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LIPPO CHINA RESOURCES LIMITED
力寶華潤有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 156)

INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2015

The Directors of Lippo China Resources Limited (the "Company") announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30th September, 2015 together with the comparative figures for the corresponding period in 2014 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the six months ended 30th September, 2015

		Unaudited six months ended 30th September,	
		2015	2014
	Note	***HK$'000***	*HK$'000*
Revenue	3	**1,301,550**	1,387,849
Cost of sales		**(701,292)**	(776,333)
Gross profit		**600,258**	611,516
Administrative expenses		**(394,466)**	(421,009)
Other operating expenses		**(238,964)**	(196,449)
Net gain on disposal of subsidiaries		**–**	11,644
Net fair value gain on investment properties		**4,250**	17,875
Net fair value gain/(loss) on financial instruments at fair value through profit or loss	5	**(164,585)**	11,925
Provision for impairment losses on intangible assets	6	**(113,434)**	–
Provision for impairment losses on properties under development	7	**(60,428)**	–
Finance costs		**(10,598)**	(10,338)
Share of results of associates		**(1,075)**	1,324
Share of results of joint ventures		**2,629**	2,310
Profit/(Loss) before tax	5	**(376,413)**	28,798
Income tax	8	**(12,954)**	(22,188)
Profit/(Loss) for the period		**(389,367)**	6,610
Attributable to:			
Equity holders of the Company		**(313,668)**	6,023
Non-controlling interests		**(75,699)**	587
		(389,367)	6,610
		HK cents	*HK cents*
Earnings/(Loss) per share attributable to equity holders of the Company	9		
Basic		**(3.41)**	0.07
Diluted		**N/A**	N/A

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30th September, 2015

	Unaudited six months ended 30th September, 2015 *HK$'000*	2014 *HK$'000*
Profit/(Loss) for the period	**(389,367)**	6,610
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	**(1,209)**	672
Share of exchange differences on translation of a foreign associate	**2,567**	–
Exchange differences on translation of foreign operations	**(96,791)**	(11,674)
Adjustments relating to disposal of foreign subsidiaries	**–**	(2,700)
Net other comprehensive loss to be reclassified to profit or loss in subsequent periods and other comprehensive loss for the period, net of tax	**(95,433)**	(13,702)
Total comprehensive loss for the period	**(484,800)**	(7,092)
Attributable to:		
Equity holders of the Company	**(364,777)**	2,213
Non-controlling interests	**(120,023)**	(9,305)
	(484,800)	(7,092)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30th September, 2015

	Note	30th September, 2015 HK$'000 (Unaudited)	31st March, 2015 HK$'000 (Audited)
Non-current assets			
Intangible assets		**293,465**	427,303
Exploration and evaluation assets		**1,404**	1,040
Fixed assets		**307,598**	343,368
Investment properties		**1,236,941**	1,238,691
Interests in associates		**55,596**	56,954
Interests in joint ventures		**18,730**	16,833
Available-for-sale financial assets		**226,368**	115,544
Loans and advances		**3,571**	1,582
Debtors, prepayments and deposits	*11*	**64,946**	67,487
Deferred tax assets		**5,693**	6,812
		2,214,312	2,275,614
Current assets			
Properties held for sale		**5,639**	5,639
Properties under development		**520,786**	598,352
Inventories		**244,713**	274,628
Loans and advances		**9,911**	8,082
Debtors, prepayments and deposits	*11*	**435,174**	451,616
Financial assets at fair value through profit or loss		**843,659**	314,467
Other financial asset		**187**	169
Tax recoverable		**9,746**	12,395
Restricted cash		**17,546**	22,700
Cash and bank balances		**1,536,701**	2,548,139
		3,624,062	4,236,187
Current liabilities			
Bank and other borrowings		**56,531**	302,280
Creditors, accruals and deposits received	*12*	**648,725**	575,157
Other financial liabilities		**7,141**	4,522
Tax payable		**211,081**	265,751
		923,478	1,147,710
Net current assets		**2,700,584**	3,088,477
Total assets less current liabilities		**4,914,896**	5,364,091

