LIU CHONG HING INVESTMENT LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock code: 194)

ANNOUNCEMENT OF AUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2013

RESULTS

The Directors of Liu Chong Hing Investment Limited (the "Company") announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2013.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Notes	2013 HK$'000	2012 HK$'000 (restated)
Continuing operations			
Revenue		**403,488**	365,428
Direct costs		**(107,905)**	(95,949)
		295,583	269,479
Other income		**10,079**	10,669
Administrative and operating expenses		**(144,645)**	(165,219)
Other gains and losses		**229,412**	243,263
Finance costs		**(89,133)**	(109,124)
Share of profits of joint ventures		**107**	118
Profit before tax		**301,403**	249,186
Income tax expense	*4*	**(27,830)**	(35,548)
Profit for the year from continuing operations		**273,573**	213,638
Discontinued operations			
Profit for the year from discontinued operations		**552,163**	544,666
Profit for the year		**825,736**	758,304

CONSOLIDATED STATEMENT OF PROFIT OR LOSS *(continued)*

	Notes	**2013** **HK$'000**	2012 HK$'000 (restated)
Profit for the year attributable to owners of the Company			
— from continuing operations		**268,905**	210,447
— from discontinued operations		**274,555**	269,563
		543,460	480,010
Profit for the year attributable to non-controlling interests			
— from continuing operations		**4,668**	3,191
— from discontinued operations		**277,608**	275,103
		282,276	278,294
		825,736	758,304
Basic earnings per share			
— from continuing and discontinued operations	*6*	**HK$1.44**	HK$1.27
— from continuing operations	*6*	**HK$0.71**	HK$0.56

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	**2013** **HK$'000**	2012 *HK$'000*
Profit for the year		**825,736**	758,304
Other comprehensive income (expense)			
Items that may be reclassified subsequently to profit or loss			
Exchange differences arising on translation		**115,527**	9,879
Fair value gains on available-for-sale investments		**55,251**	262,852
Income tax relating to fair value change of available-for-sale investments		**514**	(29,914)
Amount reclassified to the profit or loss upon disposal of available-for-sale investments		**(62,303)**	(594)
Income tax relating to disposal of available-for-sale investments		**261**	98
Share of other comprehensive income of associates		**464**	430
Other comprehensive income for the year (net of tax)		**109,714**	242,751
Total comprehensive income for the year		**935,450**	1,001,055
Total comprehensive income attributable to:			
Owners of the Company		**628,052**	641,789
Non-controlling interests		**307,398**	359,266
		935,450	1,001,055

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**31.12.2013**	31.12.2012
		HK$'000	*HK$'000*
Assets			
Cash and short-term funds		**465,682**	17,845,583
Placements with banks and other financial institutions maturing between one to twelve months		**122,620**	4,844,115
Derivative financial instruments		**–**	187,911
Investments in securities		**444,545**	15,504,832
Advances and other accounts — financial services		**–**	42,069,072
Advances to an investee company		**193,424**	322,539
Trade and other receivables — non-financial services	*7*	**113,929**	91,292
Properties under development for sale		**642,547**	457,617
Properties held for sale		**590,967**	584,722
Inventories		**18,467**	17,417
Interests in joint ventures		**2,768**	2,661
Interests in associates		**–**	182,970
Investment properties		**5,962,913**	5,868,769
Property, plant and equipment		**303,522**	966,907
Prepaid lease payments		**–**	2,423
Properties under development		**702,200**	702,200
Deferred tax assets		**680**	2,182
Goodwill		**–**	50,606
		9,564,264	89,703,818
Assets classified as held for sale		**84,876,561**	–
Total assets		**94,440,825**	89,703,818
Liabilities			
Deposits and balances of banks and other financial institutions		**–**	1,843,477
Financial assets sold under repurchase agreements		**–**	433,681
Deposits from banking customers		**–**	67,361,446
Certificates of deposit		**–**	667,636
Derivative financial instruments		**–**	248,656
Trade and other payables	*8*	**212,665**	979,327
Taxation payable		**5,413**	34,480
Loan capital		**–**	1,898,957
Borrowings		**3,782,176**	3,730,120
Deferred tax liabilities		**209,887**	213,009
		4,210,141	77,410,789
Liabilities associated with assets classified as held for sale		**77,214,362**	–
Total liabilities		**81,424,503**	77,410,789

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(continued)*

	Notes	31.12.2013 HK$'000	31.12.2012 HK$'000
Equity			
Share capital		**378,583**	378,583
Reserves		**8,739,736**	8,217,687
Equity attributable to owners of the Company		**9,118,319**	8,596,270
Non-controlling interests		**3,898,003**	3,696,759
Total equity		**13,016,322**	12,293,029
Total liabilities and equity		**94,440,825**	89,703,818

NOTES:

1. GENERAL

The Company is a public limited liability company incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited. The address of the registered office and principal place of business of the Company is 25/F, Chong Hing Bank Centre, 24 Des Voeux Road Central, Hong Kong.

The consolidated financial statements are presented in Hong Kong dollars ("HK$"), which is also the functional currency of the Company.

The principal activities of the Company are property investment and investment holding.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

The Group has applied the following new and revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time in the current year:

Amendments to HKFRSs	Annual Improvements to HKFRSs 2009–2011 Cycle
Amendments to HKFRS 7	Disclosures — Offsetting Financial Assets and Financial Liabilities
HKFRS 13	Fair Value Measurement
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income
HK(IFRIC)-Int 20	Stripping Costs in the Production Phase of a Surface Mine

Except as described below, the application of the new and revised HKFRSs in the current year has had no material impact on the Group's financial performance and the Group's financial position for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Amendments to HKFRS 7 Disclosures — Offsetting Financial Assets and Financial Liabilities

The Group has applied the amendments to HKFRS 7 *Disclosures — Offsetting Financial Assets and Financial Liabilities* for the first time in the current year. The amendments to HKFRS 7 require entities to disclose information about:

(a) recognised financial instruments that are set off in accordance with HKAS 32 *Financial Instruments: Presentation*; and

(b) recognised financial instruments that are subject to an enforceable master netting agreement or similar agreement, irrespective of whether the financial instruments are set off in accordance with HKAS 32.

The amendments to HKFRS 7 have been applied retrospectively. The application of the amendments has had no material impact on the amounts reported in the Group's consolidated financial statements but has resulted in more disclosures about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting arrangements or similar agreements.

