	-	**-**	-	**4,378**	1,927
Share of profits and losses of associates - unallocated											**(6,697)**	440,377
Share of profits and losses of joint ventures	**7,805**	28,293	**597,227**	648,437	**-**	-	**-**	-	**-**	-	**605,032**	676,730
Discount on acquisition of additional interest in an associate											**134,930**	88,695
Profit before tax											**3,120,738**	2,545,968
Tax											**(50,099)**	(35,080)
Profit for the year											**3,070,639**	2,510,888

3. **SEGMENT INFORMATION** *(continued)*

The following table presents the total assets and liabilities and other segment information for the Group's reportable segments:

	Property development and sales		Property investment		Hotel and restaurant operations		Others		Consolidated	
	2013	2012	**2013**	2012	**2013**	2012	**2013**	2012	**2013**	2012
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment assets and liabilities										
Segment assets	**1,730,151**	1,555,210	**12,821,558**	10,389,688	**1,080,110**	781,934	**69,849**	56,819	**15,701,668**	12,783,651
Interests in associates	**10,174**	14,734	**29,812**	23,998	**20,029**	27,516	**-**	-	**60,015**	66,248
Interests in associates - unallocated									**3,355,605**	3,048,867
Interests in joint ventures	**1,426,241**	281,506	**4,262,646**	3,632,895	**-**	-	**-**	-	**5,688,887**	3,914,401
Unallocated assets									**4,403,811**	2,922,797
Total assets									**29,209,986**	22,735,964
Segment liabilities	**120,698**	44,301	**154,006**	138,343	**65,270**	56,456	**5,140**	6,115	**345,114**	245,215
Bank borrowings									**3,414,879**	3,125,222
Guaranteed notes									**2,695,474**	-
Other borrowing, note payable and interest payable									**338,944**	327,620
Other unallocated liabilities									**1,229,563**	1,068,258
Total liabilities									**8,023,974**	4,766,315
Other segment information										
Amortisation of prepaid land lease payments	**-**	-	**-**	-	**1,028**	1,028	**-**	-	**1,028**	1,028
Depreciation	**352**	127	**390**	10	**29,833**	25,450	**83**	102	**30,658**	25,689
Depreciation - unallocated									**8,701**	8,835
									39,359	34,524
Capital expenditure	**217,439**	211,730	**96,974**	91,832	**204,075**	16,435	**31**	61	**518,519**	320,058
Capital expenditure - unallocated									**1,952**	6,494
									520,471	326,552

Geographical information

The following table presents revenue and assets by geographical location of the assets for the years ended 31 July 2013 and 2012:

	Hong Kong		Vietnam		Others		Consolidated	
	2013	2012	**2013**	2012	**2013**	2012	**2013**	2012
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue								
Sales to external customers	**712,703**	627,296	**327,003**	302,324	**9,344**	17,627	**1,049,050**	947,247
Other revenue	**13,116**	8,807	**-**	-	**2**	-	**13,118**	8,807
Total	**725,819**	636,103	**327,003**	302,324	**9,346**	17,627	**1,062,168**	956,054
Segment assets								
Non-current assets	**13,549,328**	11,543,235	**500,227**	518,173	**327,025**	216,992	**14,376,580**	12,278,400
Current assets	**1,008,404**	207,276	**297,376**	238,774	**19,308**	59,201	**1,325,088**	505,251
Total	**14,557,732**	11,750,511	**797,603**	756,947	**346,333**	276,193	**15,701,668**	12,783,651

Information about major customers

For both the years ended 31 July 2013 and 31 July 2012, there was no revenue derived from a single customer which contributed more than 10% of the Group's revenue for the respective years.

4. OTHER REVENUE

	2013	2012
	HK$'000	*HK$'000*
Interest income from bank deposits	**11,668**	4,616
Interest income from held-to-maturity debt investments	**88**	1,203
Other interest income	**1,157**	1,231
Dividend income from listed equity investments at fair value through profit or loss	**52**	391
Dividend income from unlisted available-for-sale financial assets	**36,420**	160
Project management fee income received from a joint venture	**8,900**	-
Others	**10,233**	13,341
	68,518	20,942

5. PROVISION FOR TAX INDEMNITY

Pursuant to an indemnity deed (the "**Lai Fung Tax Indemnity Deed**") dated 12 November 1997 entered into between Lai Sun Development Company Limited ("**LSD**"), a non-wholly owned subsidiary, and Lai Fung Holdings Limited ("**Lai Fung**"), LSD has undertaken to indemnify Lai Fung in respect of certain potential income tax and land appreciation tax ("**LAT**") of the People's Republic of China ("**PRC**") payable or shared by Lai Fung in consequence of the disposal of any of the property interests attributable to Lai Fung through its subsidiaries and its associates as at 31 October 1997 (the "**Property Interests**"). These tax indemnities given by LSD apply in so far as such tax is applicable to the difference between (i) the value of the Property Interests in the valuation thereon by Chesterton Petty Limited (currently known as "**Knight Frank Petty Limited**"), independent chartered surveyors, as at 31 October 1997 (the "**Valuation**"); and (ii) the aggregate costs of such Property Interests incurred up to 31 October 1997, together with the amount of unpaid land costs, unpaid land premium and unpaid costs of resettlement, demolition and public utilities and other deductible costs in respect of the Property Interests. The Lai Fung Tax Indemnity Deed assumes that the Property Interests are disposed of at the values attributed to them in the Valuation, computed by reference to the rates and legislation governing PRC income tax and LAT prevailing at the time of the Valuation.

