Liu Chong Hing Investment Limited

(Incorporated in Hong Kong with limited liability)

(Stock code: 00194)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2016

The Directors of Liu Chong Hing Investment Limited (the "Company") announce the unaudited interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2016.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the Six Months Ended 30 June 2016

		Six months ended 30 June	
		2016	2015
	Notes	***HK$'000***	*HK$'000*
		(unaudited)	(unaudited)
Revenue		**560,153**	353,435
Direct costs		**(276,872)**	(71,855)
		283,281	281,580
Other income		**3,006**	2,633
Administrative and operating expenses		**(85,733)**	(85,768)
Other gains and losses	*4*	**67,698**	67,400
Finance costs		**(12,086)**	(40,873)
Share of results of joint ventures		**–**	(18)
Profit before tax		**256,166**	224,954
Income tax expense	*5*	**(37,498)**	(13,738)
Profit for the period		**218,668**	211,216
Profit for the period attributable to:			
Owners of the Company		**213,303**	205,070
Non-controlling interests		**5,365**	6,146
		218,668	211,216
Basic earnings per share	*6*	**HK$0.56**	HK$0.54

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Six Months Ended 30 June 2016

	Six months ended 30 June	
	2016	2015
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Profit for the period	**218,668**	211,216
Other comprehensive (expense) income		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences arising on translation	**(78,391)**	3,457
Fair value (losses) gains on available-for-sale investments	**(6,262)**	34,889
Investment revaluation reserve reclassified to profit or loss upon disposal of available-for-sale investments	**(1,283)**	–
Exchange reserve reclassified to profit or loss upon disposal of subsidiaries	**(2,872)**	–
Other comprehensive (expense) income for the period (net of tax)	**(88,808)**	38,346
Total comprehensive income for the period	**129,860**	249,562
Total comprehensive income attributable to:		
Owners of the Company	**127,990**	243,160
Non-controlling interests	**1,870**	6,402
	129,860	249,562

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2016

	Notes	30 June 2016 HK$'000 (unaudited)	31 December 2015 HK$'000 (audited)
Non-current assets			
Investment properties		**7,906,433**	7,888,772
Property, plant and equipment		**103,302**	104,678
Properties under development		**792,423**	736,725
Investments in joint ventures		**1,228**	1,228
Investments in securities		**722,260**	726,789
Advance to an investee company		**4,886**	4,902
Fixed bank deposits with more than three months to maturity when raised		**258,570**	–
Deferred tax assets		**7,846**	7,846
		9,796,948	9,470,940
Current assets			
Properties under development for sale		**573,312**	390,974
Properties held for sale		**779,478**	1,012,405
Inventories		**16,803**	18,786
Trade and other receivables	8	**130,569**	136,967
Investments in securities		**12,771**	13,197
Fixed bank deposits with more than three months to maturity when raised		**634,978**	822,502
Other bank balances and cash		**981,648**	1,043,618
		3,129,559	3,438,449
Current liabilities			
Trade and other payables	9	**342,814**	273,930
Taxation payable		**11,944**	2,187
Borrowings — due within one year		**538,829**	861,772
		893,587	1,137,889
Net current assets		**2,235,972**	2,300,560
Total assets less current liabilities		**12,032,920**	11,771,500

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(continued)*
As at 30 June 2016

	30 June 2016	31 December 2015
	HK$'000	*HK$'000*
	(unaudited)	(audited)
Non-current liabilities		
Rental deposits from tenants	**95,198**	105,719
Borrowings — due after one year	**725,550**	489,717
Deferred tax liabilities	**236,413**	231,733
	1,057,161	827,169
	10,975,759	10,944,331
Equity		
Share capital	**381,535**	381,535
Reserves	**10,564,091**	10,534,533
Equity attributable to:		
Owners of the Company	**10,945,626**	10,916,068
Non-controlling interests	**30,133**	28,263
Total equity	**10,975,759**	10,944,331

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Six Months Ended 30 June 2016

1. BASIS OF PREPARATION

The condensed consolidated financial statements 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 (the "HKICPA") 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 "Listing Rules").