HKFRS 13 ***Fair Value Measurement***

The Group has applied HKFRS 13 for the first time in the current year. HKFRS 13 establishes a single source of guidance for, and disclosures about, fair value measurements. The scope of HKFRS 13 is broad: the fair value measurement requirements of HKFRS 13 apply to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are within the scope of HKAS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

HKFRS 13 defines the fair value of an asset as the price that would be received to sell an asset (or paid to transfer a liability, in the case of determining the fair value of a liability) in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under HKFRS 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, HKFRS 13 includes extensive disclosure requirements.

HKFRS 13 requires prospective application. In accordance with the transitional provisions of HKFRS 13, the Group has not made any new disclosures required by HKFRS 13 for the 2012 comparative period. Other than the additional disclosures, the application of HKFRS 13 has not had any material impact on the amounts recognised in the consolidated financial statements.

Amendments to HKAS 1 ***Presentation of Items of Other Comprehensive Income***

The Group has applied the amendments to HKAS 1 *Presentation of Items of Other Comprehensive Income*. Upon the adoption of the amendments to HKAS 1, the Group's 'consolidated statement of comprehensive income' is renamed as the 'consolidated statement of profit or loss and other comprehensive income' and the 'consolidated income statement' is renamed as the 'consolidated statement of profit or loss'. The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. Furthermore, the amendments to HKAS 1 require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis — the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendments to HKAS 1 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities[1]
Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions[2]
Amendments to HKFRS 9 and HKFRS 7	Mandatory Effective Date of HKFRS 9 and Transition Disclosures[3]
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities[1]
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-Financial Assets[1]
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting[1]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2010 – 2012 Cycle[4]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011 – 2013 Cycle[2]
HKFRS 9	Financial Instruments[3]
HKFRS 14	Regulatory Deferral Accounts[5]
HK(IFRIC)-lnt 21	Levies[1]

1 Effective for annual periods beginning on or after 1 January 2014 with earlier application permitted.
2 Effective for annual periods beginning on or after 1 July 2014, except as disclosed below. Early application is permitted.
3 Available for application — the mandatory effective date will be determined when the outstanding phases of HKFRS 9 are finalised.
4 Effective for annual periods beginning on or after 1 July 2014, with limited exceptions.
5 Effective for the first annual HKFRS financial statements beginning on or after 1 January 2016.

Annual Improvements to HKFRSs 2010 – 2012 Cycle

The *Annual Improvements to HKFRSs 2010 – 2012 Cycle* include a number of amendments to various HKFRSs, which are summarised below.

The amendments to HKFRS 2 (i) change the definitions of 'vesting condition' and 'market condition'; and (ii) add definitions for 'performance condition' and 'service condition' which were previously included within the definition of 'vesting condition'. The amendments to HKFRS 2 are effective for share-based payment transactions for which the grant date is on or after 1 July 2014.

The amendments to HKFRS 3 clarify that contingent consideration that is classified as an asset or a liability should be measured at fair value at each reporting date, irrespective of whether the contingent consideration is a financial instrument within the scope of HKFRS 9 or HKAS 39 or a non-financial asset or liability. Changes in fair value (other than measurement period adjustments) should be recognised in profit and loss. The amendments to HKFRS 3 are effective for business combinations for which the acquisition date is on or after 1 July 2014.

The amendments to HKFRS 8 (i) require an entity to disclose the judgements made by management in applying the aggregation criteria to operating segments, including a description of the operating segments aggregated and the economic indicators assessed in determining whether the operating segments have 'similar economic characteristics'; and (ii) clarify that a reconciliation of the total of the reportable segments' assets to the entity's assets should only be provided if the segment assets are regularly provided to the chief operating decision-maker.

The amendments to the basis for conclusions of HKFRS 13 clarify that the issue of HKFRS 13 and consequential amendments to HKAS 39 and HKFRS 9 did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amounts without discounting, if the effect of discounting is immaterial.

The amendments to HKAS 16 and HKAS 38 remove perceived inconsistencies in the accounting for accumulated depreciation/amortisation when an item of property, plant and equipment or an intangible asset is revalued. The amended standards clarify that the gross carrying amount is adjusted in a manner consistent with the revaluation of the carrying amount of the asset and that accumulated depreciation/amortisation is the difference between the gross carrying amount and the carrying amount after taking into account accumulated impairment losses.

The amendments to HKAS 24 clarify that a management entity providing key management personnel services to a reporting entity is a related party of the reporting entity. Consequently, the reporting entity should disclose as related party transactions the amounts incurred for the service paid or payable to the management entity for the provision of key management personnel services. However, disclosure of the components of such compensation is not required.

The directors do not anticipate that the application of the amendments included in the *Annual Improvements to HKFRSs 2010 – 2012 Cycle* will have a material effect on the Group's consolidated financial statements.

Annual Improvements to HKFRSs 2011 – 2013 Cycle

The *Annual Improvements to HKFRSs 2011 – 2013 Cycle* include a number of amendments to various HKFRSs, which are summarised below.

The amendments to HKFRS 3 clarify that the standard does not apply to the accounting for the formation of all types of joint arrangement in the financial statements of the joint arrangement itself.

The amendments to HKFRS 13 clarify that the scope of the portfolio exception for measuring the fair value of a group of financial assets and financial liabilities on a net basis includes all contracts that are within the scope of, and accounted for in accordance with, HKAS 39 or HKFRS 9, even if those contracts do not meet the definitions of financial assets or financial liabilities within HKAS 32.

The amendments to HKAS 40 clarify that HKAS 40 and HKFRS 3 are not mutually exclusive and application of both standards may be required. Consequently, an entity acquiring investment property must determine whether:

(a) the property meets the definition of investment property in terms of HKAS 40; and

(b) the transaction meets the definition of a business combination under HKFRS 3.

The directors do not anticipate that the application of the amendments included in the *Annual Improvements to HKFRSs 2011 – 2013 Cycle* will have a material effect on the Group's consolidated financial statements.

HKFRS 9 ***Financial Instruments***

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 was subsequently amended in 2010 to include the requirements for the classification and measurement of financial liabilities and for derecognition, and further amended in 2013 to include the new requirements for hedge accounting.

Key requirements of HKFRS 9 are described as follows:

- All recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

The new general hedge accounting requirements retain the three types of hedge accounting. However, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The directors anticipate that the adoption of HKFRS 9 in the future may have significant impact on amounts reported in respect of the Group's financial assets and financial liabilities. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

Amendments to HKAS 19 ***Defined Benefit Plans: Employee Contributions***

The amendments to HKAS 19 clarify how an entity should account for contributions made by employees or third parties to defined benefit plans, based on whether those contributions are dependent on the number of years of service provided by the employee.