The indemnities given by LSD do not cover (i) new properties acquired by Lai Fung subsequent to the listing of the shares of Lai Fung on The Stock Exchange of Hong Kong Limited (the "**Listing**"); (ii) any increase in the relevant tax which arises due to an increase in tax rates or changes to the legislation prevailing at the time of the Listing; and (iii) any claim to the extent that provision for deferred tax on the revaluation surplus has been made in the calculation of the adjusted net tangible asset value of Lai Fung as set out in Lai Fung's prospectus dated 18 November 1997.

LSD became a subsidiary of the Company since 30 September 2010. In accordance with HKFRS 3 *Business Combinations*, the Group recognised the provision for tax indemnity at its fair value as at 30 September 2010. After initial recognition, the Group measures the provision for tax indemnity at the higher of the amount that would be recognised in accordance with HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets* and the amount initially recognised on 30 September 2010 until the tax indemnity is settled, cancelled or expired.

The fair value at initial recognition was HK$721,442,000 as at 30 September 2010. After taking into account the prevailing market situation and the latest development plan and status of the various individual property development projects as included in the Property Interests and the prevailing tax rates and legislation governing PRC income tax and LAT, the Group subsequently recorded the provision for tax indemnity of HK$865,923,000 and HK$716,608,000 as at 31 July 2013 and 31 July 2012, respectively. Therefore, an additional provision for tax indemnity of HK$149,315,000 (2012: a reversal of provision for tax indemnity of HK$53,213,000) was recognised in the income statement for the year ended 31 July 2013.

6. PROFIT FROM OPERATING ACTIVITIES

The Group's profit from operating activities is arrived at after charging/(crediting):

	2013	2012
	HK$'000	*HK$'000*
Cost of inventories sold	**52,556**	40,716
Cost of completed properties sold	**60,394**	90,219
Depreciation#	**39,359**	34,524
Amortisation of prepaid land lease payments*	**1,028**	1,028
(Gain)/loss on disposal of items of property, plant and equipment*	**(83)**	4,331
Fair value loss on listed equity investments at fair value through profit or loss*	**1,772**	803
Loss on disposal of an unlisted available-for-sale financial asset*	**100**	-
(Gain)/loss on disposal of listed equity investments at fair value through profit or loss*	**(220)**	18,078

\# Depreciation charge of approximately HK$36,534,000 (2012: HK$31,856,000) for property, plant and equipment is included in "other operating expenses, net" on the consolidated income statement.

* These items are included in "other operating expenses, net" on the consolidated income statement.

7. FINANCE COSTS

	2013	2012
	HK$'000	*HK$'000*
Interest on bank borrowings wholly repayable within five years	**74,222**	56,946
Interest on guaranteed notes wholly repayable within five years	**85,505**	-
Interest on other borrowing and note payable wholly repayable within five years	**11,324**	11,350
Bank financing charges	**20,890**	9,623
	191,941	77,919
Less: Amount capitalised in properties under development for sale	**(10,102)**	(10,279)
	181,839	67,640

8. TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2012: 16.5%) on the estimated assessable profits arising in Hong Kong during the year.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the places in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

	2013	2012
	HK$'000	*HK$'000*
Current tax		
Hong Kong	**33,842**	31,281
Overseas	**13,356**	14,894
	47,198	46,175
Deferred tax	**4,014**	6,172
Prior years' overprovision		
Hong Kong	**(104)**	(17,267)
Overseas	**(1,009)**	-
	(1,113)	(17,267)
Tax charge for the year	**50,099**	35,080

9. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

	2013	2012
	HK$'000	*HK$'000*
Earnings		
Earnings for the purpose of basic earnings per share	**1,663,904**	1,385,898
Effect of dilutive potential ordinary shares arising from adjustment to the share of profit of a subsidiary based on dilution of its earnings per share	**(10,024)**	(173)
Earnings for the purpose of diluted earnings per share	**1,653,880**	1,385,725
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**1,617,423**	1,617,423
Effect of dilutive potential ordinary shares arising from share options	**10,377**	391
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**1,627,800**	1,617,814

10. DEBTORS, DEPOSITS PAID AND OTHER RECEIVABLES/CREDITORS, DEPOSITS RECEIVED AND ACCRUALS

(a) The Group maintains various credit policies for different business operations in accordance with business practices and market conditions in which the respective subsidiaries operate. Sales proceeds receivable from the sale of properties are settled in accordance with the terms of the respective contracts. Rent and related charges in respect of the leasing of properties are receivable from tenants, and are normally payable in advance with rental deposits received in accordance with the terms of the tenancy agreements. Hotel and restaurant charges are mainly settled by customers on a cash basis except for those corporate clients who maintain credit accounts with the respective subsidiaries, the settlement of which is in accordance with the respective agreements.