2. PRINCIPAL ACCOUNTING POLICIES

The financial information relating to the year ended 31 December 2015 that is included in this interim results announcement as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those consolidated 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) (the "Companies Ordinance") is as follows:

The Company has delivered the consolidated financial statements for the year ended 31 December 2015 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

The Company's independent auditor has reported on those consolidated financial statements. The independent auditor's report was unqualified; did not include a reference to any matters to which the independent 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 Companies Ordinance.

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at fair values, as appropriate.

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2016 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2015.

In the current interim period, the Group has applied, for the first time, the following amendments to Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA that are relevant for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKAS 1	Disclosure Initiative
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants
Amendments to HKAS 27	Equity Method in Separate Financial Statements
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012–2014 Cycle
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception

The application of the amendments to HKFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

3. SEGMENT INFORMATION

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

Specifically, the Group's operating and reportable segments under Hong Kong Financial Reporting Standard 8 *Operating Segments* are as follows:

1. Property investment — investment and letting of properties
2. Property development — development and sale of properties
3. Property management — provision of property management services
4. Treasury investment — dealings and investments in securities and other financial instruments
5. Trading and manufacturing — manufacture and sale of magnetic products
6. Hotel operation — management and operation of hotels

Segment revenue and results

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

	Property investment *HK$'000*	Property development *HK$'000*	Property management *HK$'000*	Treasury investment *HK$'000*	Trading and manufacturing *HK$'000*	Hotel operation *HK$'000*	Total *HK$'000*	Eliminations *HK$'000*	Consolidated *HK$'000*
For the six months ended 30 June 2016									
Segment revenue	188,525	303,031	14,878	18,348	30,590	11,915	567,287	(7,134)	560,153
Comprising:									
— revenue from customers	186,905	303,031	9,364	18,348	30,590	11,915			
— inter-segment transactions *(note)*	1,620	–	5,514	–	–	–			
Operating expenses	(72,476)	(239,844)	(10,613)	(4,336)	(27,455)	(12,009)	(366,733)	7,134	(359,599)
Losses on changes in fair value on financial instruments at fair value through profit or loss ("FVTPL")	–	–	–	(384)	–	–	(384)	–	(384)
Net exchange gains (losses)	800	(7,385)	85	(5,909)	–	4	(12,405)	–	(12,405)
Gains on change in fair value of investment properties	68,664	–	–	–	–	–	68,664	–	68,664
Gains on disposal of available-for-sale investments	–	–	–	1,576	–	–	1,576	–	1,576
Gains on disposal of subsidiaries	–	–	–	–	–	10,841	10,841	–	10,841
Losses on disposal of property, plant and equipment	–	(6)	–	–	–	(588)	(594)	–	(594)
Segment profit	185,513	55,796	4,350	9,295	3,135	10,163	268,252	–	268,252
Finance costs									(12,086)
Profit before tax									256,166

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

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

	Property investment *HK$'000*	Property development *HK$'000*	Property management *HK$'000*	Treasury investment *HK$'000*	Trading and manufacturing *HK$'000*	Hotel operation *HK$'000*	Total *HK$'000*	Eliminations *HK$'000*	Consolidated *HK$'000*
For the six months ended 30 June 2015									
Segment revenue	191,028	33,021	13,915	68,981	29,708	22,191	358,844	(5,409)	353,435
Comprising:									
— revenue from customers	191,028	33,021	8,506	68,981	29,708	22,191			
— inter-segment transactions *(note)*	–	–	5,409	–	–	–			
Operating expenses	(63,479)	(19,985)	(13,883)	(12,670)	(28,052)	(22,330)	(160,399)	5,409	(154,990)
Gains on changes in fair value on financial instruments at FVTPL	–	–	–	8,297	–	–	8,297	–	8,297
Net exchange (losses) gains	(187)	141	(2)	10,051	–	–	10,003	–	10,003
Gains on change in fair value of investment properties	49,100	–	–	–	–	–	49,100	–	49,100
Segment profit (loss)	176,462	13,177	30	74,659	1,656	(139)	265,845	–	265,845
Finance costs									(40,873)
Share of results of joint ventures									(18)
Profit before tax									224,954

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

Segment profit/loss represents the profit earned by/loss from each segment without allocation of share of results of joint ventures and finance costs. In addition, administrative costs incurred by the treasury investment segment on behalf of other segments are allocated to respective operating segments on the basis of revenues earned by individual operating segments. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Since the CODM does not review assets and liabilities of the Group's reportable segments for performance assessment and resource allocation purpose, the Group has not included total asset information as part of segment information.