For contributions that are independent of the number of years of service, the entity may either recognise the contributions as a reduction in the service cost in the period in which the related service is rendered, or to attribute them to the employees' periods of service using the projected unit credit method; whereas for contributions that are dependent on the number of years of service, the entity is required to attribute them to the employees' periods of service.

The directors of the Company do not anticipate that the application of these amendments to HKAS 19 will have a significant impact on the Group's consolidated financial statements as the defined benefit plans had no contribution made by the employees or third parties.

Amendments to HKAS 32 ***Offsetting Financial Assets and Financial Liabilities***

The amendments to HKAS 32 clarify existing application issues relating to the offset of financial assets and financial liabilities requirements. Specifically, the amendments clarify the meaning of 'currently has a legally enforceable right of set-off' and 'simultaneous realisation and settlement'.

The directors of the Company do not anticipate that the application of these amendments to HKAS 32 will have a significant impact on the Group's consolidated financial statements as the Group does not have any financial assets and financial liabilities that qualify for offset.

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

The amendments to HKAS 36 remove the requirement to disclose the recoverable amount of a cash generating unit (CGU) to which goodwill or other intangible assets with indefinite useful lives had been allocated when there has been no impairment or reversal of impairment of the related CGU. Furthermore, the amendments introduce additional disclosure requirements regarding the fair value hierarchy, key assumptions and valuation techniques used when the recoverable amount of an asset or CGU was determined based on its fair value less costs of disposal.

The directors of the Company do not anticipate that the application of these amendments to HKAS 36 will have a significant impact on the Group's consolidated financial statements.

Amendments to HKAS 39 ***Novation of Derivatives and Continuation of Hedge Accounting***

The amendments to HKAS 39 provide relief from the requirement to discontinue hedge accounting when a derivative hedging instrument is novated under certain circumstances. The amendments also clarify that any change to the fair value of the derivative hedging instrument arising from the novation should be included in the assessment of hedge effectiveness.

The directors of the Company do not anticipate that the application of these amendments to HKAS 39 will have any effect on the Group's consolidated financial statements as the Group does not have any derivatives that are subject to novation.

3. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision maker, for the purposes of resources allocation or assessment of segment performance focuses on types of goods and services delivered or provided. No operating segment identified by the chief operating decision maker have been aggregated in arriving at the reportable segment of the Group.

Specifically, the Group's operating and reportable segments under HKFRS 8 are as follows:

1. Property investment — investment and letting of properties

2. Property development — development and sale of properties

3. Property management — provision of property management services

4. Treasury investment — dealings and investments in securities and other financial instruments

5. Trading and manufacturing — manufacture and sale of magnetic products

6. Hotel operation — management and operation of hotels

An operating segment comprising the financial services operations carried out through Chong Hing Bank and its subsidiaries was discontinued in the current year. The segment information reported set out below does not include any amounts for these discontinued operations.

Segment revenue and results

The following is an analysis of the Group's revenue and results from continuing operations by reportable and operating segment.

	Property investment *HK$'000*	Property development *HK$'000*	Property management *HK$'000*	Treasury investment *HK$'000*	Trading and manufacturing *HK$'000*	Hotel operation *HK$'000*	Total *HK$'000*	Eliminations *HK$'000*	Consolidated *HK$'000*
For the year ended 31 December 2013									
Segment revenue	270,109	12,538	16,022	24,056	42,496	51,177	416,398	(12,910)	403,488
Comprising:									
— revenue from customers	267,990	12,538	8,577	20,710	42,496	51,177			
— inter-segment transactions *(note)*	2,119	–	7,445	3,346	–	–			
Operating expenses	(121,425)	(15,828)	(23,009)	(4,007)	(42,309)	(52,009)	(258,587)	16,116	(242,471)
Gain on changes in fair value on financial instruments at fair value through profit or loss	–	–	–	1,902	–	–	1,902	–	1,902
Net exchange gains (losses)	4,302	6,943	(196)	9,054	(5)	28	20,126	–	20,126
Net losses on disposal of property, plant and equipment	–	(98)	–	(307)	(32)	–	(437)	–	(437)
Net gains on disposal of available-for-sale investments	–	–	–	61,429	–	–	61,429	–	61,429
Gain on changes of fair value on investment properties	146,392	–	–	–	–	–	146,392	–	146,392
Segment profit (loss)	299,378	3,555	(7,183)	92,127	150	(804)	387,223	3,206	390,429
Finance costs									(89,133)
Share of profits of joint ventures									107
Profit before tax from continuing operations									301,403

note: Inter-segment sales are charged at prevailing market rates.

The following is an analysis of the Group's revenue and results from continuing operations by reportable and operating segment.

	Property investment *HK$'000*	Property development *HK$'000*	Property management *HK$'000*	Treasury investment *HK$'000*	Trading and manufacturing *HK$'000*	Hotel operation *HK$'000*	Total *HK$'000*	Eliminations *HK$'000*	Consolidated *HK$'000*
For the year ended 31 December 2012 (restated)									
Segment revenue	264,389	5,729	15,761	19,498	30,044	49,142	384,563	(19,135)	365,428
Comprising:									
— revenue from customers	256,780	5,729	6,830	16,903	30,044	49,142			
— inter-segment transactions *(note)*	7,609	–	8,931	2,595	–	–			
Operating expenses	(114,553)	(45,498)	(22,803)	(2,347)	(28,975)	(52,226)	(266,402)	15,903	(250,499)
Gain on changes in fair value on financial instruments at FVTPL	–	–	–	4,076	–	–	4,076	–	4,076
Net exchange gains (losses)	336	(2,073)	1	(80)	(1)	–	(1,817)	–	(1,817)
Net losses on disposal of property, plant and equipment	(228)	(36)	–	10	–	–	(254)	–	(254)
Net gains on disposal of available-for-sale investments	–	–	–	151	–	–	151	–	151
Gain on changes in fair value on investment properties	261,240	–	–	–	–	–	261,240	–	261,240
Impairment losses on other receivables	(17,893)	–	–	(2,199)	–	–	(20,092)	–	(20,092)
Segment profit (loss)	393,291	(41,878)	(7,041)	19,109	1,068	(3,084)	361,465	(3,232)	358,233
Loss on disposal of a subsidiary									(41)
Finance costs									(109,124)
Share of profits of joint ventures									118
Profit before tax from continuing operations									249,186

note: Inter-segment sales are charged at prevailing market rates.

