LIPPO CHINA RESOURCES LIMITED
力寶華潤有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 156)

FINAL RESULTS
FOR THE YEAR ENDED 31ST MARCH, 2014

The Directors of Lippo China Resources Limited (the "Company") announce the consolidated final results of the Company and its subsidiaries (collectively, the "Group") for the year ended 31st March, 2014 together with the comparative figures for the fifteen months ended 31st March, 2013 (the "period ended 31st March, 2013") as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the year ended 31st March, 2014

	Note	**Year ended 31st March, 2014** *HK$'000*	Period ended 31st March, 2013 *HK$'000* (Restated)
Revenue	*2*	**2,771,409**	3,403,735
Cost of sales		**(1,448,635)**	(1,806,293)
Gross profit		**1,322,774**	1,597,442
Administrative expenses		**(885,668)**	(1,006,187)
Other operating expenses		**(436,381)**	(543,289)
Net fair value gains on investment properties		**64,264**	534,077
Gain on disposal of subsidiaries		**216,695**	69,491
Gain on disposal of available-for-sale financial assets		**131,599**	21,179
Gain on disposal of investment properties		**–**	68,282
Loss on derecognition of an associate		**–**	(61,365)
Net fair value loss on financial instruments at fair value through profit or loss		**(66,378)**	(64,108)
Provisions for impairment losses:			
Intangible assets		**(61,667)**	(31,085)
Exploration and evaluation assets		**(3,879)**	(27,419)
Fixed assets		**(27,288)**	(2,088)
Associates		**(27,811)**	(36,771)
Available-for-sale financial assets		**(14,290)**	(44,603)
Write-down of exploration and evaluation assets		**–**	(26,117)
Finance costs		**(108,437)**	(93,169)
Share of results of associates		**(3,259)**	470
Share of results of joint ventures		**4,868**	5,797
Profit before tax	*4*	**105,142**	360,537
Income tax	*5*	**(71,455)**	(76,288)
Profit for the year/period		**33,687**	284,249

	Note	**Year ended 31st March, 2014** *HK$'000*	Period ended 31st March, 2013 *HK$'000* (Restated)
Attributable to:			
Equity holders of the Company		**124,389**	293,364
Non-controlling interests		**(90,702)**	(9,115)
		33,687	284,249
		HK cents	*HK cents*
Earnings per share attributable to equity holders of the Company	*6*		
Basic		**1.35**	3.19
Diluted		**N/A**	3.19

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st March, 2014

	Year ended 31st March, 2014 *HK$'000*	Period ended 31st March, 2013 *HK$'000* (Restated)
Profit for the year/period	**33,687**	284,249
Other comprehensive income/(loss)		
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:		
Available-for-sale financial assets:		
Changes in fair value	**(639)**	81,893
Adjustments for disposal	**(118,914)**	(16,525)
Adjustment relating to disposal of a subsidiary	**–**	(78,020)
	(119,553)	(12,652)
Exchange differences on translation of foreign operations	**15,798**	70,057
Adjustment relating to disposal of foreign subsidiaries	**(259,158)**	–
Adjustment relating to derecognition of a foreign associate	**–**	61,365
Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods and other comprehensive income/(loss) for the year/period, net of tax	**(362,913)**	118,770
Total comprehensive income/(loss) for the year/period	**(329,226)**	403,019
Attributable to:		
Equity holders of the Company	**(213,693)**	366,767
Non-controlling interests	**(115,533)**	36,252
	(329,226)	403,019

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31st March, 2014

	Note	**31st March, 2014** *HK$'000*	31st March, 2013 *HK$'000* (Restated)	1st January, 2012 *HK$'000* (Restated)
Non-current assets				
Intangible assets		**488,225**	575,813	601,951
Exploration and evaluation assets		**95,295**	97,345	127,440
Fixed assets		**324,636**	366,420	322,047
Investment properties		**2,248,541**	4,599,855	4,599,721
Interests in associates		**53,645**	85,419	12,213
Interests in joint ventures		**17,955**	17,261	18,716
Available-for-sale financial assets		**117,082**	288,713	447,479
Debtors, prepayments and deposits	8	**65,006**	51,310	41,112
Other financial assets		**–**	17,639	–
Deferred tax assets		**6,708**	6,106	4,363
		3,417,093	6,105,881	6,175,042
Current assets				
Properties held for sale		**12,503**	13,248	68,557
Properties under development		**552,919**	314,274	–
Deposits paid for properties under development		**–**	–	192,624
Inventories		**280,884**	212,980	218,995
Loans and advances		**–**	–	5,100
Debtors, prepayments and deposits	8	**494,302**	488,255	452,180
Financial assets at fair value through profit or loss		**224,414**	519,592	349,671
Other financial assets		**–**	7,275	18,625
Tax recoverable		**8,853**	5,437	12,222
Restricted cash		**23,809**	66,193	34,951
Cash and bank balances		**1,474,165**	1,611,315	952,261
		3,071,849	3,238,569	2,305,186
Current liabilities				
Bank and other borrowings		**693,910**	116,453	157,837
Creditors, accruals and deposits received	9	**564,664**	636,302	678,543
Other financial liabilities		**15,998**	35,713	–
Tax payable		**169,241**	69,080	163,623
		1,443,813	857,548	1,000,003
Net current assets		**1,628,036**	2,381,021	1,305,183
Total assets less current liabilities		**5,045,129**	8,486,902	7,480,225

	Note	**31st March, 2014** *HK$'000*	31st March, 2013 *HK$'000* (Restated)	1st January, 2012 *HK$'000* (Restated)
Non-current liabilities				
Bank and other borrowings		**3,237**	1,921,291	1,269,956
Creditors, accruals and deposits received	*9*	**29,068**	25,080	12,360
Other financial liabilities		**–**	131,359	97,508
Deferred tax liabilities		**114,484**	690,699	558,771
		146,789	2,768,429	1,938,595
Net assets		**4,898,340**	5,718,473	5,541,630
Equity				
Equity attributable to equity holders of the Company				
Issued capital		**1,705,907**	918,691	919,125
Reserves		**2,435,773**	3,835,629	3,680,290
		4,141,680	4,754,320	4,599,415
Non-controlling interests		**756,660**	964,153	942,215
		4,898,340	5,718,473	5,541,630

Note:

1. PRINCIPAL ACCOUNTING POLICIES

Pursuant to a resolution of the Board of Directors passed on 28th December, 2012, the Company's financial year end date was changed from 31st December to 31st March. Accordingly, the current financial statements which cover a twelve-month period from 1st April, 2013 to 31st March, 2014 (the "year ended 31st March, 2014") may not be comparable with the comparative figures which cover a fifteen-month period from 1st January, 2012 to 31st March, 2013 (the "period ended 31st March, 2013").