An ageing analysis of the Group's trade debtors, based on the payment due date, as at the end of the reporting period is as follows:

	2013	2012
	HK$'000	*HK$'000*
Trade debtors:		
Not yet due or less than 30 days past due	**6,699**	5,362
31 – 60 days past due	**1,980**	1,287
61 – 90 days past due	**400**	348
Over 90 days past due	**1,642**	3,059
	10,721	10,056
Other receivables	**58,844**	18,663
Deposits paid and prepayments	**56,649**	75,973
	126,214	104,692

10. DEBTORS, DEPOSITS PAID AND OTHER RECEIVABLES/CREDITORS, DEPOSITS RECEIVED AND ACCRUALS *(continued)*

(b) An ageing analysis of the Group's trade creditors, based on the payment due date, as at the end of the reporting period is as follows:

	2013	2012
	HK$'000	*HK$'000*
Trade creditors:		
Not yet due or less than 30 days past due	**9,171**	8,278
31 – 60 days past due	**1,488**	1,319
61 – 90 days past due	**87**	153
Over 90 days past due	**237**	486
	10,983	10,236
Other payables and accruals	**185,643**	148,541
Deposits received and other provisions	**161,820**	114,293
	358,446	273,070

11. GUARANTEED NOTES

On 18 January 2013, Lai Sun International Finance (2012) Limited, a wholly-owned subsidiary of LSD, issued guaranteed notes in an aggregate principal amount of US$350,000,000 (the "**Notes**"). The Notes are guaranteed by LSD, have a maturity term of five years and bear a fixed interest rate of 5.7% per annum with interest payable semi-annually in arrears.

The net proceeds from the offering are approximately US$347,000,000 and will be used for general corporate purposes.

12. EVENT AFTER THE REPORTING PERIOD

On 5 July 2013, LSD entered into an agreement with Kadokawa Holdings Asia Limited ("**KHAL**"), Lai's Holdings Limited ("**LHL**") and Kadokawa Intercontinental Group Holdings Limited ("**KIGHL**"), pursuant to which KHAL and LHL have conditionally agreed to procure KIGHL to sell, and KIGHL has conditionally agreed to sell, to LSD the entire shares of Intercontinental Development and Services Limited ("**IDSL**") and all loans advanced by KHAL and LHL and their subsidiaries (if any) for a total consideration of HK$130 million. Upon completion, IDSL would become 100% beneficially owned by LSD.

IDSL is a property holding company. On 15 August 2013, LSD paid the remaining balance of the consideration of HK$123.5 million and the transaction was completed.

Further details of the acquisition of IDSL are set out in the announcement dated 5 July 2013.

FINAL DIVIDEND

As at 31 July 2013, Lai Sun Garment (International) Limited (the "**Company**") and its subsidiaries (the "**Group**") did not have any reserves available for distribution in accordance with the provisions of Section 79B of the Companies Ordinance, Chapter 32 of the Laws of Hong Kong. Accordingly, the Board does not recommend the payment of dividend for the year ended 31 July 2013 (2012: Nil).

The Companies Ordinance in Hong Kong is expected to change in 2014 which will simplify the process for restoring the reserves for distribution by way of a unilateral declaration of solvency by the Board. The Board intends to make such declaration of solvency once the change in Companies Ordinance has taken place and the procedures for doing so are clear.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF FINAL RESULTS

For the year ended 31 July 2013, the Group recorded turnover of HK$1,049.1 million (2012: HK$947.2 million) and a gross profit of HK$661.1 million (2012: HK$586.5 million), representing an increase of approximately 11% and 13%, respectively over last year. Turnover from rental income, sales of properties and hotel, restaurant and other operations during the year was HK$519.9 million (2012: HK$468.2 million), HK$100.3 million (2012: HK$92.1 million) and HK$428.9 million (2012: HK$386.9 million), representing an increase of 11%, 9% and 11%, respectively.

Net profit attributable to owners of the Company was approximately HK$1,663.9 million (2012: HK$1,385.9 million), representing an increase of approximately 20% over last year. Excluding the effect of property revaluations, net loss attributable to owners of the Company was approximately HK$40.3 million (2012: net profit attributable to owners of the Company of HK$312.3 million).

The loss, excluding property revaluations, was primarily due to: (i) higher provision for the tax indemnity given in favour of Lai Fung in its spin-off in 1997 amounting to HK$149.3 million; (ii) higher interest expense of HK$85.5 million from the guaranteed notes issued during the year; (iii) granting of share option benefits amounting to HK$61.1 million; and (iv) lower contribution from eSun Holdings Limited ("**eSun**") in this financial year which was driven by the absence of an one-time gain of HK$1,350.4 million on bargain purchase of subsidiaries recorded by eSun in financial year ended 31 July 2012 and the knock on impact on the Company's results was HK$245.7 million.

Basic earnings/(loss) per share including and excluding the effect of property revaluations was HK$1.029 (2012: HK$0.857) and HK$(0.025) (2012: HK$0.193), respectively.

Equity attributable to owners of the Company as at 31 July 2013 amounted to HK$11,035.3 million, up from HK$9,026.7 million as at 31 July 2012. Net asset value per share attributable to owners of the Company increased by 22% to HK$6.823 per share as at 31 July 2013 from HK$5.581 per share as at 31 July 2012.