	Note	30th September, 2015 HK$'000 (Unaudited)	31st March, 2015 HK$'000 (Audited)
Non-current liabilities			
Bank and other borrowings		**516,916**	372,220
Creditors, accruals and deposits received	12	**30,868**	30,724
Deferred tax liabilities		**48,604**	53,854
		596,388	456,798
Net assets		**4,318,508**	4,907,293
Equity			
Equity attributable to equity holders of the Company			
Share capital		**1,705,907**	1,705,907
Reserves		**2,136,338**	2,597,578
		3,842,245	4,303,485
Non-controlling interests		**476,263**	603,808
		4,318,508	4,907,293

Note:

1. BASIS OF PREPARATION

The interim results are unaudited, condensed and have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The interim results have been reviewed by the audit committee of the Company.

The accounting policies and basis of preparation adopted in the preparation of the interim results are consistent with those used in the Group's audited financial statements for the year ended 31st March, 2015, except for the adoption of the new and revised Hong Kong Financial Reporting Standards ("HKFRSs"), HKASs and Interpretations (hereinafter collectively referred to as the "new and revised HKFRSs") as disclosed in Note 2 to the interim results.

The financial information relating to the year ended 31st March, 2015 that is included in the interim results as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31st March, 2015 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap. 622).

The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance (Cap. 622).

2. CHANGES IN ACCOUNTING POLICIES

The Group has adopted the following new and revised HKFRSs for the first time for the current period's interim results:

Amendments to HKAS 19	*Defined Benefit Plans: Employee Contributions*
Annual Improvements 2010–2012 Cycle	Amendments to a number of HKFRSs
Annual Improvements 2011–2013 Cycle	Amendments to a number of HKFRSs

The adoption of the new and revised HKFRSs has had no significant financial effect on the interim results.

3. REVENUE

Revenue 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, fees charged to food court tenants, 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:

	Six months ended 30th September,	
	2015	2014
	HK$'000	*HK$'000*
Property investment	**22,420**	27,543
Property development	**–**	7,813
Treasury investment	**10,368**	10,945
Securities investment	**13,792**	5,041
Sales of goods	**837,909**	897,052
Sales of food and beverage	**325,970**	354,960
Fees charged to food court tenants	**69,927**	68,760
Other	**21,164**	15,735
	1,301,550	1,387,849

4. 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 consumer food and non-food products, food manufacturing and retailing, the management of restaurants and food court operations;

(f) the mineral exploration and extraction segment includes mineral exploration, extraction and processing; and

(g) the "other" segment comprises principally 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 unallocated corporate expenses and finance costs are excluded from such measurement.