The accounting policies and basis of preparation adopted in the preparation of these final results are consistent with those used in the Group's audited financial statements for the period ended 31st March, 2013, except in relation to the following new and revised Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and Interpretations (hereinafter collectively referred to as the "new and revised HKFRSs"), that are adopted for the first time for the current year's final results:

HKFRS 1 Amendments	Amendments to HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards — Government Loans*
HKFRS 7 Amendments	Amendments to HKFRS 7 *Financial Instruments: Disclosures — Offsetting Financial Assets and Financial Liabilities*
HKFRS 10	*Consolidated Financial Statements*
HKFRS 11	*Joint Arrangements*
HKFRS 12	*Disclosure of Interests in Other Entities*
HKFRS 10, HKFRS 11 and HKFRS 12 Amendments	Amendments to HKFRS 10, HKFRS 11 and HKFRS 12 *— Transition Guidance*
HKFRS 13	*Fair Value Measurement*
HKAS 1 Amendments	Amendments to HKAS 1 *Presentation of Financial Statements — Presentation of Items of Other Comprehensive Income*
HKAS 19 (2011)	*Employee Benefits*
HKAS 27 (2011)	*Separate Financial Statements*
HKAS 28 (2011)	*Investments in Associates and Joint Ventures*
HKAS 36 Amendments	Amendments to HKAS 36 *Impairment of Assets — Recoverable Amount Disclosures for Non-Financial Assets* (early adopted)
HK(IFRIC)-Int 20	*Stripping Costs in the Production Phase of a Surface Mine*
Annual Improvements 2009–2011 Cycle	Amendments to a number of HKFRSs issued in June 2012

Other than as further explained below regarding the impact of HKFRS 10, HKFRS 11, HKFRS 12, HKFRS 13, amendments to HKFRS 10, HKFRS 11, HKFRS 12 and HKAS 1, the adoption of the new and revised HKFRSs has had no significant financial effect on these final results.

HKFRS 10 replaces the portion of HKAS 27 *Consolidated and Separate Financial Statements* that addresses the accounting for consolidated financial statements and addresses the issues in HK(SIC)-Int 12 *Consolidation — Special Purpose Entities*. It establishes a single control model used for determining which entities are consolidated. To meet the definition of control in HKFRS 10, an investor must have (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. The changes introduced by HKFRS 10 require management of the Group to exercise significant judgement to determine which entities are controlled.

As a result of the application of HKFRS 10, the Group has changed the accounting policy with respect to determining which investees are controlled by the Group. The application of HKFRS 10 affects the accounting for the Group's interests in Auric Pacific Group Limited ("Auric") and Asia Now Resources Corp. ("Asia Now").

Auric is a company listed on the Singapore Exchange Securities Trading Limited. The Group's interest in Auric, held through non-wholly-owned subsidiaries, was reduced from 51.2 per cent. to 49.3 per cent. in February 2006, and Auric was regarded as an associate of the Group and was accounted for using the equity method of accounting. Having considered the absolute size of the Group's holding of voting rights and the relative size and dispersion of holdings of other shareholders, the Group has determined that its equity interest held would be sufficient to maintain control in Auric under HKFRS 10. Upon the adoption of HKFRS 10, Auric has been treated as a subsidiary of the Group and consolidated as if HKFRS 10 had always been effective.

Asia Now is a company listed on the TSX Venture Exchange of Canada. The Group has held approximately a 49.9 per cent. in its issued share capital since November 2010, and Asia Now was regarded as an associate of the Group and was accounted for using the equity method of accounting. Having considered the absolute size of the Group's holding of voting rights and the relative size and dispersion of holdings of other shareholders, the Group has determined that its equity interest held would be sufficient to give it control over Asia Now since November 2010 under HKFRS 10. Upon the adoption of HKFRS 10, Asia Now has been treated as a subsidiary of the Group and consolidated as if HKFRS 10 had always been effective.

Upon the adoption of HKFRS 10 on 1st April, 2013, retrospective adjustments have been made to the previous accounting as if HKFRS 10 had always been effective. Non-controlling interests have been recognised based on the proportionate share of net assets of the subsidiaries. The opening balances as at 1st January, 2012 and comparative information for the period ended 31st March, 2013 have been restated in these final results. The quantitative impact on these final results is summarised below:

	Period ended 31st March, 2013 *HK$'000*
Consolidated statement of profit or loss	
Increase in revenue	3,007,633
Increase in cost of sales	(1,717,423)
Increase in gross profit	1,290,210
Increase in administrative expenses	(878,237)
Increase in other operating expenses	(384,776)
Increase in net fair value loss on financial instruments at fair value through profit or loss	(5,671)
Increase in provision for impairment loss on intangible assets	(31,085)
Increase in provision for impairment loss on exploration and evaluation assets	(27,419)
Increase in provision for impairment loss on fixed assets	(2,088)
Increase in provision for impairment loss on available-for-sale financial assets	(21,442)
Increase in write-down of exploration and evaluation assets	(26,117)
Increase in finance costs	(2,990)
Decrease in share of results of associates	(6,486)
Increase in share of results of joint ventures	5,620
Decrease in profit before tax	(90,481)
Decrease in income tax expense	73,155
Decrease in profit for the period	(17,326)
Decrease in profit for the period attributable to non-controlling interests	(17,326)
Consolidated statement of comprehensive income	
Decrease in profit for the period	(17,326)
Decrease in share of other comprehensive loss of associates	3,514
Increase in exchange differences on translation of foreign operations	30,468
Increase in total comprehensive income for the period	16,656
Increase in total comprehensive income for the period attributable to non-controlling interests	16,656

The adoption of HKFRS 10 did not have any impact on the earnings per share attributable to equity holders of the Company for the period ended 31st March, 2013.