4. INCOME TAX EXPENSE

	2013 HK$'000	2012 HK$'000 (restated)
Continuing operations		
The charge comprises:		
Hong Kong Profits Tax		
Current year	**14,668**	17,335
Overprovision in prior years	**(9,575)**	(48)
	5,093	17,287
The People's Republic of China (the "PRC") Enterprise Income Tax	**1,760**	2,874
PRC Land Appreciation Tax ("LAT")	**525**	415
	2,285	3,289
	7,378	20,576
Deferred taxation		
Current year	**20,452**	14,972
	27,830	35,548

Notes:

(a) Hong Kong Profits Tax is calculated at 16.5% (2012: 16.5%) of the estimated assessable profit for both years.

(b) Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

(c) Taxation arising in other jurisdictions is calculated at the rates prevailing on the relevant jurisdictions.

(d) The Group has estimated the tax provision for PRC LAT according to the requirements set forth in the relevant PRC tax laws and regulations. The actual LAT liabilities are subject to the determination by the tax authorities upon completion of the property development projects and the tax authorities might disagree with the basis on which the provision for LAT is calculated.

5. DIVIDENDS

	2013	2012
	HK$'000	*HK$'000*
Dividends recognised as distribution during the year:		
2013 interim dividend paid at HK$0.10 (2012: 2012 interim dividend HK$0.10) per share	**37,858**	37,858
2012 final dividend paid at HK$0.18 (2012: 2011 final dividend HK$0.18) per share	**68,145**	68,145
	106,003	106,003

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2013 of HK$0.18 per share, totalling HK$68,145,019 (2012: final dividend in respect of the year ended 31 December 2012 of HK$0.18 per share, totalling HK$68,145,019) and a special cash dividend due to the completion of Partial Offer for disposal of CHB Shares of HK$2.80 per share, totalling HK$1,060,033,632 have been proposed by the directors and is subject to approval by the shareholders in the forthcoming general meeting.

In addition, a special dividend by way of distribution in specie to the shareholders of the Company in the proportion of 1 share in the issued share capital of Chong Hing Bank for every 10 shares in the issued share capital of the Company. The special dividend has been proposed by the directors and is subject to approval by the shareholders in the forthcoming general meeting.

6. BASIC EARNINGS PER SHARE

From continuing and discontinued operations

The calculation of the basic earnings per share attributable to the owners of the Company is based on the profit for the year attributable to owners of the Company of HK$543,460,000 (2012: HK$480,010,000) and on 378,583,440 (2012: 378,583,440) ordinary shares in issue during the year.

From continuing operations

The calculation of the basic earnings per share attributable to the owners of the Company is based on the profit for the year attributable to owners of the Company of HK$268,905,000 (2012: HK$210,447,000) and on 378,583,440 (2012: 378,583,440) ordinary shares in issue during the year.

From discontinued operations

The basic earnings per share attributable to owners of the Company is HK$0.73 (2012: HK$0.71) which is based on the profit for the year of HK$274,555,000 (2012: HK$269,563,000) and on 378,583,440 (2012: 378,583,440) ordinary shares in issue during the year.

No diluted earnings per share has been presented as there were no potential ordinary shares in issue during the years 2012 and 2013.

7. TRADE AND OTHER RECEIVABLES — NON-FINANCIAL SERVICES

	31.12.2013	31.12.2012
	HK$'000	*HK$'000*
Trade receivables	**15,373**	15,461
Deposits for construction costs	**18,965**	18,800
Other deposits, prepayments and receivables	**79,591**	57,031
	113,929	91,292

Notes:

(a) Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed periodically. Majority of the trade receivables that are neither past due nor impaired have no default payment history.

The Group's credit policy allows its trade customers an average credit period of 30–90 days, other than proceeds from sales of properties which are settled in accordance with the sale and purchase agreements, normally within 60 days from the date of agreement. The aged analysis of trade receivables of HK$15,373,000 (2012: HK$15,461,000) presented based on the invoice date at the end of the reporting period which are included in trade receivables is as follows:

	31.12.2013	31.12.2012
	HK$'000	*HK$'000*
Within 30 days	**5,451**	6,785
Between 31 days to 90 days	**6,352**	5,214
Over 90 days	**3,570**	3,462
	15,373	15,461

(b) As at 31 December 2013, debtors with an aggregate carrying amount of HK$3,570,000 (31.12.2012: HK$3,462,000) were past due and aged over 90 days at the end of reporting period but the Group has not provided for impairment loss for these balances as management considers that the fundamental credit quality of these customers has not deteriorated. The Group does not hold any collateral over these balances.

(c) All of the Group's trade receivables are denominated in functional currency of its individual entities within the Group.

8. TRADE AND OTHER PAYABLES

	31.12.2013	31.12.2012
	HK$'000	*HK$'000*
Trade payables	**4,601**	11,304
Construction costs payables	**58,181**	117,791
Deposits received and receipt in advance in respect of rental of investment properties	**98,147**	122,484
Account payable to customers in relation to securities dealing	**–**	171,426
Interest payable to banking customers	**–**	188,428
Other payables	**51,736**	367,894
	212,665	979,327

At the end of the reporting period, included in trade and other payables are trade payables of HK$4,601,000 (2012: HK$11,304,000) and the aged analysis of which presented based on the invoice date is as follows:

	31.12.2013	31.12.2012
	HK$'000	*HK$'000*
Within 30 days	**4,601**	11,304

The average credit period on purchases of goods is 30 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

FINAL DIVIDEND AND SPECIAL CASH DIVIDEND

The Board of Directors proposes to recommend a final cash dividend for the year ended 31 December 2013 of HK$0.18 (2012: HK$0.18) per share and a special cash dividend due to the completion of Partial Offer for disposal of CHB Shares of HK$2.80 per share which, together with the interim cash dividend of HK$0.10 (2012: HK$0.10) per share paid on 26 September 2013, makes a total cash dividend of HK$3.08 (2012: HK$0.28) per share. The proposed final cash dividend and a special cash dividend, if approved by the shareholders at the forthcoming Annual General Meeting to be held on Tuesday, 22 April 2014, will be paid on Thursday, 15 May 2014 to the Company's shareholders registered on Friday, 9 May 2014.