4. OTHER GAINS AND LOSSES

	Six months ended 30 June	
	2016	2015
	HK$'000	*HK$'000*
Gains on change in fair value of investment properties	**68,664**	49,100
Gains on disposal of available-for-sale investments	**1,576**	–
Gains on disposal of subsidiaries	**10,841**	–
Net exchange (losses) gains	**(12,405)**	10,003
(Losses) gains on changes in fair value of financial instruments at FVTPL	**(384)**	8,297
Losses on disposal of property, plant and equipment	**(594)**	–
	67,698	67,400

5. INCOME TAX EXPENSE

	Six months ended 30 June	
	2016	2015
	HK$'000	*HK$'000*
Hong Kong Profits Tax		
Current year	**9,643**	8,864
Overprovision in prior years	**131**	–
	9,774	8,864
The People's Republic of China (the "PRC")		
Enterprise Income Tax	**16,476**	3,833
Land Appreciation Tax ("LAT")	**6,568**	–
	23,044	3,833
Deferred taxation	**4,680**	1,041
	37,498	13,738

Notes:

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

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

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

6. BASIC EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the owners of the Company is based on the profit for the period attributable to owners of the Company of HK$213,303,000 (six months ended 30 June 2015: HK$205,070,000) and on 378,583,440 (30 June 2015: 378,583,440) ordinary shares in issue during the period.

No diluted earnings per share has been presented as there were no potential ordinary shares in issue during both periods.

7. DIVIDENDS

	Six months ended 30 June	
	2016	2015
	HK$'000	*HK$'000*
Dividends recognised as distribution during the period:		
Final dividend declared and paid for 2015 — HK$0.26 per share (2015: declared and paid for 2014 HK$0.25 per share)	**98,432**	94,646
Dividend declared in respect of current period:		
Interim dividend declared for 2016 — HK$0.17 per share (2015: HK$0.16 per share)	**64,359**	60,573

On 3 August 2016, the Board of Directors has approved an interim cash dividend of HK$0.17 per share (2015: HK$0.16 per share), which will be paid to the Company's shareholders whose names appear on the Register of Members on 15 September 2016.

8. TRADE AND OTHER RECEIVABLES

	30 June	31 December
	2016	2015
	HK$'000	*HK$'000*
Trade receivables	**19,532**	16,336
Deposits paid	**38,408**	20,504
Prepayments and other receivables	**72,629**	100,127
	130,569	136,967

The Group's credit policy allows its trade customers an average credit period of 30–90 days, other than proceeds from sales of properties which are settled in accordance with the sale and purchase agreements, normally within 60 days from the date of agreement.

The aged analysis of trade receivables presented based on the invoice date at the end of the reporting period is as follows:

	30 June	31 December
	2016	2015
	HK$'000	*HK$'000*
Within 30 days	**5,807**	6,606
Between 31 days to 90 days	**10,190**	6,272
Over 90 days	**3,535**	3,458
	19,532	16,336

9. TRADE AND OTHER PAYABLES

	30 June 2016	31 December 2015
	HK$'000	*HK$'000*
Trade payables	**8,590**	11,483
Construction costs payables	**108,823**	111,895
Deposits received and receipts in advance in respect of rental of investment properties	**44,448**	33,470
Receipts in advance on properties sold	**160,202**	90,153
Other payables	**20,751**	26,929
	342,814	273,930

The trade payables of HK$8,590,000 (31 December 2015: HK$11,483,000) at the end of reporting period are aged within 30 days (31 December 2015: 30 days).

INTERIM DIVIDEND

The Board of Directors has resolved to declare an interim cash dividend for 2016 of HK$0.17 per share (2015: HK$0.16 per share), payable on Tuesday, 27 September 2016 to the Company's shareholders registered on Thursday, 15 September 2016.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members will be closed from Tuesday, 13 September 2016 to Thursday, 15 September 2016, both days inclusive. In order to qualify for the interim dividend, all share certificates with completed transfer forms either overleaf or separately, must be lodged for registration with the Company's Share Registrars, Computershare Hong Kong Investor Services Limited, Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Monday, 12 September 2016.