	31st March, 2013 *HK$'000*	1st January, 2012 *HK$'000*
Consolidated statement of financial position		
Non-current assets		
Increase in intangible assets	575,813	601,951
Increase in exploration and evaluation assets	97,345	127,440
Increase in fixed assets	249,793	207,683
Decrease in interests in associates	(773,896)	(750,819)
Increase in interests in joint ventures	12,362	9,933
Increase in available-for-sale financial assets	52,085	87,067
Increase in debtors, prepayments and deposits	51,310	41,112
Increase in deferred tax assets	6,106	4,363
	270,918	328,730
Current assets		
Increase in inventories	212,980	218,995
Increase in debtors, prepayments and deposits	402,382	410,002
Increase in financial assets at fair value through profit or loss	229,073	243,254
Increase in tax recoverable	5,437	12,222
Increase in restricted cash	33,204	34,951
Increase in cash and bank balances	408,960	394,028
	1,292,036	1,313,452
Current liabilities		
Increase in bank and other borrowings	35,785	31,497
Increase in creditors, accruals and deposits received	448,298	458,326
Increase in tax payable	22,867	111,476
	506,950	601,299
Non-current liabilities		
Increase in bank and other borrowings	519	–
Increase in creditors, accruals and deposits received	25,080	12,360
Increase in other financial liabilities	98,919	97,508
Increase in deferred tax liabilities	28,967	30,803
	153,485	140,671
Increase in net assets	902,519	900,212
Increase in non-controlling interests and equity	902,519	900,212

HKFRS 11 replaces HKAS 31 *Interests in Joint Ventures* and HK(SIC)-Int 13 *Jointly Controlled Entities — Non-Monetary Contributions by Venturers*. It describes the accounting for joint arrangements with joint control. It addresses only two forms of joint arrangements, i.e., joint operations and joint ventures, and removes the option to account for joint ventures using proportionate consolidation. The classification of joint arrangements under HKFRS 11 depends on the parties' rights and obligations arising from the arrangements. A joint operation is a joint arrangement whereby the joint operators have rights to the assets and obligations for the liabilities of the arrangement and is accounted for on a line-by-line basis to the extent of the joint operators' rights and obligations in the joint operation. A joint venture is a joint arrangement whereby the joint venturers have rights to the net assets of the arrangement and is required to be accounted for using the equity method in accordance with HKAS 28 (2011).

The directors of the Company reviewed and assessed the classification of the Group's interests in joint arrangements in accordance with the requirements of HKFRS 11, and concluded that the application of HKFRS 11 does not change the classification of the Group's interests in joint ventures.

HKFRS 12 sets out the disclosure requirements for subsidiaries, joint arrangements, associates and structured entities previously included in HKAS 27 *Consolidated and Separate Financial Statements*, HKAS 31 *Interests in Joint Ventures* and HKAS 28 *Investments in Associates*. It also introduces a number of new disclosure requirements for these entities.

The HKFRS 10, HKFRS 11 and HKFRS 12 Amendments clarify the transition guidance in HKFRS 10 and provide further relief from full retrospective application of these standards, limiting the requirement to provide adjusted comparative information to only the preceding comparative period. The amendments clarify that retrospective adjustments are only required if the consolidation conclusion as to which entities are controlled by the Group is different between HKFRS 10 and HKAS 27 or HK(SIC)-Int 12 at the beginning of the annual period in which HKFRS 10 is applied for the first time.

HKFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across HKFRSs. The standard does not change the circumstances in which the Group is required to use fair value, but rather provides guidance on how fair value should be applied where its use is already required or permitted under other HKFRSs. HKFRS 13 is applied prospectively and the adoption has had no material impact on the Group's fair value measurements. As a result of the guidance in HKFRS 13, the policies for measuring fair value have been amended.

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 in time (for example, exchange differences on translation of foreign operations, net movement on cash flow hedges and net loss or gain on available-for-sale financial assets) are presented separately from items which will never be reclassified (for example, the revaluation of land and buildings). The amendments have affected the presentation only and have had no impact on the financial position or performance of the Group. The consolidated statement of comprehensive income has been restated to reflect the changes. In addition, the Group has chosen to use the new title "statement of profit or loss" as introduced by the amendments in these final results.

2. REVENUE

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

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

	Year ended 31st March, 2014 ***HK$'000***	Period ended 31st March, 2013 *HK$'000* (Restated)
Property investment	**185,385**	270,493
Property development	**–**	77,713
Treasury investment	**18,669**	8,803
Securities investment	**40,107**	49,546
Sales of goods	**1,651,713**	1,936,876
Sales of food and beverage	**706,414**	854,365
Fees charged to food court stallholders	**130,198**	165,012
Other	**38,923**	40,927
	2,771,409	3,403,735

3. SEGMENT INFORMATION

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

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

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

(c) the treasury investment segment includes investments in money markets;

(d) the securities investment segment includes dealings in securities and financial assets available-for-sale;

(e) the food businesses segment mainly includes distribution of customer food and non-food products, food manufacturing and retailing, the management of restaurants and food court operations; and

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

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

Segment assets exclude deferred tax assets, tax recoverable and other head office and corporate assets which are managed on a group basis.