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

	Property investment *HK$'000*	Property development *HK$'000*	Treasury investment *HK$'000*	Securities investment *HK$'000*	Food businesses *HK$'000*	Mineral exploration and extraction *HK$'000*	Other *HK$'000*	Inter-segment elimination *HK$'000*	Consolidated *HK$'000*
Six months ended 30th September, 2015									
Revenue									
External	**22,420**	**–**	**10,260**	**12,595**	**1,247,116**	**–**	**9,159**	**–**	**1,301,550**
Inter-segment	**2,987**	**–**	**–**	**–**	**–**	**–**	**–**	**(2,987)**	**–**
Total	**25,407**	**–**	**10,260**	**12,595**	**1,247,116**	**–**	**9,159**	**(2,987)**	**1,301,550**
Segment results	**26,150**	**(61,722)**	**10,260**	**(158,557)**	**(111,574)**	**(7,445)**	**1,540**	**–**	**(301,348)**
		(Note (a))		*(Note (b))*	*(Note (c))*				
Unallocated corporate expenses									**(66,906)**
Finance costs									**(9,713)**
Share of results of associates	**–**	**–**	**–**	**–**	**–**	**(1,570)**	**495**	**–**	**(1,075)**
Share of results of joint ventures	**–**	**14**	**–**	**–**	**2,615**	**–**	**–**	**–**	**2,629**
Loss before tax									**(376,413)**
Six months ended 30th September, 2014									
Revenue									
External	27,543	7,813	10,883	4,378	1,330,230	–	7,002	–	1,387,849
Inter-segment	2,885	–	–	–	–	–	–	(2,885)	–
Total	30,428	7,813	10,883	4,378	1,330,230	–	7,002	(2,885)	1,387,849
Segment results	43,556	(1,085)	10,883	12,181	15,708	(5,643)	1,023	–	76,623
		(Note (a))		*(Note (b))*	*(Note (c))*				
Unallocated corporate expenses									(42,261)
Finance costs									(9,198)
Share of results of associates	–	–	–	–	(19)	–	1,343	–	1,324
Share of results of joint ventures	–	6	–	–	2,304	–	–	–	2,310
Profit before tax									28,798

Note:

(a) The amount included provision for impairment losses on properties under development of HK$60,428,000 (2014 — Nil).

(b) The amount included net fair value loss on financial instruments at fair value through profit or loss of HK$162,276,000 (2014 — gain of HK$12,613,000).

(c) The amount included provision for impairment losses on intangible assets of HK$113,434,000 (2014 — Nil).

5. **PROFIT/(LOSS) BEFORE TAX**

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

	Six months ended 30th September,	
	2015	2014
	HK$'000	*HK$'000*
Net fair value gain/(loss) on:		
Financial assets at fair value through profit or loss	**(166,857)**	12,792
Financial liabilities at fair value through profit or loss designated as such upon initial recognition	**536**	(867)
Derivative financial instruments	**1,736**	–
	(164,585)	11,925
Interest income:		
Financial assets at fair value through profit or loss	**2,185**	–
Loans and advances	**337**	92
Other	**10,368**	10,945
Dividend income	**11,607**	4,084
Write-back of provision/(Provisions) for impairment losses on:		
Exploration and evaluation assets	**–**	(969)
An associate	**(1,548)**	–
Available-for-sale financial assets	**–**	863
Inventories	**(9,772)**	(7,086)
Bad and doubtful debts	**(664)**	(1,072)
Fixed assets written off	**(11,117)**	–
Depreciation	**(43,961)**	(42,831)
Amortisation of intangible assets	**(7,940)**	(8,672)
Foreign exchange gains/(losses) — net	**(35,172)**	1,173
Cost of inventories sold:		
Properties	**–**	(5,541)
Other	**(629,179)**	(690,712)

6. **PROVISION FOR IMPAIRMENT LOSSES ON INTANGIBLE ASSETS**

The amount mainly represented the provisions for impairment losses on goodwill and trademark licence agreement relating to the food businesses segment as a result from the businesses and operations review exercise to rationalise and streamline its non-performing business and investments.

7. **PROVISION FOR IMPAIRMENT LOSSES ON PROPERTIES UNDER DEVELOPMENT**

In November 2015, the Group entered into a conditional agreement for the disposal of its entire interest in Bestbeat Limited ("Bestbeat") for a consideration of approximately HK$277,938,000 (the "Bestbeat Disposal") which will be settled by the allotment and issue of 646,366,795 new shares in Gemdale Properties and Investment Corporation Limited, a company listed on the Main Board of The Stock Exchange of Hong Kong Limited, at an issue price of HK$0.43 per share (the "Consideration Shares"). 力寶置業(江蘇)有限公司 (Lippo Realty (Jiangsu) Limited), an indirect wholly-owned subsidiary of Bestbeat, has been granted the land use rights of a piece of land located in Huai'an City, Jiangsu Province, the People's Republic of China with a site area of approximately 41,000 square metres. By reference to the value of the Consideration Shares, the Group recorded a provision for impairment loss on properties under development of HK$60,428,000 during the six months ended 30th September, 2015 (2014 — Nil).