The Hong Kong property market weathered the global economic challenges well as a whole primarily due to the chronic lack of short term supply, robust underlying demand and a low interest rate environment. Against such a backdrop, the Group achieved a solid set of results from its investment properties and the sales of residential units in Ocean One.

As at 31 July 2013, the Group maintained a property portfolio comprising, in attributable gross floor area ("**GFA**") (excluding car-parking spaces), completed properties held for rental with attributable GFA of approximately 929,000 square feet, completed hotel properties with attributable GFA of approximately 49,000 square feet, properties under development with attributable GFA of approximately 200,000 square feet, and completed properties held for sale with attributable GFA of approximately 60,000 square feet. The Group will continue to build on this sound asset base with a view to delivering long-term value to its shareholders.

PROPERTY PORTFOLIO COMPOSITION

Approximate attributable GFA (in '000 square feet) and car-parking spaces of the Group's major properties as at 31 July 2013:

	Commercial/ Retail	**Office**	**Industrial**	**Residential**	**Hotel**	**Total (excluding car-parking spaces & ancillary facilities)**	**No. of car-parking spaces attributable to the Group**
Completed Properties held for rental [1]	314	429	186	-	-	**929**	544
Completed Hotel Properties	-	-	-	-	49	**49**	-
Properties Under Development[2]	70	-	-	130	-	**200**	98
Completed Properties Held for Sale[3]	13	-	-	47	-	**60**	14
Total GFA of major properties of the Group	**397**	**429**	**186**	**177**	**49**	**1,238**	**656**

1. *Completed and rental generating properties*
2. *All properties under construction*
3. *Completed properties held for sale*

The above table does not include GFA of properties held by Lai Fung.

PROPERTY INVESTMENT

Rental Income

During the year under review, the Group's rental operations recorded a turnover of HK$519.9 million (2012: HK$468.2 million), representing a 11% increase over last year. The increase is primarily due to continued management of tenant mix and rental reversion at major investment properties.

The Group wholly owns five major investment properties in Hong Kong, namely Cheung Sha Wan Plaza, Causeway Bay Plaza 2, Lai Sun Commercial Centre, commercial podium of Crocodile Center and Por Yen Building. CCB Tower, a 50:50 joint venture, was completed during the year under review and added approximately 57,000 square feet of attributable gross floor area to our rental portfolio. Subsequent to the year end, CCB Tower was almost fully leased out and it is expected to contribute in the coming financial year.

Breakdown of rental turnover by major investment properties is as follows:

	For the year ended 31 July			
	2013 HK$ million	**2012 HK$ million**	**% Change**	**Year end occupancy (%)**
Cheung Sha Wan Plaza (including car-parking spaces)	249.9	212.7	17	98.9%
Causeway Bay Plaza 2 (including car-parking spaces)	131.1	120.8	9	96.9%
Lai Sun Commercial Centre (including car-parking spaces)	48.0	47.3	1	95.3%
Crocodile Center	70.9	59.7	19	100.0%
Por Yen Building	12.4	10.8	15	96.4%
Others	7.6	16.9	-55	N/A
Total:	**519.9**	**468.2**	**11**	

Review of major investment properties

Hong Kong Properties

Cheung Sha Wan Plaza

The asset comprises an 8-storey and a 7-storey office towers erected on top of a retail podium which was completed in 1989. It is located on top of the Lai Chi Kok MTR station with a total GFA of approximately 690,500 square feet (excluding car-parking spaces). The arcade is positioned to serve the local communities nearby with major banks and recognised restaurants chains as the key tenants.

Causeway Bay Plaza 2

The asset comprises a 28-storey commercial/office building with car parking facilities at basement levels which was completed in 1992. It is located at the heart of Causeway Bay with a total GFA of approximately 208,500 square feet (excluding car-parking spaces). Key tenants include the HSBC's branch, commercial offices and major restaurants.

Lai Sun Commercial Centre

The asset comprises a 13-storey commercial/carpark complex completed in 1987. It is located near the Lai Chi Kok MTR station with a total GFA of approximately 188,500 square feet (excluding car-parking spaces).

CCB Tower, 3 Connaught Road Central

The Group has a 50:50 interest with China Construction Bank Corporation ("**CCB**") in the joint redevelopment project of the former Ritz-Carlton Hotel in Central. This office tower is a landmark property in Central featuring underground access to the MTR station in Central. The property has a total GFA of approximately 229,000 square feet (excluding car-parking spaces). CCB Tower was completed during the year under review and added approximately 57,000 square feet of attributable gross floor area to our rental portfolio. Subsequent to the year end, CCB Tower was almost fully leased out with 14 floors of the office floors and 2 banking hall floors leased by CCB for its Hong Kong operations and it is expected to contribute in the coming financial year.

Crocodile Center

Crocodile Center is a 25-storey commercial/office building which was completed in 2009 and located near the Kwun Tong MTR station. The Group owns the retail podium which has a total GFA of approximately 97,800 square feet (excluding car-parking spaces). Tenants dominated by local restaurant groups.

Por Yen Building

The Por Yen Building, being a 13-storey industrial building with total GFA of approximately 123,000 square feet excluding car-parking spaces, is located at the hub of Cheung Sha Wan Business Area and is near to the Lai Chi Kok MTR station.