DECLARATION OF SPECIAL DIVIDEND
DISTRIBUTION IN SPECIE OF SHARES IN CHONG HING BANK LIMITED

Reference is made to the Joint Announcement and the Circular which mentioned a possible interim Distribution in Specie by the Company to the Shareholders of some of the CHB Shares held by LCH Estate after the closing of the Partial Offer described therein.

The LCHI distribution in specie

On 26 February 2014, the Board resolved that, subject to Shareholder approval at the AGM, a special dividend in the form of a Distribution in Specie of all of the Relevant Shares, being 37,858,344 CHB Shares currently held by the Company's wholly-owned subsidiary LCH Estate, will be made to the Shareholders whose names appear on the register of members of the Company on the Record Date on a pro-rata basis in proportion to their respective shareholdings in the Company on the following basis:

for every 10 Shares held . . . . 1 CHB Share

No fraction of a CHB Share will be distributed and fractional entitlements to the CHB Shares under the LCHI Distribution in Specie will be retained by the Company for sale in the market and the Company will keep the net proceeds of sale, after deduction of related expenses therefrom, for the benefit of the Company.

The above basis of distribution is determined after taking into account the number of existing issued Shares and the number of Relevant Shares and that a Shareholder needs to hold at least 10 Shares in order that he can be distributed with at least one Relevant Share.

Based on the closing price of HK$27.10 per CHB Share as traded on the Stock Exchange on the last trading date before this announcement, the aggregate market value of the Relevant Shares to be distributed under the LCHI Distribution in Specie as at the date of this announcement is approximately HK$1,025,961,122, which equates to a distribution of approximately HK$2.71 per Share assuming the number of issued Shares remains unchanged from the date of this announcement until completion of the LCHI Distribution in Specie.

The Relevant Shares represent approximately 8.70% of the total number of issued CHB Shares as at the date of this announcement. As the Relevant Shares are currently held by LCH Estate, LCH Estate will first implement the LCH Estate Distribution in Specie whereby all the Relevant Shares will be distributed to the Company. After the Relevant Shares have been transferred to the Company, the Company will then implement the LCHI Distribution in Specie.

The Relevant Shares to be distributed pursuant to the LCHI Distribution in Specie will rank pari passu in all respects with each other and with the other CHB Shares then in issue, save for any dividends or distributions declared, paid or made by CHB prior to the Record Date.

Record date and share certificate despatch date

Subject to the passing of the ordinary resolution at the AGM approving the LCHI Distribution in Specie, it is expected that the qualifying Shareholders will become registered holders of the Relevant Shares distributed pursuant to the LCHI Distribution in Specie on or about 30 April 2014 and the relevant certificates will be despatched by ordinary post at the risk of those entitled thereto on or before 5 May 2014. As noted in CHB's announcement dated 26 February 2014, the record date for the purposes of determining CHB shareholders who qualify for CHB's proposed 2013 final cash dividend is 20 May 2014 (the "**CHB Record Date**"). Accordingly, it is expected that qualifying Shareholders receiving Relevant Shares pursuant to the LCHI Distribution in Specie will be entitled to CHB's proposed 2013 final cash dividend, assuming that they continue to hold the Relevant Shares received under the LCHI Distribution in Specie on the CHB Record Date.

In order to qualify for the LCHI Distribution in Specie all share transfers, accompanied by the relevant share certificates, must be lodged with the Company's share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Friday, 25 April 2014.

Entitlements of overseas shareholders

The Relevant Shares will not be transferred to Overseas Shareholders pursuant to the LCHI Distribution in Specie in the event that the Board, based on legal advice, considers such exclusion to be necessary or expedient on account of either legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in those places. Accordingly, certain Overseas Shareholders (the "**Non-Qualifying Shareholders**") will not receive the CHB Shares pursuant to the LCHI Distribution in Specie. Instead, arrangements will be made for the CHB Shares which would otherwise have been transferred to such Non-Qualifying Shareholders to be sold in the market and any proceeds of sale, after deduction of expenses, will be distributed in Hong Kong dollars to the relevant Non-Qualifying Shareholders except that any amount of less than HK$100 will be retained for the benefit of the Company.

Reasons for and benefits of the LCHI distribution in specie

The following matters had been considered by the Board when deciding to implement the LCHI Distribution in Specie:

(A) The Board is of the view that the LCHI Distribution in Specie will allow the Company to show appreciation to and reward the Shareholders for their continuous support of the Company and through the LCHI Distribution in Specie, the Company will be able to return value to the Shareholders.

(B) Currently, LCH Estate holds 50,408,418 CHB Shares (representing approximately 11.59% of the issued share capital of CHB) and is therefore a substantial shareholder and connected person of CHB. Following settlement of the Partial Offer, the shareholding of CHB held in public hands is approximately 13% and CHB is technically in breach of the minimum public float requirement of 25% under the Listing Rules. As disclosed in the Joint Announcement, under the LCHI Irrevocable Undertaking, the Company has agreed to reduce the residual shareholding of LCH Estate in CHB by way of the LCHI Distribution in Specie or other steps so that LCH Estate will cease to be a substantial shareholder and a connected person (as defined in Chapter 1 of the Listing Rules) of CHB for the purpose of CHB's public float requirement under the Listing Rules. Upon completion of the LCHI Distribution in Specie, the Company will hold (through LCH Estate) 12,550,074 CHB Shares (representing approximately 2.89% of the issued share capital of CHB) and will therefore cease to be a substantial shareholder or connected person of CHB. The LCHI Distribution in Specie will therefore help restore the public float of CHB.

In light of the above, the Board considered that the LCHI Distribution in Specie is in the interests of both the Company and the Shareholders as a whole.

Information on CHB

CHB is a limited company incorporated in Hong Kong and the CHB Shares are listed on the Main Board of the Stock Exchange. CHB and its subsidiaries are principally engaged in the provision of banking and related financial services.

AGM

As required by the Company's articles of association, the Shareholders will be asked to consider and, if thought fit, approve the LCHI Distribution in Specie and an ordinary resolution will be proposed at the AGM to approve the LCHI Distribution in Specie. No Shareholders or their associates are required to abstain from voting in respect of this ordinary resolution.

A circular containing further details of the LCHI Distribution in Specie and LCH Estate Distribution in Specie will be despatched to the Shareholders in due course.