8. INCOME TAX

	Six months ended 30th September,	
	2015	2014
	HK$'000	*HK$'000*
Hong Kong:		
Charge for the period	**2,123**	7,127
Deferred	**(583)**	(393)
	1,540	6,734
Overseas:		
Charge for the period	**12,263**	15,822
Underprovision/(Overprovision) in prior periods	**1,164**	(3,849)
Deferred	**(2,013)**	3,481
	11,414	15,454
Total charge for the period	**12,954**	22,188

Hong Kong profits tax has been provided at the rate of 16.5 per cent. (2014 — 16.5 per cent.) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

9. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

(a) Basic earnings/(loss) per share

Basic earnings/(loss) per share is calculated based on (i) the consolidated profit/(loss) for the period attributable to equity holders of the Company; and (ii) the weighted average number of approximately 9,186,913,000 ordinary shares (2014 — approximately 9,186,913,000 ordinary shares) in issue during the period.

(b) Diluted earnings/(loss) per share

The Group had no potentially dilutive ordinary shares in issue during the six months ended 30th September, 2015 and 2014.

10. INTERIM DIVIDENDS

	Six months ended 30th September,	
	2015	2014
	HK$'000	*HK$'000*
Interim dividend, declared, of HK0.2 cent (2014 — HK0.2 cent) per ordinary share	**18,374**	18,374
2014 special interim dividend, declared, of HK0.4 cent per ordinary share	**–**	36,748
	18,374	55,122

The interim dividend was declared after the end of the reporting period and hence were not accrued on that date.

11. 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:

	30th September, 2015 *HK$'000*	31st March, 2015 *HK$'000*
Outstanding balances with ages:		
Within 30 days	**178,939**	130,949
Between 31 and 60 days	**91,903**	111,662
Between 61 and 90 days	**63,410**	92,569
Between 91 and 180 days	**18,988**	26,312
Over 180 days	**3,208**	715
	356,448	362,207

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 balances of trade debtors are non-interest-bearing.

12. CREDITORS, ACCRUALS AND DEPOSITS RECEIVED

Included in the balances are trade creditors with an aged analysis, based on the invoice date, as follows:

	30th September, 2015 *HK$'000*	31st March, 2015 *HK$'000*
Outstanding balances with ages:		
Within 30 days	**151,671**	174,597
Between 31 and 60 days	**22,761**	22,739
Between 61 and 90 days	**3,566**	1,741
Between 91 and 180 days	**3,504**	11,838
Over 180 days	**9,385**	3,307
	190,887	214,222

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

13. EVENTS AFTER THE REPORTING PERIOD

(a) In August 2015, China Gold Pte. Ltd. ("China Gold"), a wholly-owned subsidiary of the Company and the immediate holding company of Asia Now Resources Corp. ("Asia Now"), filed an application to the Ontario Superior Court of Justice (Commercial List), Canada (the "Court") for, among other things, an order to appoint Crowe Soberman Inc. ("Soberman") as the receiver over all of the assets, undertakings, and properties of Asia Now so as to enforce its security against Asia Now in relation to the secured debt owed by Asia Now to China Gold. The Court had subsequently approved Soberman as the court-approved receiver of Asia Now. Following the entering of the receivership, in September 2015, the listing of Asia Now was transferred from TSX Venture Exchange of Canada ("TSXVE") to NEX, a separate board of TSXVE which provides a trading forum for listed companies in Canada that have fallen below TSXVE's ongoing financial listing standards. Shares of Asia Now have been suspended from trading. In October 2015, China Gold delivered a binding letter of intent to Soberman to acquire all the assets (tangible and intangible) of Asia Now, including without limitation, all the issued and outstanding shares of Asia Now Resources Limited, a wholly-owned subsidiary of Asia Now, for a consideration of approximately C$1,100,000 (subject to adjustments), representing the outstanding amount of Asia Now's secured debt owed to China Gold (the "Proposed Transaction"). The Proposed Transaction is subject to the satisfaction of a number of conditions.