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

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

Year ended 31st March, 2014

	Property investment HK$'000	Property development HK$'000	Treasury investment HK$'000	Securities investment HK$'000	Food businesses HK$'000	Other HK$'000	Inter-segment elimination HK$'000	Consolidated HK$'000
Revenue								
External	185,385	–	17,207	34,754	2,511,649	22,414	–	2,771,409
Inter-segment	9,831	–	–	–	–	–	(9,831)	–
Total	195,216	–	17,207	34,754	2,511,649	22,414	(9,831)	2,771,409
Segment results	429,326 *(Note)*	(8,818)	17,207	88,772	(136,826)	(34,557)	–	355,104
Unallocated corporate expenses								(145,551)
Finance costs								(106,020)
Share of results of associates	–	–	–	–	(31)	(3,228)	–	(3,259)
Share of results of joint ventures	–	3	–	–	4,865	–	–	4,868
Profit before tax								105,142
Segment assets	2,410,777	624,169	1,101,790	295,835	1,858,428	103,326	–	6,394,325
Interests in associates	–	–	–	–	1,708	51,937	–	53,645
Interests in joint ventures	–	4,836	–	–	13,119	–	–	17,955
Unallocated assets								23,017
Total assets								6,488,942
Segment liabilities	624,344	628,534	–	245,440	543,747	590,128	(2,005,692)	626,501
Unallocated liabilities								964,101
Total liabilities								1,590,602

Period ended 31st March, 2013 (restated)

	Property investment *HK$'000*	Property development *HK$'000*	Treasury investment *HK$'000*	Securities investment *HK$'000*	Food businesses *HK$'000*	Other *HK$'000*	Inter-segment elimination *HK$'000*	Consolidated *HK$'000*
Revenue								
External	270,493	77,713	6,395	8,940	3,016,857	23,337	–	3,403,735
Inter-segment	9,899	–	–	–	–	–	(9,899)	–
Total	280,392	77,713	6,395	8,940	3,016,857	23,337	(9,899)	3,403,735
Segment results	807,359	5,562	6,395	32,791	(19,657)	(99,828)	–	732,622
	(Note)							
Unallocated corporate expenses								(288,173)
Finance costs								(90,179)
Share of results of associates	–	–	–	–	–	470	–	470
Share of results of joint ventures	–	205	–	–	5,620	(28)	–	5,797
Profit before tax								360,537
Segment assets	4,783,031	349,670	1,204,081	546,442	2,193,748	125,591	–	9,202,563
Interests in associates	–	–	–	–	1,762	83,657	–	85,419
Interests in joint ventures	–	4,899	–	–	12,362	–	–	17,261
Unallocated assets								39,207
Total assets								9,344,450
Segment liabilities	523,853	353,146	–	511,458	602,818	652,713	(1,868,096)	775,892
Unallocated liabilities								2,850,085
Total liabilities								3,625,977

Note: The amount included net fair value gains on investment properties of HK$64,264,000 (period ended 31st March, 2013 — HK$534,077,000) and gain on disposal of subsidiaries of HK$216,672,000 (period ended 31st March, 2013 — Nil).

Geographical information

(a) Revenue from external customers

	Year ended 31st March, 2014 *HK$'000*	Period ended 31st March, 2013 *HK$'000* (Restated)
Hong Kong	**346,802**	423,973
Mainland China	**183,089**	269,658
Republic of Singapore	**1,666,725**	1,963,365
Malaysia	**565,735**	705,737
Other	**9,058**	41,002
	2,771,409	3,403,735

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

(b) Non-current assets

	31st March, 2014 *HK$'000*	31st March, 2013 *HK$'000* (Restated)
Hong Kong	**1,701,153**	1,291,307
Mainland China	**789,862**	3,580,080
Republic of Singapore	**657,808**	786,091
Malaysia	**22,754**	36,356
Other	**77,171**	69,922
	3,248,748	5,763,756

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

Information about a major customer

No revenue from a single customer accounted for 10 per cent. or more of the total revenue for the year ended 31st March, 2014 and the period ended 31st March, 2013.

4. PROFIT BEFORE TAX

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

	Year ended 31st March, 2014 *HK$'000*	Period ended 31st March, 2013 *HK$'000* (Restated)
Interest income:		
Unlisted financial assets at fair value through profit or loss	**–**	920
Financial assets at fair value through profit or loss designated as such upon initial recognition	**2,165**	33,280
Loans and advances	**2,883**	354
Other	**18,669**	8,803
Dividend income:		
Listed investments	**3,821**	2,058
Unlisted investments	**3,188**	–
Gain/(Loss) on disposal of:		
Listed financial assets at fair value through profit or loss	**30,745**	7,124
Unlisted financial assets at fair value through profit or loss	**–**	345
Listed available-for-sale financial assets	**131,599**	19,879
Unlisted available-for-sale financial assets	**–**	1,300
Derivative financial instruments	**188**	5,819
Properties held for sale	**–**	15,798
Fixed assets	**(139)**	1,397
Net fair value gain/(loss) on:		
Listed financial assets at fair value through profit or loss	**(56,126)**	(22,584)
Unlisted financial assets at fair value through profit or loss	**(2,369)**	3,550
Financial liabilities at fair value through profit or loss designated as such upon initial recognition	**691**	(18,344)
Derivative financial instruments	**(8,574)**	(26,730)
Provisions for impairment losses on:		
Unlisted available-for-sale financial assets	**(14,290)**	(44,603)
Inventories	**(13,826)**	(20,261)
Bad and doubtful debts	**(5,254)**	(1,933)
Write-down of fixed assets	**(2,695)**	(7,878)
Depreciation	**(94,965)**	(92,914)
Amortisation of intangible assets	**(17,267)**	(21,868)
Foreign exchange gains/(losses) — net	**5,577**	(19,405)
Cost of inventories sold	**(1,309,236)**	(1,567,299)

5. INCOME TAX

	Year ended 31st March, 2014 *HK$'000*	Period ended 31st March, 2013 *HK$'000* (Restated)
Hong Kong:		
Charge for the year/period	**4,419**	8,504
Overprovision in prior years	**(6,204)**	(3,772)
Deferred	**253**	2,006
	(1,532)	6,738
Overseas:		
Charge for the year/period	**164,082**	45,519
Overprovision in prior years	**(12,580)**	(99,037)
Deferred	**(78,515)**	123,068
	72,987	69,550
Total charge for the year/period	**71,455**	76,288

Hong Kong profits tax has been provided at the rate of 16.5 per cent. (period ended 31st March, 2013 — 16.5 per cent.) on the estimated assessable profits arising in Hong Kong during the year/period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

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

(a) Basic earnings per share

Basic earnings per share is calculated based on (i) the consolidated profit for the year/period attributable to equity holders of the Company; and (ii) the weighted average number of 9,186,913,000 ordinary shares (period ended 31st March, 2013 — 9,188,660,000 ordinary shares) in issue during the year/period.