CLOSURE OF REGISTER OF MEMBERS FOR THE ENTITLEMENT OF 2013 FINAL DIVIDEND

For the purpose of determining shareholders who qualify for the 2013 final dividend and special cash dividend, whose name should be recorded in the Company's shareholders book on Friday, 9 May 2014. The Register of Members of the Company will be closed from Wednesday, 7 May 2014 to Friday, 9 May 2014, both days inclusive. In order to qualify for the final dividend and the special cash dividend, all share certificates with completed transfer forms either overleaf or separately must be lodged for registration with the Company's Registrars, Computershare Hong Kong Investor Services Limited, Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Monday, 5 May 2014.

MANAGEMENT DISCUSSION AND ANALYSIS

For the year ended 31 December 2013, the consolidated profits of the Group amounted to approximately HK$825.7 million (basic earnings per share of HK$1.44) comparing to the year 2012 of HK$758.3 million (basic earnings per share of HK$1.27), representing an increase of approximately 8.9%.

Profit from continuing operations amounted to approximately HK$273.5 million while profit from discontinued operations amounted to approximately HK$552.2 million.

Continuing Operations

Revenue mainly referred to the revenues generated from property investment, property development, property management, treasury investment, trading & manufacturing and hotel operations.

Other income referred to various miscellaneous incomes other than the main revenue.

Administrative and operating expenses decreased by 12.5% from approximately HK$165.2 million in 2012 to approximately HK$144.6 million in 2013.

Other gains and losses mainly comprised of net exchange gains (losses), net gain on disposal of available-for-sale investments, gains on changes in fair value on investment properties.

Discontinued Operations

Discontinued operations represented the operating results of Chong Hing Bank Limited (the "Bank") and its subsidiaries. In 2013, the profit from the Bank had increased from approximately HK$544.7 million in 2012 to approximately HK$552.2 million in 2013. Profit for the year from the Bank attributable to the owners of the Company increased from approximately HK$269.6 million in 2012 to approximately HK$274.6 million in 2013.

The Bank's operating profits for the year had increased by 17.8% to HK$1,352 million which include the increase of net interest income (21.2% up) and net fee and commission income (10.9% up). However, the net profit for the year was heavily reduced by the new impairment allowance on loans and advances of approximately HK$100.5 million, resulting in a modest increase of 1.4% growth.

Disposal of Chong Hing Bank Shares

On 25 October 2013, Yue Xiu Financial Holdings Limited (the "Offeror") announced to make a voluntary conditional cash Partial Offer to acquire a maximum of 326,250,000 Chong Hing Bank's shares ("CHB Shares") (representing 75% of the CHB Shares in issue as at the date of the announcement) from qualifying Bank shareholders at an offer price of HK$35.69 per CHB Share.

The Offeror also announced that the Bank entered into the property agreement with the Company, the controlling shareholder of the Bank, for the property transfer and the lease. Completion of the property transfer is conditional upon the receipt by Liu Chong Hing Estate Company, Limited ("LCH Estate") of payment in full of the consideration for the LCH Estate irrevocable undertaking shares taken up by the Offeror in accordance with the terms of the Partial Offer.

Upon the Partial Offer becoming unconditional, each shareholder of the Bank:

(1) will receive a payment of HK$35.69 in cash for every Share of the Bank in respect of which that Shareholder of the Bank validly accepts the Partial Offer and which is taken up by the Offeror under the Partial Offer;

(2) will receive a special interim dividend of HK$4.5195 in cash for every Share of the Bank which that Shareholder of the Bank holds as at the record date.

Upon settlement of the Partial Offer on 14 February 2014, the Group had disposed a total of 167,951,210 CHB Shares in returning for net total cash proceeds of approximately HK$5,963.2 million and making gains on disposal of CHB Shares of approximately HK$3,466.7 million. The Group continued to hold 50,408,418 CHB Shares which representing 11.59% of CHB issued shares.

Due to the undertaking made to The Stock Exchange of Hong Kong Limited to procure the Group to reduce the remaining CHB shares for the purpose of maintaining the minimum public float of CHB shares, the Company declared the distribution of CHB shares to be satisfied by way of a distribution in specie. For such, the Group will distribute one CHB shares for every whole multiples of 10 shares of the Company, a total of 37,858,344 CHB shares would be distributed to the shareholders of the Company. After the distribution, the Group continued to hold 12,550,074 CHB shares, it represents 2.89% shares interests in the Bank.

Chong Hing Bank Centre, Headquarter

Immediately after the completion of disposal of CHB shares, the Company had acquired the Chong Hing Bank Centre, the Bank's previous headquarter located at 24 Des Voeux Road, Central, at total cash consideration of HK$2,230 million. All the net sale proceeds received by the Bank were paid out by way of special dividend to those existing shareholders on the record date. As a result, the Group had received a special dividend of approximately HK$986.8 million.

According to the tenancy agreement entered into between the Bank, having retained several floors for the Company's own use, the building was leased to the Bank for five years with option for another five years at annual rental (excluding management fees, government rent and rates, and services charges) of approximately HK$67.92 million. Such move could definitely strengthen the Group's investment property portfolio and recurring rental revenue in the coming years.

Future development

Having completed the disposal of the Bank's shares, the Company could continue to focus on its core business including property investment and development, property management, hotel business, treasury investment and trading and manufacturing business and at the same time consider other investments opportunities.

As the above transactions were completed in February 2014, all financial figures relating to the transaction will be updated and reported in the financial statements for the year of 2014.

Special Cash Dividend

On 26 February 2014, the Board announced that due to the completion of Partial Offer for disposal of CHB shares, a special cash dividend of HK$2.80 was declared to the shareholders of the Company to show the appreciation of their continuous support of the Company in the past years.

Property Investment

Overall rental revenue

For the year ended 31 December 2013, the Group recorded gross rental revenue of HK$268.0 million, representing 4.4% increase comparing to that of 2012. Increase of rental revenue of HK$11.7 million (13.2% up) from Chong Hing Square was partially offset by the decrease of rental revenue of HK$2.9 million from Western Harbour Centre since all tenants had been moved out of the office building in May 2012.

Overall occupancies

The Group's overall occupancies from their major investment properties was successfully maintained at 90% as at year ended 2013.

Hong Kong Properties

Chong Hing Square

Chong Hing Square, a 20-storey popular ginza-type retail/commercial development situated in the heart of Mongkok, Kowloon, offers over 182,000 square feet of retail and recreational space. For the year ended 31 December 2013, Chong Hing Square was well performed. It generated annual revenue of approximately HK$100.1 million, representing an increase of HK$11.7 million (13.2% up) and the building was fully let as at year end.