Overseas Property

36 Queen Street, London EC4 1HJ, United Kingdom

In February 2011, the Group acquired an office building in the city in central London located at 36 Queen Street. Completed in 1986, it comprises 47,000 square feet of office accommodation extending over basement, ground and six upper floors. Comprehensive refurbishment work was done during 2012 and 2013 with the renovation completed after the year end and the building is currently available for lease.

PROPERTY DEVELOPMENT

For the year ended 31 July 2013, recognised turnover from sales of properties was HK$100.3 million (2012: HK$92.1 million), representing an increase of 9% over last year. The increase was due to sales of Ocean One in Yau Tong. Notwithstanding the launch coincided with the introduction of the new stamp duty requirement and other cooling measures subsequently, sale of 14 residential units out of a total of 124 residential units were completed during the year under review, representing 11% of total residential units. Subsequent to the year end, a further 65 residential units have been sold up to 30 September 2013 with total sales proceeds of approximately HK$527.7 million.

Review of major projects for sale

Ocean One, 6 Shung Shun Street, Yau Tong
The Group wholly owns this development project, namely "Ocean One" located at No. 6 Shung Shun Street, Yau Tong, Kowloon. This property is a residential-cum-commercial property with a total GFA of about 112,000 square feet (excluding car-parking spaces) or 124 residential units and 2 commercial units. The estimated total development cost (including land cost and lease modification premium) is about HK$730 million. Pre-sales commenced in December 2012.

As at 31 July 2013, the Group has completed the sale of 14 residential units with total sales proceeds of HK$99.7 million recognised during the year and the average selling price based on saleable area is approximately HK$13,600 per square foot as at 31 July 2013. Subsequent to the year end, the Group has sold a further 65 residential units up to 30 September 2013 with total sales proceeds of HK$527.7 million.

Review of major projects under development

335-339 Tai Hang Road, Hong Kong
The Group wholly owns the site located at 335-339 Tai Hang Road, Hong Kong. The Group is developing the site into a luxury residential property with a total GFA of approximately 30,500 square feet (excluding car-parking spaces). The total development cost (including land cost and lease modification premium) is estimated to be about HK$670 million. This project is expected to be completed by end of 2013.

2-12 Observatory Road
The Group completed the acquisition of a 50% interest in a project at Observatory Road, Kowloon with the buildings previously erected there known as Nos. 2-12, Observatory Road, Kowloon in November 2011. The joint venture partner is Henderson Land.

The site is being planned to be redeveloped into a multi-storey commercial building with a total GFA of approximately 165,000 square feet (excluding car-parking spaces). The total development cost is estimated to be approximately HK$2.3 billion including an estimated land value of approximately HK$1.7 billion. The new building is expected to be completed in the third quarter of 2015.

Area 68A2, Tseung Kwan O
In November 2012, the Group successfully tendered for and secured a site located at Area 68A2, Tseung Kwan O, New Territories, through a 50% joint venture vehicle of LSD. The lot has an area of approximately 229,000 square feet with a permitted total gross floor area of approximately 573,300 square feet split into approximately 458,600 square feet for residential use and approximately 114,700 square feet for non-industrial use. The current intention is to develop the lot primarily into a residential project for sale, comprising residential towers as well as houses. Completion is expected to be in the second quarter of 2017.

HOTEL AND RESTAURANT OPERATIONS

For the year ended 31 July 2013, hotel and restaurant operations contributed HK$409.9 million (2012: HK$362.8 million) to the Group's turnover, representing an increase of approximately 13% over last year. Most of the turnover from hotel and restaurant operations was derived from the Group's operation of the Caravelle Hotel in Ho Chi Minh City, Vietnam.

Caravelle Hotel is a leading international 5-star hotel in the centre of the business, shopping and entertainment district in Vietnam. It is an elegant 24-storey tower with mixture of French colonial and traditional Vietnamese style and has 335 superbly appointed rooms, suites, exclusive Signature Floor Rooms, Signature Lounge, specially equipped room for the disabled. Total GFA attributable to the Group is approximately 49,200 square feet.

The restaurant operation includes the Group's interests in 11 restaurants in Hong Kong and Mainland China, including the Michelin 3 star Italian restaurant 8 ½ Otto e Mezzo BOMBANA Hong Kong, Michelin 1 star Japanese restaurant Wagyu Kaiseki Den, 8 ½ Otto e Mezzo BOMBANA Shanghai, Wagyu Takumi, Gin Sai, Rozan, Kowloon Tang, Island Tang, Chiu Tang, CIAK - In The Kitchen at Landmark (opening in the fourth quarter of 2013) and China Tang Hong Kong at Landmark (opening in the fourth quarter of 2013).

The hotel and restaurant operations have extensive experience in providing consultancy and management services to hotels in Mainland China, Hong Kong and other Asian countries. The division's key strategy going forward will be continued to focus on providing management services, particularly to capture opportunities arising from the developments of Lai Fung in Shanghai, Guangzhou and Zhongshan. The hotel division will manage Lai Fung's service apartments in Shanghai, Guangzhou and Zhongshan under the "STARR" brand. STARR Resort Residence Zhongshan soft opened in August 2013 and comprises two 16-storey blocks with 90 fully furnished serviced apartment units located in the Palm Lifestyle complex in Zhongshan Western district.