(b) Diluted earnings per share

The Group had no potentially dilutive ordinary shares in issue during the year ended 31st March, 2014.

Diluted earnings per share for the period ended 31st March, 2013 was calculated based on (i) the consolidated profit for the period attributable to equity holders of the Company; and (ii) the weighted average number of 9,189,080,000 ordinary shares, as follows:

	Number of shares Period ended 31st March, 2013
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	9,188,660,000
Effect of dilution — weighted average number of ordinary shares:	
Share options	420,000
	9,189,080,000

7. DIVIDENDS

	Year ended 31st March, 2014 ***HK$'000***	Period ended 31st March, 2013 *HK$'000*
Interim dividend, declared, of HK0.2 cent (period ended 31st March, 2013 — HK0.3 cent) per ordinary share	**18,374**	27,554
Special dividend, declared, of HK3.5 cents (period ended 31st March, 2013 — Nil) per ordinary share	**321,542**	–
Final dividend, proposed, of HK0.75 cent (period ended 31st March, 2013 — HK0.75 cent) per ordinary share	**68,902**	68,902
	408,818	96,456

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

8. DEBTORS, PREPAYMENTS AND DEPOSITS

Included in the balances are trade debtors with an aged analysis, based on the invoice date and net of provisions as follows:

	31st March, 2014	31st March, 2013
	HK$'000	*HK$'000*
		(Restated)
Outstanding balances with ages:		
Within 30 days	**232,245**	231,515
Between 31 and 60 days	**78,187**	57,747
Between 61 and 90 days	**39,464**	36,778
Between 91 and 180 days	**13,661**	13,167
Over 180 days	**117**	1,094
	363,674	340,301

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

9. CREDITORS, ACCRUALS AND DEPOSITS RECEIVED

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

	31st March, 2014	31st March, 2013
	HK$'000	*HK$'000*
		(Restated)
Outstanding balances with ages:		
Within 30 days	**168,807**	125,936
Between 31 and 60 days	**21,309**	22,167
Between 61 and 90 days	**16,769**	8,531
Between 91 and 180 days	**19,669**	21,049
Over 180 days	**2,811**	1,987
	229,365	179,670

The balances of creditors are non-interest-bearing and are generally settled on their normal trade terms.

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to a resolution of the Board of Directors passed on 28th December, 2012, the Company's financial year end date was changed from 31st December to 31st March. Accordingly, the current financial year covers a twelve-month period from 1st April, 2013 to 31st March, 2014 (the "Current Year"), and the comparative figures cover a fifteen-month period from 1st January, 2012 to 31st March, 2013 (the "Last Period").

The Group reported a profit attributable to shareholders of HK$124 million for the Current Year (the Last Period — HK$293 million), benefited from the disposal of subsidiaries and available-for-sale financial assets. The decrease in profit was mainly due to less fair value gain on investment properties for the Current Year.

Results for the year

Auric Pacific Group Limited ("Auric") and Asia Now Resources Corp. ("Asia Now") were previously regarded as associates of the Group. Following the adoption of Hong Kong Financial Reporting Standard 10 "Consolidated Financial Statements" by the Group from 1st April, 2013 onwards, both are treated as subsidiaries of the Group. Auric is a company listed in Singapore and is principally engaged in food businesses. Asia Now is a company listed in Canada and is engaged in the business of exploration of mineral deposits. Their results and financial position are consolidated in the Group's financial statements with retrospective adjustments on prior period figures.

Turnover for the Current Year totalled HK$2,771 million (the Last Period — HK$3,404 million, restated). Property investment and food businesses were the principal sources of revenue of the Group, representing 97 per cent. (the Last Period — 97 per cent., restated) of the total turnover.

Property investment

Property investment business continued to provide stable and recurring rental income to the Group. Total segment revenue from the property investment business for the Current Year amounted to HK$195 million (the Last Period — HK$280 million), mainly contributed by the rental income generated from the investment properties located in Hong Kong and mainland China.

The Group undertakes strategic reviews of its assets from time to time with a view to maximising returns to its shareholders. In January 2014, the Group completed the disposal of a subsidiary, which owned interest in Lippo Plaza in Shanghai, to OUE Commercial Real Estate Investment Trust (a listed real estate investment trust in Singapore which is under a principal joint venture of Lippo Limited, an intermediate holding company of the Company) for a final cash consideration of approximately HK$833.7 million (the "Disposal") and recognised a gain on disposal of subsidiaries of HK$217 million. As a result of the completion of the Disposal, the Group's investment properties decreased to approximately HK$2.2 billion as at 31st March, 2014 (31st March, 2013 — HK$4.6 billion).

In February 2014, the Group proposed to dispose of its interest in certain commercial properties in Hong Kong, at a total consideration of approximately HK$283 million. The disposal was completed in April 2014.

In addition, the Group recorded net revaluation gains on its investment properties of HK$64 million for the Current Year as compared with that of HK$534 million for the Last Period. As a result, the segment profit for the Current Year decreased to HK$429 million (the Last Period — HK$807 million).

Property development

The Group primarily focuses on property development projects in mainland China and participated in development projects in Huai An City (the "Huai An Project") and Taizhou City (the "Taizhou Project"), both in Jiangsu Province. Huai An Project will be developed into an integrated residential, commercial and retail complex, whereas Taizhou Project is a residential project comprising townhouses and residential apartments. Construction work planning for both projects had commenced during the Current Year.

The segment loss of the Current Year amounted to HK$9 million (the Last Period — loss of HK$10 million, excluding gain on sale of a held-for-sale property in Singapore of HK$16 million) mainly came from the pre-operating costs incurred during the year.

Food businesses

The Group's food businesses are mainly operated by Auric and its subsidiaries (the "APG Group"), which in turn has a controlling stake in Food Junction Holdings Limited ("Food Junction").