MANAGEMENT DISCUSSION AND ANALYSIS

For the period ended 30 June 2016, the unaudited consolidated profits of the Company and its subsidiaries (the "Group") amounted to approximately HK$218.7 million, comparing to that of 2015 amounted to approximately HK$211.2 million, representing an increase of 3.6%. The net changes were mainly due to the recognition of additional development profit from Foshan residential project and the decrease of bank interest income.

PROPERTY INVESTMENT

Overall rental revenue

For the period ended 30 June 2016, the Group's recorded gross rental revenue of approximately HK$186.9 million, slightly decreased by approximately HK$4.1 million from approximately HK$191.0 million in 2015, representing a decrease of 2%. The decrease of rental revenue of approximately HK$7.6 million was relating to Shanghai Chong Hing Finance Center.

Overall occupancies

The Group's occupancy from their major investment properties continued to maintain at approximately 93.4% as at 30 June 2016. If adding the leasing area of retail shops of The Grand Riviera in Foshan, the overall occupancies was lowered to approximately 84.9%.

HONG KONG PROPERTIES

Chong Hing Square

Chong Hing Square, located at 601 Nathan Road Mongkok, is a 20-storey ginza-type retail/commercial development offers over 182,000 square feet of retail and commercial space. For the period ended 30 June 2016, Chong Hing Square generated rental revenue of approximately HK$61.8 million with occupancy of 100% as at 30 June 2016. In order to enhance the long term value of this property, the management decided to make a substantial renovation to the building since it was built in 1994. Total renovation costs amounted to approximately HK$60 million and all expenditures are funded by internal resources.

Chong Hing Bank Centre

Chong Hing Bank Centre, located at 24 Des Voeux Road Central, is a 26-storey Grade A office building. Having retained several floors for Company's use, the office building was leased to Chong Hing Bank Limited for 5 years with a monthly rental of HK$5.66 million starting from 2014. For the period ended 30 June 2016, a total of approximately HK$34.0 million rental revenue was derived from this building. Given the 5-year fixed tenancy, the rental revenue will be maintained stable in 2016.

Chong Yip Centre

Chong Yip Centre is located at 402–404 Des Voeux Road West. It provides over 54,000 square feet of retail and commercial space. For the period ended 30 June 2016, this retail and commercial shopping center generated rental revenue of approximately HK$10.5 million, decreased by approximately 3% when comparing to that of 2015. The occupancy was decreased to 73% as at 30 June 2016.

Fairview Court

Fairview Court is located at 94 Repulse Bay Road. It provides 5 units, each of areas over 4,100 square feet, luxury apartment on a low-rise building. For the period ended 30 June 2016, Fairview Court recorded rental revenue of approximately HK$1.5 million. The occupancy was improved to 80% as at 30 June 2016.

PRC PROPERTIES

Chong Hing Finance Center, Shanghai

The Group's mainland flagship property located at 288 Nanjing Road West in Huang Pu District of Shanghai, is a 36-storey Grade A commercial building which commands a strategic location and enviable view over The People's Square just across the street. With a total floor area of over 516,000 square feet of office and commercial space and 198 carparks, this property was approximately 90% let in terms of office space and 100% let in terms of retail space as at 30 June 2016. For the period ended 30 June 2016, this office building generated rental revenue of approximately HK$75.7 million, representing a decrease of approximately 9%. The changes were due to the decrease of occupancy and the renminbi exchange translation loss.

PROPERTY DEVELOPMENT

Hong Kong

Western Harbour Centre

The previous office building, located at 181-183 Connaught Road West, was under construction to renovate into a 28-storey luxury hotel with carparking space at basement. Apart from providing 183 guest rooms, other facilities include lobby, restaurant, café area, gym room, spa room, fitness facility, multi-functions room, sky lounge bar and a wide variety of services and amenities. Each of the room size is ranging from 300 square feet to 960 square feet (vast suites). Due to the sizable guest room, it could provide comfortable accommodation and would be best fit to high-end travel shoppers, business travelers and the long-stay customers. Demolition work had commenced since fourth quarter of 2015. On schedule, the full operation will be taken place in first quarter of 2017. The total redevelopment cost of this hotel project amounted to approximately HK$400 million and all expenditures are funded from internal resources.