(b) The Bestbeat Disposal, details of which were disclosed in Note 7 to the interim results.

BUSINESS REVIEW

Overview

Stepping into the second quarter of 2015, financial market volatility around the world increased dramatically. The outlook of the global economy was clouded with considerable uncertainty which included low commodity prices, U.S. Federal Reserve's policy of "dragging its feet" on U.S. interest rate rise, economic outlook for mainland China as well as intensifying geopolitical tension in various regions. In addition, the instability in global stock markets adversely affected general economic conditions. Global economic performance in the second half of 2015 is weaker than expected in the first half of 2015. The sharp stock market correction in the PRC and other Asian countries in the earlier months dampened investor confidence in the region. The economic growth of the PRC continued to slow down, with a gross domestic product growth rate of 6.9 per cent. in the third quarter of 2015, the slowest since the global financial crisis in 2009. The slowdown in the economy of the PRC added concerns about the global economic outlook.

Results for the Period

The Company (together with its subsidiaries, the "Group") recorded a consolidated loss attributable to shareholders of approximately HK$314 million for the six months ended 30th September, 2015 (the "Period"), as compared to a consolidated profit of approximately HK$6 million for the six months ended 30th September, 2014 (the "Last Period" or "2014"). Such loss was mainly attributable to the net fair value loss on financial instruments at fair value through profit or loss and provisions for impairment losses on intangible assets and properties under development.

Revenue for the Period totalled HK$1,302 million (2014 — HK$1,388 million). Food businesses were the principal sources of revenue of the Group, representing 96 per cent. (2014 — 96 per cent.) of total revenue.

Food businesses

The Group's food businesses are mainly managed and operated by Auric Pacific Group Limited ("Auric", together with its subsidiaries, the "APG Group"). The shares of Auric are listed on the Main Board of the Singapore Exchange Securities Trading Limited and the Group is interested in approximately 49.3 per cent. of its issued share capital.

The APG Group continued its businesses and operations review exercise to rationalise and streamline its non-performing business and investments with the objective of building sustainable growth in revenue and profits. This resulted in some exceptional items being undertaken during the Period. The segment recorded a loss of HK$112 million for the Period (2014 — profit of HK$16 million). The loss for the Period was mainly attributable to the impairment of intangible assets of HK$113 million, the impairment of the carrying amounts in an associated company of HK$2 million and the provision of costs attributable to the closure of non-performing retail outlets of HK$17 million. Excluding these exceptional items, the APG Group achieved an operating profit of HK$20 million for the Period, an improvement of profitability as compared to the Last Period. The segment recorded a revenue of HK$1,247 million

(2014 — HK$1,330 million), mainly from wholesale and distribution of fast-moving consumer goods, manufacturing of bread and related products and the food retail operations in chains of bakeries, cafes and bistros.

The APG Group expects the operating environment in the food retail and distribution sectors to remain challenging. The implementation of Goods and Services Tax in Malaysia, where the APG Group has operations in, and the impact of a weaker Malaysia Ringgit as compared to other relevant currencies, have negatively impacted its results. The APG Group is therefore moving forward cautiously through further consolidation, streamlining of its operations, continuing to improve its profitability through more active marketing efforts and promotions, expanding sales channels and product offerings and controlling operating costs.

Property investment

The Group's investment properties are located mainly in Hong Kong and mainland China and provide a recurring income.

As a result of various disposals completed during the previous financial year, total segment revenue and segment profit for the Period decreased to HK$25 million (2014 — HK$30 million) and HK$26 million (2014 — HK$44 million), respectively.