During the Current Year, food businesses segment recorded a revenue of HK$2,512 million (the Last Period — HK$3,017 million, restated), mainly from wholesale and distribution of fast-moving consumer goods and the food retail operations in chains of bakeries, cafes and bistros. The operating environment remains challenging with rising cost for labour, rental and raw materials. Cost pressures on manpower and rental are not expected to ease in the immediate term. The APG Group conducted a business review exercise to streamline the non-performing businesses and to re-align the focus on building sustainable business growth and profit generation.

In June 2013, the APG Group made a voluntary unconditional cash offer to acquire all the issued and paid up ordinary shares in the capital of Food Junction, other than treasury shares and those already owned, controlled or agreed to be acquired by APG Group, at an offer price of S$0.255 in cash for each share (the "Offer"). Following the completion of the Offer, Food Junction was delisted from the Singapore Exchange Securities Trading Limited on 9th December, 2013. As at 31st March, 2014, the APG Group held approximately 97.6 per cent. of the issued share capital in Food Junction. The total consideration for the purchase of additional interest in Food Junction was approximately HK$69 million. The delisting of Food Junction can facilitate the APG Group to realign its resources for its business growth and enhance its operational efficiency.

Besides, the operation of several loss-making retail outlets was ceased during the Current Year. Certain costs relating to the closures, included provisions for impairment losses on intangible assets and fixed assets were recorded. As a result, food business reported a segment loss of HK$137 million during the Current Year (the Last Period — HK$20 million, restated).

The APG Group held 60 per cent. of the total issued redeemable preference shares ("RPS") and the sole share in Auric Pacific Real Estate Fund (the "Fund"), a private equity fund sponsored by the APG Group. In 2010, the Fund acquired a mezzanine loan of approximately HK$218 million owing from a third party (the "Previous Lender"), which was secured by a piece of land. There was a default by the borrower of the mezzanine loan in 2012. After extensive negotiations, the issue was resolved by the purchase of all the RPS held by the Fund and ordinary share held under the APG Group to the indirect holding company of the Previous Lender and settlement of all the overdue interest (save for default interests). The disposal was completed in May 2013 and the APG Group received consideration of approximately HK$131 million, being approximately 60 per cent. of the outstanding principal amount of the mezzanine loan, the sole investment of the Fund. As a result of this disposal and the provisions resulted from the business realignment mentioned above, the segment assets and segment liabilities decreased to HK$1.9 billion (31st March, 2013 — HK$2.2 billion, restated) and HK$0.5 billion (31st March, 2013 — HK$0.6 billion, restated), respectively.

Treasury and securities investments

Treasury and securities investments businesses recorded a revenue of HK$52 million during the Current Year (the Last Period — HK$15 million), mainly attributable to the interest and dividend income received from the investment portfolio and the disposal of the Group's financial assets held for trading.

The Group cautiously managed its investment portfolio and looked for opportunities to realise its profit. During the Current Year, the Group recognised a gain on disposal of available-for-sale financial assets of HK$132 million (the Last Period — HK$90 million, including the disposal of available-for-sale financial assets through the sale of a subsidiary which owned the financial assets).

The investment market continues to be challenging and full of uncertainties, unrealised fair value loss and impairment were recorded. Nevertheless, the treasury and securities investments businesses recorded a profit of HK$106 million for the Current Year (the Last Period — HK$39 million, restated).

Other businesses

Asia Now, primarily engages in the business of exploration of mineral deposits in Yunnan Province, mainland China, is currently focusing on the exploration of the site at Ma Touwan in Beiya. For the site at Habo, Yunnan Province, impairment of HK$4 million (the Last Period — HK$27 million) was made in the Current Year to reduce the carrying amount of the exploration and evaluation assets to its estimated recoverable amount.

The growth and recovery of the Group's various investments was hindered by the external uncertainties of the developed economies. Moreover, some of the investments concentrate on new products or businesses which are at the early development stage. Market acceptance and competitions from other competitors are uncertain and provision of approximately HK$28 million (the Last Period — HK$37 million) was made for the Current Year. As a result, the other business segment recorded a loss of HK$35 million (the Last Period — HK$100 million, including a loss on derecognition of associate of HK$61 million).

Financial position

As at 31st March, 2014, property-related assets decreased to HK$3.0 billion (31st March, 2013 — HK$5.1 billion), representing 47 per cent. (31st March, 2013 — 55 per cent., restated) of the total assets, mainly due to the disposal of Lippo Plaza in Shanghai. As a result, the Group's total assets decreased to HK$6.5 billion (31st March, 2013 — HK$9.3 billion, restated). Total liabilities decreased to HK$1.6 billion (31st March, 2013 — HK$3.6 billion, restated), mainly due to the repayment of bank loans and the Disposal. The Group's financial position remained healthy.

As at 31st March, 2014, the bank and other borrowings of the Group decreased to HK$697 million (31st March, 2013 — HK$2,038 million, restated). The bank loans amounted to HK$693 million as at 31st March, 2014 (31st March, 2013 — HK$2,037 million, restated), which comprised secured bank loans of HK$652 million and unsecured bank loans of HK$41 million (31st March, 2013 — secured bank loans of HK$2,004 million and unsecured bank loans of HK$33 million, restated) and were denominated in Hong Kong dollars, Renminbi and Malaysian Ringgit. The secured bank loans were secured by certain properties and certain bank deposits of the Group.

Where appropriate, the Group uses interest rate swaps to modify the interest rate characteristics of its borrowings to limit interest rate exposure. As at 31st March, 2014, all of the Group's bank borrowings carried interest at floating rates (31st March, 2013 — 37 per cent., of the bank borrowings effectively carried fixed rate of interest and the remaining were at floating rates). The Group has obligations under finance leases for certain plant and equipment which amounted to HK$4 million as at 31st March, 2014 (31st March, 2013 — HK$1 million, restated). These obligations are secured by the rights to the leased plant and equipment. As at 31st March, 2014, approximately 99.5 per cent. (31st March, 2013 — 6 per cent., restated) of the bank and other borrowings were repayable within one year. At the end of the reporting period, the gearing ratio (measured as total borrowings, net of non-controlling interests, to shareholders' funds) was 16.2 per cent. (31st March, 2013 — 42.4 per cent., restated).