INTERESTS IN ASSOCIATES (eSun)

Film production and distribution and media and entertainment divisions improved across the board. Turnover substantially improved and losses narrowed. The acquisition of Kadokawa Intercontinental Group Holdings Limited after the year end bolstered its cinema network and film distribution capability. Lai Fung's results were encouraging given the challenging operating environment in the property sector in Mainland China.

Notwithstanding the sound fundamental performance, contribution from eSun decreased from a profit to a loss of HK$6.6 million (2012: profit of HK$440.4 million). This was primarily due to the absence of the substantial one-off gain on bargain purchase of subsidiaries arose from the underwriting of Lai Fung's open offer in financial year ended 31 July 2012 which amounted to HK$1,350.4 million.

INTERESTS IN JOINT VENTURES

During the year under review, contribution from joint ventures decreased to HK$605.0 million (2012: HK$676.7 million), representing a decrease of 11%. This is primarily due to the conclusion of the sale of The Oakhill and lower property revaluations of CCB Tower.

OUTLOOK

The global economy has been on a delicate recovery path since 2009. The pace of recovery remains slow with major economies in the world experiencing a loss of growth momentum. GDP growth forecasts of economies around the world have been slashed repeatedly. Recent actions by the Japanese government to stimulate its economy and the United States Federal Reserve's postponement of the tapering reinforce the fragile state of affairs. As a global financial centre Hong Kong's economic performance is clearly not immune from the challenges faced by the major economies around the world.

Whilst the overall Hong Kong economy has weathered well amid the challenges around the world, it is feeling the effect of the low interest rate environment and asset price inflation, particularly in the property market. Against this backdrop, the Hong Kong Government embarked on a number of initiatives to regulate the property market. The increase in the supply of land so far has been relatively limited and its effect in addressing the long-term land supply issue has yet to be seen. However, the broad brush restrictive policies on sale of properties introduced at the end of 2012 and early 2013 have substantially slowed transactions in the property market. The residential market was affected most particularly with transaction volumes declining substantially. The commercial rental market was probably the only bright spot with rent and occupancies being fairly firm.

Although the tightening measures implemented by the Hong Kong Government were taking effect, the demand for housing due to a lack of supply and the desire for improved living conditions remained robust, which continued to support property prices. As such the property market is expected to remain stable and the Group is optimistic about the pent-up demand as a result of these tightening measures.

Notwithstanding the above, the Group expects CCB Tower's contribution will strengthen the rental income further. The sale momentum of Ocean One is expected to continue and the Tai Hang project to attract strong interest when it is launched towards the end of 2013. The Observatory Road project will provide catalysts for growth in the medium term.

In November 2012, the Group successfully tendered for and secured a site located at Area 68A2, Tseung Kwan O, New Territories, through a 50% joint venture vehicle of LSD. The site is expected to add approximately 143,000 square feet of attributable gross floor area to our development portfolio and completion is expected in the second quarter of 2017.

Subsequent to the year end, the Group acquired from Intercontinental Group Holdings Limited (formerly known as Kadokawa Intercontinental Group Holdings Limited) two floors of office space in Wyler Centre, Phase II, 192-200 Tai Lin Pai Road, Kwai Chung, New Territories, Hong Kong and three car-parking spaces for HK$130 million. These two floors of office with total GFA of approximately 51,000 square feet and three car-parking spaces became part of the Group's rental portfolio since 15 August 2013.

The Group will continue its prudent yet flexible approach with the objective of preserving margin and optimizing long-term value for shareholders. The financial liquidity of the Group has been bolstered by the HK$2,200 million syndicated loan in October 2012, the HK$800 million club loan in December 2012 and the US$350 million unrated bond issued in January 2013 which is listed on The Stock Exchange of Hong Kong Limited. As at 31 July 2013, our cash position amounted to HK$3,399.6 million with a net debt to equity ratio of 28% as at 31 July 2013 giving us the confidence and the means to be reviewing opportunities more actively.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 July 2013, cash and bank balances and undrawn facilities held by the Group amounted to HK$3,399.6 million and HK$1,710.5 million, respectively. Cash and bank balances held by the Group excluding cash held by LSD as at 31 July 2013 was HK$141.3 million (2012: HK$181.7 million).

The Group's sources of funding comprise mainly internal funds generated from the Group's business operations, loan facilities provided by banks and guaranteed notes issued to investors.

As at 31 July 2013, the Group had bank borrowings of HK$3,414.9 million, guaranteed notes of HK$2,695.5 million, a note of HK$195.0 million and a loan of HK$31.7 million payable to the late Mr. Lim Por Yen ("**Mr. Lim**") and accrued interest of HK$112.2 million in relation to the above-mentioned note and loan payable to the late Mr. Lim. All the Group's borrowings carried interest on a floating rate basis except for the guaranteed notes issued in January 2013 which has a fixed rate. The net debt to equity ratio expressed as a percentage of the total outstanding net debt (being the total outstanding borrowings, guaranteed notes and accrued interest payable to the late Mr. Lim less the pledged and unpledged bank balances and time deposits) to consolidated net assets attributable to owners of the Company was approximately 28%.