Property development

The Group primarily focuses on property development projects in mainland China. The Group undertakes strategic review of its assets from time to time for maximising return to its shareholders which may include possible sale of certain property development projects.

In September 2015, the Group entered into a conditional agreement for the disposal of its entire equity interest in 福建大地湄洲工業區開發有限公司 (Fujian Tati Meizhou Industrial Park Development Co., Ltd.) ("Fujian Tati") for a consideration of approximately RMB235.8 million (subject to adjustments). The Group also entered into an agreement to assign the debt due from Fujian Tati to the Group in the amount of RMB131.6 million (the "Debt") to the buyer of Fujian Tati at a consideration equal to the amount of the Debt. Subject to certain conditions being fulfilled, the above transaction is expected to be completed in the second half of the financial year ending 31st March, 2016 and will give rise to a non-recurring gain attributable to the Group of approximately HK$450 million (subject to adjustment and audit, and before expenses and taxes) upon completion. The principal assets of Fujian Tati are the property interests situated at Shanting Township, Xiuyu District, Putian City, Fujian Province, the PRC, mainly comprising of land use rights over a total site area of approximately 1,292,400 square metres. The above disposal is a good opportunity for the Group to realise its investments in Fujian Tati at a profit and furthermore, the above disposal will enable the Group to free up capital for its operations and investment purposes when such opportunities arise.

In November 2015, the Group entered into a conditional agreement for the disposal of its entire interest in Bestbeat Limited ("Bestbeat") for a consideration of approximately HK$277.9 million which will be settled by the allotment and issue of 646,366,795 new shares in Gemdale Properties and Investment Corporation Limited ("Gemdale", together with its subsidiaries, the "Gemdale Group") at an issue price of HK$0.43 per share (the "Consideration Shares"). 力寶置業(江蘇)有限公司 (Lippo Realty (Jiangsu) Limited), a wholly-owned subsidiary of Bestbeat, has been granted the land use rights of a piece of land located in Huai'an City, Jiangsu Province, the PRC with a site area of approximately 41,000 square metres. By reference to the value of the Consideration Shares, the Group recorded a provision for impairment loss on properties under development of approximately HK$60 million during the Period (2014 — Nil). As a result, the property development segment reported a loss of HK$62 million (2014 — HK$1 million) for the Period. The above disposal would provide a good chance for the Group to realise its direct investment in the property development project in Huai'an City of the PRC in return for some more liquid Consideration Shares. The investment in Consideration Shares would enable the Group to invest in a more diversified portfolio of property related investments through the Gemdale Group which includes property development projects and property leasing business in various cities of the PRC. Gemdale is a company listed on the Main Board of The Stock Exchange of Hong Kong Limited.

Construction work planning for the development project located in China Medical City (中國醫藥城), Taizhou City, Jiangsu Province, the PRC (the "Taizhou Project") was completed. The Taizhou Project, with a site of approximately 81,000 square metres and a total gross floor area of approximately 220,000 square metres, is a residential development comprising townhouses and residential apartments. In view of the poor market conditions in the region, the Group intends to slow down the development of the Taizhou Project.

Treasury and securities investments

Following the disposal of various property interests, the Group has surplus cash on hand. In order to maximise the return on such surplus fund which are retained for the Group's business and for future investment opportunities, the Group has increased its treasury and securities investments during the Period through the investment of such surplus fund in various listed securities. Hence, revenue from treasury and securities investments businesses increased to HK$23 million during the Period (2014 — HK$15 million), mainly attributable to the interest and dividend income received from the investment portfolio.

The Group managed its investment portfolio in line with the investment committee's terms of reference and looked for opportunities to enhance yields and seek gains. However, due to substantial downturn of global stock market in the third quarter of year 2015, the Group recorded net fair value loss on its investment portfolio. As a result, the treasury and securities investments businesses recorded a segment loss of HK$148 million for the Period (2014 — profit of HK$23 million).