Chong Yip Centre

Chong Yip Centre is located at 402–404 Des Voeux Road West, it provides over 54,000 square feet of retail and commercial space. For the year ended 31 December 2013, this retail and commercial shopping centre generated rental revenue of HK$20 million (4.1% up) with 80% occupancy.

Fairview Court

Fairview Court is located at 94 Repulse Bay Road. It provides 5 units, each of areas over 4,100 square feet, luxury apartment on a low-rise building. For the year ended 31 December 2013, Fairview Court recorded rental revenue of HK$5.5 million (13.8% down) with 60% occupancy.

Western Harbour Centre

Western Harbour Centre, a 28-storey grade A office building, located at 181–183 Connaught Road West, Hong Kong, close proximity to the Western Harbour Tunnel, provides over 140,000 square feet office space for lease. The management planned to renovate the Western Harbour Centre into a lifestyle business hotel or service apartment. Application to Town Planning Board for changing the existing usage into hotel use by the Group had been approved. Since all tenants had been moved out of the building in May 2012, no rental revenue was recorded in 2013.

PRC Properties

Chong Hing Finance Center, Shanghai

Chong Hing Finance Center, Shanghai is located at 288, Nanjing Road West, Huang Pu District, Shanghai. This 36-storey grade A office/commercial building, completed in early 2008, provides over 516,000 square feet of office and commercial space and 198 carparking spaces for lease. For the year ended 31 December 2013, this grade A office/commercial building generated rental revenue of HK$138.2 million, similar to the year 2012. Office tower was 85% let and commercial and retail areas were fully let as at year ended 2013.

Property Development

Hong Kong

Tai Po, New Territories

The group had acquired a 262,000 square feet plot of land in Tai Po district, New Territories. The management had initiated the studies for rezoning and intended to seek eventual conversion of this land for future residential use.

PRC

The Grand Riviera, Foshan

In 2007, the Group acquired a plot of land with site area of over 260,000 square metres in Luocun, Foshan through government land auction at a cash consideration of RMB476 million. This is a comprehensive development and will be developed by phases. The first phase development constructed 12 blocks of 6-14 storey residential flats above the ground. A total of 847 residential flat units with sizes ranging from 55 to 400 square metres are provided. It also provides retail and commercial areas of approximately 8,600 square metres and a stand-alone clubhouse of approximately 6,800 square metres, if including other recreational facilities areas and 1,246 car parking spaces mainly built at the basement level, total construction areas are over 181,000 square metres.

The first phase development was completed in 2011 and the construction completion certificate was also obtained in December 2011. As at the year ended 2013, a total of 417 residential flat units (representing 49% of the total units) and 169 car parking units (representing 15% of the total units) were successfully sold out fetching total cash proceeds of approximately RMB339 million.

The Group commenced the construction of phase II since June 2013. In the phase II development, it constructed 12 blocks of 14-storey residential flats above the ground. A total of 1,542 residential flat units with developable areas over 145,000 square metres. If including the retail and commercial areas of approximately 2,100 square metres, other amenities areas of approximately 3,500 square metres and 1,196 car parking spaces mainly built at the basement levels, the total developable areas of phase II was over 191,000 square metres. For the size of residential units, it only provided three typical sizes with areas of 60, 90 and 120 square metres.

The Group started the pre-sale of phase II in January 2014. Block 13 to block 17 with areas of approximately 55,478 square metres, providing over 632 residential flats units (mainly 90 square metres for each unit) were put up for sale in the market. Due to the popular size areas and quality of the property, the sale response was overwhelming. As at the board meeting on 26 February 2014, a total of 242 residential flat units, representing 38% of flat units for pre-sale, were successfully sold out returning sale proceeds of approximately RMB137.2 million.

According to the construction schedule and the time line for getting pre-sale consent, the remaining blocks of phase II would be scheduled to launch in May 2014.

Budget Hotel Project

Since 2008, the Group had started to operate budget hotel business. In 2013, the Group continued to operate four budget hotels, two in Shanghai, one in Beijing and one in Guangzhou. All of these budget hotels are managed by and under the brand name of Hanting.

For the year ended 31 December 2013, all hotels had achieved improvements in business revenue, occupancies and average room rate. The total revenue had increased from approximately HK$49.1 million in 2012 to approximately HK$51.2 million in 2013. The management is optimistic about the future hotel business.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the financial year ended 31 December 2013, the Company has substantially complied with the provisions of the Corporate Governance Code (the "Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), saved for the followings:

Chairman and Managing Director: Clear Division of Responsibilities

For the financial year of 2013, the roles of Chairman and the Managing Director of the Company have not been segregated as required by the code provision A.2.1 of the Code. The Board considers this arrangement is in the best interest of the Company that by nature of the Group's business which requires considerable market expertise and Dr. Liu Lit Mo, with his profound expertise in the property and banking business, shall continue in his dual capacity as the Chairman and Managing Director.

On 26 February 2014, the board of directors of the Company announced that Dr. Liu Lit Mo, ceased to be the Managing Director of the Company with immediate effect. Dr. Liu continued to be the Chairman of the Board and Mr. Liu Lit Chi was appointed as Managing Director and Chief Executive Officer of the Company. The clear division of responsibilities under the code provision was then complied.

Appointments, Re-election and Removal: Rotation at least once every three years

Code provision A.4.2 stipulates that every director shall be subject to retirement by rotation at least once every three years. Under the existing Company's articles of association, all directors are subject to retirement by rotation except the Managing Director who shall not be subject to retirement by rotation under Articles 107 of the Companies articles of association.

CHANGES OF DIRECTORS' INFORMATION UNDER RULE 13.51B(1) OF THE LISTING RULES

Below are the changes of directors' information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the date of the 2013 Interim Report:

Directors' Updated Information

Dr. Liu Lit Mo, the Chairman of the Company, has resigned as the Managing Director of the Company with effect from 26 February 2014 and had resigned as the Chairman and an Executive Director of Chong Hing Bank Limited with effect from 14 February 2014.

Mr. Liu Lit Chi, an Executive Director of the Company, has re-designated as Managing Director and Chief Executive Officer of the Company with effect from 26 February 2014 and had resigned the Deputy Chairman and Managing Director of Chong Hing Bank Limited with effect from 14 February 2014.

Mr. Liu Chun Ning, Wilfred, a Non-executive Director of the Company, had resigned as an Executive Director of Chong Hing Bank Limited with effect from 14 February 2014.