As at 31 July 2013, the maturity profile of the bank borrowings of HK$3,414.9 million is spread well over a period of less than 5 years with HK$430.9 million repayable within 1 year, HK$400.5 million repayable in the second year and HK$2,583.5 million repayable in the third to fifth years. The note payable of HK$195.0 million and the loan of HK$31.7 million payable to the late Mr. Lim have maturity dates on 30 April 2006 and 30 November 2005, respectively. The Group has received confirmation from the executor of the estate of the late Mr. Lim that such note and loan payables together with the accrued interest are not repayable within one year from the end of the reporting period.

As at 31 July 2013, certain investment properties with carrying amounts of approximately HK$12,647.4 million, certain properties under development for sale of approximately HK$695.3 million, and certain bank balances and time deposits with banks of approximately HK$216.2 million were pledged to banks to secure banking facilities granted to the Group. In addition, certain shares in subsidiaries held by the Group were also pledged to banks to secure loan facilities granted to the Group. Certain shares in a joint venture held by the Group were pledged to a bank to secure a loan facility granted to a joint venture of the Group. Certain shares of an investee company held by the Group were pledged to banks to secure a loan facility granted to this investee company. The Group's secured bank borrowings were also secured by floating charges over certain assets held by the Group.

The Group's major assets and liabilities and transactions were denominated in Hong Kong dollars and United States dollars. Considering that Hong Kong dollars are pegged against United States dollars, the Group believes that the corresponding exposure to exchange rate risk arising from United States dollars is nominal. In addition, the Group has an investment in United Kingdom with the assets and liabilities denominated in Pounds Sterling. The investment was partly financed by bank borrowings denominated in Pounds Sterling in order to minimise the net foreign exchange exposure. The net investment amounted to approximately HK$146.0 million which only accounted for an insignificant portion of the consolidated net assets of the Group as at 31 July 2013. Other than the abovementioned, the remaining monetary assets and liabilities of the Group were denominated in Renminbi and Vietnamese Dong which were also insignificant as compared with the Group's total assets and liabilities. No hedging instruments were employed to hedge for the foreign exchange exposure. The Group manages its foreign currency risk by closely reviewing the movement of the foreign currency rate and considers hedging significant foreign currency exposure should the need arise.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 July 2013, the Company did not redeem any of its shares listed and traded on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") nor did the Company or any of its subsidiaries purchase or sell any of such shares.

CORPORATE GOVERNANCE

The Company has complied with all the code provisions set out in the Corporate Governance Code ("**CG Code**") contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange throughout the year ended 31 July 2013 save for the deviations from code provisions A.4.1 and A.5.1.

Under code provision A.4.1, non-executive directors should be appointed for a specific term and should be subject to re-election.

None of the existing non-executive directors ("**NEDs**", including the independent non-executive directors ("**INEDs**")) of the Company is appointed for a specific term. However, all directors of the Company (the "**Directors**") are subject to the retirement provisions of the Articles of Association of the Company, which require that the Directors for the time being shall retire from office by rotation once every three years since their last election by shareholders of the Company (the "**Shareholders**") and the retiring Directors are eligible for re-election. In addition, any person appointed by the Board as an additional Director (including a NED) will hold office only until the next annual general meeting of the Company (the "**AGM**") and will then be eligible for re-election. Further, in line with the relevant code provision of the CG Code, each of the Directors appointed to fill a casual vacancy would/will be subject to election by the Shareholders at the first general meeting after his/her appointment. In view of these, the Board considers that such requirements are sufficient to meet the underlying objective of the said code provision A.4.1 and, therefore, does not intend to take any remedial steps in this regard.

Under code provision A.5.1, a nomination committee comprising a majority of independent non-executive directors should be established and chaired by the chairman of the board or an independent non-executive director.

The Company has not established a nomination committee whose functions are assumed by the full Board. Potential new Directors will be recruited based on their knowledge, skills, experience and expertise and the requirements of the Company at the relevant time and candidates for the INEDs must meet the independence criterion. The process of identifying and selecting appropriate candidates for consideration and approval by the Board has been, and will continue to be, carried out by the executive Directors. As the above selection and nomination policies and procedures have already been in place and the other duties of the nomination committee as set out in the CG Code have long been performed by the full Board effectively, the Board does not consider it necessary to establish a nomination committee at the current stage.

DIRECTORS, EMPLOYEES AND REMUNERATION POLICIES

As at 31 July 2013, the Group employed a total of approximately 1,200 employees. The Group recognises the importance of maintaining a stable staff force in its continued success. Under the Group's existing policies, employee pay rates are maintained at competitive levels whilst promotion and salary increments are assessed on a performance-related basis. Discretionary bonuses are granted to employees based on their merit and in accordance with industry practice. Other benefits including share option scheme, mandatory provident fund scheme, free hospitalisation insurance plan, subsidised medical care and sponsorship for external education and training programmes are offered to eligible employees.