Given the importance of technology on the global economy and the prospects for such sector, the Group has made a number of small investments in technology and technology related companies and private investment funds which invest in such sector.

Mineral exploration and extraction

Asia Now Resources Corp. ("Asia Now"), in which the Group is interested in approximately 52.2 per cent. of its issued share capital, is primarily engaged in the business of exploration of mineral deposits in Yunnan Province, mainland China. In June 2015, the special resolution for approving the arrangement agreement in respect of the proposed acquisition of all of the issued and outstanding common shares of Asia Now not already owned by China Gold Pte. Ltd. ("China Gold"), a wholly-owned subsidiary of the Company, did not receive the requisite shareholder approval. During the Period, China Gold provided a secured loan to Asia Now of approximately C$1.1 million. In August 2015, China Gold filed an application to the Ontario Superior Court of Justice (Commercial List), Canada (the "Court") for, among other things, an order to appoint Crowe Soberman Inc. ("Soberman") as the receiver over all of the assets, undertakings, and properties of Asia Now so as to enforce its security against Asia Now. The Court had subsequently approved Soberman as the court-approved receiver of Asia Now. Following the entering of the receivership, in September 2015, the listing of Asia Now was transferred from TSX Venture Exchange of Canada ("TSXVE") to NEX, a separate board of TSXVE which provides a trading forum for listed companies in Canada that have fallen below TSXVE's ongoing financial listing standards. Shares of Asia Now have been suspended from trading. In October 2015, China Gold delivered a binding letter of intent to Soberman to acquire all the assets (tangible and intangible) of Asia Now, including without limitation, all the issued and outstanding shares of Asia Now Resources Limited, a wholly-owned subsidiary of Asia Now, for a consideration of approximately C$1.1 million (subject to adjustments), representing the outstanding amount of Asia Now's secured debt owed to China Gold (the "Proposed Transaction"). The Proposed Transaction is subject to the satisfaction of a number of conditions.

During the Period, the Group subscribed for additional Class A units in Skye Mineral Partners, LLC ("Skye") at a total consideration of approximately US$5.5 million for Skye's working capital. Through CS Mining, LLC ("CS Mining"), its majority owned subsidiary, Skye owns and controls a number of copper ore deposits located in the Milford Mineral Belt in Beaver County, State of Utah in the U.S., and is engaged in the business of mining and processing primarily copper, with additional recoveries of silver, gold and iron ore. CS Mining is currently in commercial operation.

Financial Position

The Group's financial position remained healthy. As at 30th September, 2015, its total assets amounted to HK$5.8 billion (31st March, 2015 — HK$6.5 billion). Property-related assets remained at HK$2.0 billion as at 30th September, 2015 (31st March, 2015 — HK$2.0 billion), representing 34 per cent. (31st March, 2015 — 31 per cent.) of the total assets. As a result of the investments in various financial instruments, total cash and bank balances as at 30th September, 2015 decreased to HK$1.5 billion (31st March, 2015 — HK$2.5 billion). Total liabilities amounted to HK$1.5 billion (31st March, 2015 — HK$1.6 billion). The Group maintained a strong cash position. Current ratio as at the end of the reporting period increased to 3.9 (31st March, 2015 — 3.7).

As at 30th September, 2015, bank and other borrowings of the Group decreased to HK$573 million (31st March, 2015 — HK$675 million), resulting from the repayment of bank loans using the surplus funds received from sale of properties. Bank loans amounted to HK$571 million as at 30th September, 2015 (31st March, 2015 — HK$672 million), which comprised secured bank loans of HK$555 million and unsecured bank loans of HK$16 million (31st March, 2015 — secured bank loans of HK$634 million and unsecured bank loans of HK$38 million) and were denominated in Hong Kong dollars, Malaysia Ringgit and Singapore dollars. The bank loans were secured by certain properties and certain bank deposits of the Group. All of the bank borrowings carried interest at floating rates. Where appropriate, the Group would use interest rate swaps to modify the interest rate characteristics of its borrowings to limit interest rate exposure.