The net asset value attributable to equity holders of the Group remained strong and amounted to HK$4.1 billion (31st March, 2013 — HK$4.8 billion). This was equivalent to HK45 cents per share (31st March, 2013 — HK52 cents per share).

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

As at 31st March, 2014, the Group had bankers' guarantees of approximately HK$40 million (31st March, 2013 — HK$44 million, restated) issued in lieu of rental, security and utility deposits for the premises used for operation of food businesses. Approximately 84 per cent. (31st March, 2013 — 93 per cent. restated) of the bankers' guarantees were secured by certain bank deposits of the Group. Aside from the abovementioned, the Group had no material contingent liabilities outstanding as at 31st March, 2014 (31st March, 2013 — Nil). Apart from the abovementioned, there were no charges on the Group's assets at the end of the year (31st March, 2013 — Nil).

As at 31st March, 2014, the total commitments amounted to HK$217 million (31st March, 2013 — HK$122 million, restated), mainly related to the property development projects of the Group. The investments or capital assets will be financed by the Group's internal resources and/or external bank financing, as appropriate.

Staff and remuneration

The Group had 3,154 employees as at 31st March, 2014 (31st March, 2013 — 2,930 employees, restated). Staff costs (including directors' emoluments) charged to the statement of profit or loss during the Current Year amounted to HK$549 million (the Last Period — HK$645 million, restated). Certain employees of Asia Now were granted options under the share option scheme of Asia Now. The Group ensures that its employees are offered competitive remuneration packages.

Outlook

The global economic environment has stabilised since last year but it still continues to face various uncertainties. The Group is seeking to streamline and strengthen its existing business to meet the challenges ahead. With the increase in working capital after the Disposal, the Group will continue to cautiously manage its investment portfolio in view of the market conditions and its business needs with a view to maximising returns to the shareholders of the Company.

DIVIDENDS

The Directors have resolved to recommend to shareholders at the forthcoming Annual General Meeting (the "2014 AGM") the payment of a final dividend of HK0.75 cent per share (For the fifteen months ended 31st March, 2013 — HK0.75 cent per share) amounting to approximately HK$68.9 million for the year ended 31st March, 2014 (For the fifteen months ended 31st March, 2013 — approximately HK$68.9 million). Together with the interim dividend of HK0.2 cent per share (For the six months ended 30th June, 2012 — HK0.3 cent per share) paid on 10th February, 2014 and the special divided of HK3.5 cents per share paid on 5th March, 2014, total dividends for the year ended 31st March, 2014 will be HK4.45 cents per share (For the fifteen months ended 31st March, 2013 — HK1.05 cent per share) amounting to approximately HK$408.8 million (For the fifteen months ended 31st March, 2013 — approximately HK$96.5 million). Subject to the approval of shareholders at the 2014 AGM, the final dividend will be paid on or about Wednesday, 8th October, 2014 to shareholders whose names appear on the Register of Members on Thursday, 25th September, 2014.

CLOSURE OF REGISTER OF MEMBERS

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

(i) from Monday, 8th September, 2014 to Thursday, 11th September, 2014 (both dates inclusive) during which period no transfer of share will be registered, for the purpose of ascertaining shareholders' entitlement to attend and vote at the 2014 AGM. In order to be entitled to attend and vote at the 2014 AGM, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Registrar, Tricor Tengis Limited, Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Friday, 5th September, 2014; and

(ii) from Monday, 22nd September, 2014 to Thursday, 25th September, 2014 (both dates inclusive) during which period no transfer of share will be registered, for the purpose of ascertaining shareholders' entitlement to the proposed final dividend. In order to qualify for the proposed final dividend, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Registrar, Tricor Tengis Limited, Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Friday, 19th September, 2014.

BUSINESS REVIEW

Overview

The U.S. economy performed better with stronger private consumption, business investment and export. The Eurozone economy managed to get out of recession but the recovery pace remains slow and fragile. Emerging economies have been affected by the developed economies. The kick-off of the tapering by the U.S. Federal Reserve of its quantitative easing program has resulted in capital outflows and market and currency turmoil in some of the emerging economies. Central banks such as the U.S. Federal Reserve have been supporting economic growth by keeping interest rates low. Amidst the continuing low interest rate and surplus funds environment, the major economies in Asia were able to sustain their growth momentum. Mainland China continued to maintain its growth in GDP of approximately 7.7 per cent. for the year 2013 but the economy slightly slowed down in the first quarter of 2014.

Results

Following the adoption of Hong Kong Financial Reporting Standard 10 entitled "Consolidated Financial Statements" for the financial year commencing on 1st April, 2013, Auric Pacific Group Limited ("Auric", together with its subsidiaries, the "APG Group") and Asia Now Resources Corp. ("Asia Now", together with its subsidiaries, the "Asia Now Group") and their respective subsidiaries have been classified from associates to subsidiaries of the Company. Accordingly, the results, assets and liabilities of the APG Group and Asia Now Group have been consolidated into the financial statements of the Group for the year ended 31st March, 2014 (the "Year"). During the Year, the Group recorded a consolidated profit attributable to shareholders of approximately HK$124.4 million, as compared with a consolidated profit of approximately HK$293.4 million for the fifteen months ended 31st March, 2013 (the "Last Period").

The Group undertakes strategic review of its assets from time to time for maximizing returns to its shareholders, which may include a possible sale of certain properties held for investment purposes. In October 2013, the Company entered into an agreement for the disposal of the entire issued share capital of Tecwell Limited (the "Disposal") which, through its wholly-owned subsidiary, owns the properties at Lippo Plaza in Shanghai with a total gross floor area of approximately 58,522 square metres to a subsidiary of OUE Commercial Real Estate Investment Trust. The Disposal was completed in January 2014 for a final cash consideration of approximately HK$833.7 million. In order to distribute the excess cash as a return to the Company's shareholders, on 4th November, 2013, the board of directors of the Company (the "Board") declared a conditional special dividend of HK3.5 cents per share (the "Special Dividend"), amounting to a total of approximately HK$321.5 million. The Special Dividend became unconditional upon the completion of the Disposal and was paid on 5th March, 2014.