Mr. Liu Kwun Shing, Christopher, an Executive Director of the Company, had resigned as an Non-executive Director of Chong Hing Bank Limited with effect from 14 February 2014.

Save for the information disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

COMPLIANCE OF THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

All directors have confirmed, that they complied with the required standards set out in the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules throughout the review period.

PURCHASE, SALE OR REDEMPTION OF SHARES

During the year ended 31 December 2013, the Company and its subsidiaries have not purchased, sold or redeemed any of the Shares in the Company.

AUDIT COMMITTEE

The Company had established an Audit Committee in 1999 with revised written terms of reference with reference to the latest Listing Rules of the Exchange.

The committee comprised five members, namely Mr. Tong Tsin Ka (Chairman), Dr. Cheng Mo Chi, Moses, Mr. Kho Eng Tjoan, Christopher, Mr. Au Kam Yuen, Arthur and Dr. Ma Hung Ming, John, and majority are independent non-executive directors of the Company.

A meeting of the Audit Committee was held to review the Group's annual results for the year ended 31 December 2013 before they presented the same to the Board of Directors for approval.

SUFFICIENCY OF PUBLIC FLOAT

The Group has maintained a sufficient public float throughout the year ended 31 December 2013.

ANNUAL GENERAL MEETING

The Annual General Meeting (the "AGM") will be held at 27/F, Chong Hing Bank Centre, 24 Des Voeux Road Central, Hong Kong on Tuesday, 22 April 2014, at 12:00 noon. The Notice of the AGM will be published on the websites of the Company and the HKExnews and despatched to Shareholders on or about 20 March 2014.

CLOSURE OF REGISTER OF MEMBERS FOR THE ENTITLEMENT OF ATTENDING AND VOTING AT 2014 AGM

For the purpose of determining shareholders who are entitled to attend and vote at the 2014 Annual General Meeting to be held on Tuesday, 22 April 2014 ("2014 AGM"), whose name should be recorded in the Company's shareholders book on Wednesday, 16 April 2014. The Register of Members of the Company will be closed from Tuesday, 15 April 2014 and Wednesday, 16 April 2014, both days inclusive. In order to qualify for attending and voting at the 2014 AGM, all share certificates with completed transfer forms either overleaf or separately must be lodged with the Company's Share Registrars, Computershare Hong Kong Investor Services Limited, Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 14 April 2014.

BOARD OF DIRECTORS

As at the date of this announcement, the Board of Directors of the Company comprises Executive Directors: Dr. Liu Lit Mo (Chairman), Mr. Liu Lit Chi (Managing Director and Chief Executive Officer), Mr. Liu Kam Fai, Winston (Deputy Managing Director), Mr. Liu Kwun Shing, Christopher (also alternate director to Dr. Liu Lit Chung) and Mr. Lee Wai Hung; Non-executive Directors: Dr. Liu Lit Chung, Mr. Andrew Liu and Mr. Liu Chun Ning, Wilfred and Mr. Kho Eng Tjoan, Christopher; and Independent Non-executive Directors: Dr. Cheng Mo Chi, Moses, Mr. Tong Tsin Ka, Mr. Au Kam Yuen, Arthur and Dr. Ma Hung Ming, John.

DEFINITIONS

"AGM"	means the annual general meeting of the Company to be convened and held at 27th Floor, Chong Hing Bank Centre, 24 Des Voeux Road Central, Hong Kong on Tuesday, 22 April 2014 at 12:00 noon for the purpose of, inter alia, considering, and if thought fit, approving the LCHI Distribution in Specie;
"associate(s)"	has the meaning ascribed thereto under the Code;
"Board"	means the board of Directors;

"CHB"	means Chong Hing Bank Limited, a Hong Kong incorporated limited liability company listed on the Main Board of the Stock Exchange with Stock Code 1111;
"CHB Shares"	means the ordinary shares of HK$0.50 each in the capital of CHB;
"Circular"	means the Company's circular to shareholders dated 4 December 2013;
"Company"	means Liu Chong Hing Investment Limited, a company incorporated in Hong Kong with limited liability and listed on the Main Board of the Stock Exchange with Stock Code 194;
"Director(s)"	means director(s) of the Company;
"Joint Announcement"	means the joint announcement of the Company, CHB, Yue Xiu Enterprises (Holdings) Limited and Yuexiu Financial Holdings Limited dated 25 October 2013;
"LCH Estate"	means Liu Chong Hing Estate Company, Limited, a wholly owned subsidiary of the Company;
"LCH Estate Distribution in Specie"	means the proposed distribution of a dividend by LCH Estate to its sole shareholder, the Company, in the form of a Distribution in Specie of all the Relevant Shares held by LCH Estate to the Company;
"LCHI Distribution in Specie"	means the proposed distribution of a special dividend by the Company to Shareholders in the form of a Distribution in Specie of all the Relevant Shares to the Shareholders whose names appear on the register of members of the Company on the Record Date on a pro-rata basis in proportion to their respective shareholdings in the Company;
"LCHI Irrevocable Undertaking"	means the irrevocable undertaking entered into between the Company, LCH Estate, Liu's Holdings Limited, Alba Holdings Limited and Yue Xiu Enterprises (Holdings) Limited dated 25 October 2013, the principal terms of which are disclosed in the Circular;
"Listing Rules"	means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
"Overseas Shareholder(s)"	means Shareholder(s) whose name(s) appear(s) on the register of members of the Company on the Record Date and whose address(es) as shown on such register on that date is(are) in a place outside of Hong Kong;

“Partial Offer”	has the meaning ascribed thereto in the Circular;
“Record Date”	means 25 April 2014;
“Relevant Shares”	37,858,344 CHB Shares, representing approximately 8.70% of the total number of issued CHB Shares as at the date of this announcement;
“Shares”	means the ordinary shares of HK$1.00 each in the capital of the Company;
“Shareholders”	means the registered holders of Shares;
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited; and
“%”	means per cent.

By Order of the Board
Dr. Liu Lit Mo
Chairman

Hong Kong, 26 February 2014

The Company’s Annual Report 2013, containing the Directors’ Report, Financial Statements for the year ended 31 December 2013 and the Notice of Annual General Meeting, together with the circular and the Form of Proxy will be despatched to shareholders on or about 20 March 2014. All of these will be made available on the website of the HKExnews’s (www.hkexnews.hk) and the Company’s website (www.lchi.com.hk) on the same date.