The Group has obligations under finance leases for certain fixed assets which amounted to HK$2 million as at 30th September, 2015 (31st March, 2015 — HK$3 million). These obligations are secured by the rights to the leased fixed assets. As at 30th September, 2015, approximately 10 per cent. (31st March, 2015 — 45 per cent.) of the bank and other borrowings were repayable within one year. As at 30th September, 2015, the gearing ratio (measured as total borrowings, net of non-controlling interests, to shareholders' funds) was 14.6 per cent. (31st March, 2015 — 15.1 per cent.).

The net asset value attributable to equity holders of the Group remained robust and amounted to HK$3.8 billion as at 30th September, 2015 (31st March, 2015 — HK$4.3 billion). This was equivalent to HK42 cents per share (31st March, 2015 — HK47 cents per share).

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

The Group had bankers' guarantees of approximately HK$40 million as at 30th September, 2015 (31st March, 2015 — HK$41 million) issued in lieu of rental and utility deposits for the premises used for operation of food businesses. Approximately 75 per cent. (31st March, 2015 — 86 per cent.) of the bankers' guarantees were secured by certain bank deposits of the Group. Aside from the abovementioned, the Group had neither material contingent liabilities outstanding nor charges on the Group's assets at the end of the Period (31st March, 2015 — Nil).

As at 30th September, 2015, the Group's commitment amounted to HK$169 million (31st March, 2015 — HK$157 million), mainly related to the property development projects and securities investments 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 2,485 employees as at 30th September, 2015 (2014 — 3,279 employees). Staff costs (including directors' emoluments) charged to the statement of profit or loss during the Period amounted to HK$240 million (2014 — HK$258 million). The Group ensures that its employees are offered competitive remuneration packages. The Group also provides benefits such as medical insurance and retirement funds to employees to sustain competitiveness of the Group.

PROSPECTS

The outlook of the global economy is clouded with considerable uncertainty. Global economic growth is expected to remain modest and uneven. Low commodity prices, appreciation of the US dollars and the expected normalisation of US interest rates have increased the downside risk in emerging countries and asset markets.

The Group will continue to be watchful of market developments and will manage its businesses and investment portfolio with a view to further improving its businesses and overall asset quality. Management will continue to take a cautious and prudent approach in managing the Group's assets and assessing new investment opportunities to capture the growth opportunities and enhance shareholders' value.

INTERIM DIVIDEND

The Directors have resolved to declare the payment of an interim dividend of HK0.2 cent per share (2014 — an interim dividend of HK0.2 cent per share and a special interim dividend of HK0.4 cent per share) amounting to approximately HK$18.4 million for the six months ended 30th September, 2015 (2014 — approximately HK$55.1 million (including special interim dividend)), which will be paid on or about Thursday, 28th January, 2016 to shareholders whose names appear on the Register of Members on Wednesday, 13th January, 2016.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Monday, 11th January, 2016 to Wednesday, 13th January, 2016 (both dates inclusive) during which period no transfer of share will be registered. In order to qualify for the interim dividend for the six months ended 30th September, 2015, 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, 8th January, 2016.

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

During the six months ended 30th September, 2015, there was no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries.

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 unaudited consolidated interim financial statements of the Company for the six months ended 30th September, 2015.

CORPORATE GOVERNANCE

The Company is committed to ensuring a high standard 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 the Company has complied with the code provisions of the Corporate Governance 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 six months ended 30th September, 2015.

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

Hong Kong, 26th November, 2015

As at the date of this announcement, the Board of Directors of the Company comprises seven directors, of which Dr. Stephen Riady (Chairman), Mr. John Luen Wai Lee (Chief Executive Officer) and Mr. James Siu Lung Lee 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.