The Group is delighted to welcome Mr. Yip Chai Tuck who joined recently as Chief Executive Officer and brings along extensive experience in corporate advisory, business development and investment banking and would also like to thank Mr. Shiu Kai Wah, Mr. Lui Siu Tsuen, Richard and Mr. Wan Yee Hwa, Edward, who left the Board during the year for their valuable contributions to the Company during their tenure.

INVESTOR RELATIONS

To ensure our investors have a better understanding of the Company, our management engages in a pro-active investor relations programme. Our Deputy Chairman and Investor Relations Department communicate with research analysts and institutional investors on an on-going basis and meet with research analysts and the press after our results announcements, attend major investors' conferences and participate in international non-deal roadshows to communicate the Company's financial performance and global business strategy.

The Company has met with a number of research analysts and investors, attended conferences as well as deal and non-deal roadshows as follows:

Month	Event	Organizer	Location
August 2012	UBS Hong Kong/China Property Conference 2012	UBS	Hong Kong
September 2012	JP Morgan Hong Kong Property Corporate Access Days	JP Morgan	Hong Kong
October 2012	Post full year results non-deal roadshow	UBS	Hong Kong
November 2012	Post full year results non-deal roadshow	DBS	Singapore
November 2012	Non-deal Lai Sun Development Company Limited fixed income roadshow	BNP Paribas/ HSBC/Standard Chartered Bank	Hong Kong/ Singapore
November 2012	Post full year results non-deal roadshow/HSBC Asia Corporate Day	HSBC	London
November 2012	Post full year results non-deal roadshow	JP Morgan	New York/ Philadelphia/ San Francisco
December 2012	Investors luncheon	Daiwa Securities	Hong Kong
January 2013	Investors luncheon	Bank of China International	Hong Kong
January 2013	Non-deal roadshow	UOB Kay Hian	Taipei
April 2013	Post results non-deal roadshow	CLSA/Daiwa Securities	Hong Kong
April 2013	Post results non-deal roadshow	DBS	Singapore
April 2013	Post results non-deal roadshow	CIMB	Kuala Lumpur
April 2013	The Pulse of Asia Conference	DBS	Hong Kong
April 2013	Deal roadshow – Lai Fung Holdings Limited CNY senior notes	HSBC/JP Morgan/ DBS	Singapore/ Hong Kong

April 2013	HK/China Property Conference 2013	UBS	Hong Kong
April 2013	HSBC 4th Annual Greater China Property Conference	HSBC	Hong Kong
May 2013	Macquarie Greater China Conference 2013	Macquarie	Hong Kong
May 2013	Post results non-deal roadshow	AM Capital	London
May 2013	Post results non-deal roadshow	Daiwa Securities	Paris
May 2013	Post results non-deal roadshow	Morgan Stanley	New York
May 2013	Post results non-deal roadshow	Daiwa Securities	New York/ Denver/ San Francisco
June 2013	Post results non-deal roadshow	UBS	Zurich/Edinburgh
June 2013	CIMB 11th Annual Asia Pacific Leaders' Conference	CIMB	London
June 2013	Post results non-deal roadshow	HSBC	Sydney
July 2013	The Pulse of Asia Conference July 2013	DBS	Singapore
August 2013	Investors luncheon	Bank of China International	Hong Kong

The Company is keen on promoting investor relations and enhancing communication with the Shareholders and potential investors. It welcomes suggestions from investors, stakeholders and the public who may contact the Investor Relations Department by phone on (852) 2853 6116 during normal business hours, by fax at (852) 2853 6651 or by e-mail at ir@laisun.com.

REVIEW OF ANNUAL RESULTS

The audit committee of the Company currently comprises three INEDs, namely Messrs. Chow Bing Chiu, Lam Bing Kwan and Leung Shu Yin, William. The Audit Committee has reviewed the consolidated results (including the consolidated financial statements) of the Company for the year ended 31 July 2013.

REVIEW OF THE PRELIMINARY RESULTS ANNOUNCEMENT BY INDEPENDENT AUDITORS

The figures in respect of the Group's results for the year ended 31 July 2013 as set out in this preliminary result announcement have been agreed by the Group's independent auditors, Ernst & Young, Certified Public Accountants of Hong Kong ("**Ernst & Young**") to the amounts set out in the Company's consolidated financial statements for the year. The work performed by Ernst & Young 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 Hong Kong Institute of Certified Public Accountants and consequently, no assurance has been expressed by Ernst & Young on the preliminary results announcement.

ANNUAL GENERAL MEETING

The AGM will be held on Friday, 22 November 2013. Notice of such AGM together with the Company's Annual Report for the year ended 31 July 2013 will be published on the respective websites of the Stock Exchange and the Company and despatched to shareholders in about late October 2013.

By Order of the Board
Lam Kin Ming
Chairman

Hong Kong, 9 October 2013

As at the date of this announcement, the Board comprises six executive directors, namely Dr. Lam Kin Ming (Chairman), Dr. Lam Kin Ngok, Peter (Deputy Chairman), Mr. Chew Fook Aun (Deputy Chairman), Madam U Po Chu, Mr. Lam Kin Hong, Matthew and Mr. Lam Hau Yin, Lester (also alternate to Madam U Po Chu); and three independent non-executive directors, namely Messrs. Chow Bing Chiu, Lam Bing Kwan and Leung Shu Yin, William.