In February 2014, the Group entered into a sale and purchase agreement for the disposal of its interest in the entire office on 42nd Floor, Tower One, Lippo Centre, 89 Queensway, Hong Kong. Such disposal was completed in April 2014 for an aggregate consideration of approximately HK$282.6 million.

The Group has two major development projects in Jiangsu Province, mainland China. The project situated in Huai An City will be developed into an integrated residential, commercial and retail complex with a total gross floor area of approximately 250,000 square metres on a site of approximately 41,000 square metres. Another project is located in China Medical City (中國醫藥城), Taizhou City (the "Taizhou Project") with a site of approximately 81,000 square metres and a total gross floor area of approximately 220,000 square metres. The Taizhou Project is a residential development comprising townhouses and residential apartments. Construction work planning for both projects commenced during the Year.

Auric, a listed company in Singapore in which the Group is interested in approximately 49.3 per cent. of its issued share capital, recorded a loss attributable to shareholders of approximately S$23.3 million for the Year, as compared with a profit of S$16.3 million for the Last Period. Such loss was a result of the allowances for the impairment losses on non-core and underperforming investments, and the consolidation of its retail business. In June 2013, a wholly-owned subsidiary of Auric made a voluntary unconditional cash offer to acquire all the issued and paid-up ordinary shares in the capital of Food Junction Holdings Limited ("Food Junction") other than treasury shares and those already owned, controlled or agreed to be acquired by the APG Group, at an offer price of S$0.255 in cash for each share (the "Offer"). The Offer was closed on 14th August, 2013. Subsequently, Food Junction was delisted on 9th December, 2013 which paves the way for sharing marketing and operational resources within the APG Group. By combining the strengths of both Auric and Food Junction, the APG Group will be able to drive the growth of its retail function more effectively. Through delisting, the APG Group have reduced the compliance costs and honed Food Junction's competitive edge in the market, with the aim of increasing revenue and profitability.

Asia Now, in which the Group is currently interested in approximately 50.3 per cent. of its issued share capital, is listed on the TSX Venture Exchange of Canada, and is primarily engaged in the business of exploration of mineral deposits in mainland China. Asia Now is now moving into the next stage of the development, which is to determine and qualify the mining method and economics. Geotechnical and engineering studies form part of this scope. Asia Now's primary focus is to quantify the economics and reduce costs while completing studies that shall determine the economic value of the deposits.

To enhance shareholders' value, the Company has engaged an external financial adviser (the "Financial Adviser") to conduct a strategic review of the structure, assets and operations of the Group (the "Strategic Review"). The Financial Adviser conducted the Strategic Review by evaluating various alternatives and recommended a corporate sale of a controlling interest in the Company as a monetisation strategy to maximise realisable value and potential returns for all the shareholders while potentially capturing a premium. The Financial Adviser also considered a sale of individual assets as being potentially appropriate for maximising shareholder value in certain circumstances. Having considered the review and the recommendations of the Financial Adviser, the Board has decided to explore simultaneously a corporate sale of the Company through the sale of a controlling interest in the Company and a sale of certain individual assets to maximise the value to the Company's shareholders, and to this end, is expecting to explore such sales to potential purchasers of shares and/or assets of the Group. The Board has appointed professional advisers to assist it in this matter which may involve a reorganisation of the Group and its assets and businesses under which certain assets/businesses may be transferred to its shareholders or otherwise disposed of either to Lippo Limited, its controlling shareholder, and/or third parties.

PROSPECTS

The global economy is expected to improve modestly, led by a sustained recovery in the U.S. and Eurozone economies. The U.S. economy, supported by rising private sector consumption, may perform comparatively better. However, the global economic environment remains uncertain. There are uncertainties over the pace at which the U.S. Federal Reserve will exit from its accommodative monetary policy. If the pace of normalization of the monetary policy quickens unexpectedly, financial markets may react adversely and dampen the recovery, especially the emerging markets. The continued tension in Ukraine, the political instability in Syria and Thailand and slow down of the economy of mainland China may drag the growth of the global economy. Recently, to bolster growth, the Chinese government announced that a series of modest stimulus measures including lowering reserve requirements for some banks would be implemented.

Against this backdrop, the Group will continue to streamline and strengthen its existing businesses and operations to meet the challenges ahead. Management will continue to adopt a cautious and prudent approach in selecting suitable investment opportunities and explore ways to enhance shareholders' value.

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

During the year ended 31st March, 2014, there was no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries.

CORPORATE GOVERNANCE

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

To the best knowledge and belief of the Directors, the Directors consider that, save as disclosed below, the Company has complied with the code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the year ended 31st March, 2014. Under the code provision A.6.7 of the CG Code, independent non-executive directors and other non-executive directors should also attend general meetings. One of the independent non-executive Directors of the Company was unable to attend the annual general meeting of the Company held on 30th August, 2013 as he was travelling overseas and due to the communication problem, he was not contactable at that time.

AUDIT COMMITTEE

The Company has established an audit committee (the "Committee"). The existing members of the Committee comprise three independent non-executive Directors, namely Mr. Victor Ha Kuk Yung (Chairman), Mr. Edwin Neo and Mr. King Fai Tsui and one non-executive Director, Mr. Leon Nim Leung Chan. The Committee has reviewed with the management of the Company the accounting principles and practices adopted by the Group and financial reporting matters including the review of the consolidated financial statements of the Company for the year ended 31st March, 2014.

REVIEW OF PRELIMINARY RESULTS ANNOUNCEMENT BY INDEPENDENT AUDITORS

The figures in respect of the Group's results for the year ended 31st March, 2014 as set out in this preliminary announcement have been agreed by the Group's independent auditors, Messrs. Ernst & Young ("E&Y"), to the amounts set out in the Group's consolidated financial statements for the year. The work performed by E&Y 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 E&Y on this preliminary announcement.

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

Hong Kong, 27th June, 2014

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