Tai Po, New Territories

The Group had acquired a 262,000 square feet plots of land in Tai Po district, New Territories. The management has initiated the studies for rezoning and intends to seek eventual conversion of this land for future development.

PRC

Residential Project, Foshan

In 2007, the Group acquired a plot of land with site area of over 260,000 square metres in Luocun, Foshan through government land auction at a cash consideration of RMB476 million. This is a comprehensive development and will be developed by phases. Situated at 1 Guilong Road, Luocun in the Nanhai District of Foshan, it is conveniently located within half an hour's drive from the Foshan financial district and within 5 minutes' drive from the new Foshan West Station (under construction).

The Grand Riviera, Foshan

Phase 1 of the development consists of 12 blocks of 6–14 storey residential apartments with unit sizes ranging from 55 square metres to 380 square metres. The retail and commercial portion occupies approximately 8,600 square metres and other recreational facilities such as an outdoor swimming pool, gym, snooker room, table tennis room, karaoke rooms and card rooms. If including the carparking spaces mainly built at the basement level, total construction areas are over 181,000 square metres. Phase 1 provides 847 units and 1,126 carparking spaces.

As at 3 August 2016, a total of 497 residential units out of 847 total units (representing 59% of total units) were sold out fetching total sale revenue of approximately RMB385.2 million. For carparking spaces, a total of 236 units out of 1,126 total units (representing 21% of total units) were sold out fetching total sale revenue of approximately RMB29.9 million.

Grand Jardin, Foshan

Phase 2 of the development consists of 12 blocks of 14 storey residential apartments of 3 unit types, being 60, 90 and 120 square metres in size. If including the retail and commercial areas of approximately 2,100 square metres, other amenities areas of approximately 3,500 square metres and carparking spaces mainly built at the basement levels, the total developable area of Phase 2 is over 191,000 square metres.

As at 3 August 2016, a total of 1,437 residential units out of 1,542 total units (representing 93% of total units) were sold out fetching total sale revenue of approximately RMB852.4 million. For carparking spaces, a total of 115 units out of 1,106 total units (representing 10% of total units) were sold out fetching total sale revenue of approximately RMB12.3 million.

The Group continued the construction of Phase 3 Grand Jardin since 2015. For the Phase 3 development, it constructed 12 blocks of 14-storey residential flats above the ground. A total of 1,498 residential flat units with developable areas over 192,000 square meters and 1,204 carparking spaces mainly built at the basement levels. For the size of residential units, it provided four typical sizes with areas of 60, 90, 120 and 140 square meters. For Phase 3 development, the Group started the pre-sale in April 2016, with saleable areas of approximately 101,243 square metres, representing 1,111 residential flats units (74% of total units).

As at 3 August 2016, a total of 938 residential flat units, representing 84% of total flat units for pre-sale, were successfully sold out returning sale proceeds of approximately RMB621.6 million.

BUDGET HOTEL PROJECT

Since 2008, the Group started to operate budget hotel business in Shanghai, Beijing and Guangzhou. All of these budget hotels are managed by and under the brand name of Hanting. For the period ended 30 June 2016, hotel revenue decreased by 46% from approximately HK$22.2 million in 2015 to approximately HK$11.9 million in 2016. Due to the restructuring of the business strategy, the Group had ceased one and sold two budget hotels for the period under review. Having completed the disposal transactions with receiving total cash considerations of approximately HK$12.0 million in May 2016, the Group recorded a gain on disposal of subsidiaries approximately HK$10.8 million.

LOOKING AHEAD

The Group will continue to look for good investment opportunities in the year ahead, acting with prudence and diversity.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the period under review, the Company had substantially complied with the provision of Corporate Governance Code (the "Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), saved for the followings:

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

Code provision A.4.2 stipulates that every director shall be subject to retirement by rotation at least once every three years. Under the existing Company's articles of association, all directors are subject to retirement by rotation except the Managing Director who shall not be subject to retirement by rotation under Articles 113 of the Company's articles of association.

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

Below are the changes of directors' information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the date of the 2015 Annual Report:

Directors' Updated Information

Dr. Cheng Mo Chi, Moses, an independent non-executive director of the Company, was awarded Grand Bauhinia Medal by The Government of the Hong Kong Special Administrative Region on 1 July 2016.

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

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

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

PURCHASE, SALE OR REDEMPTION OF SHARES

During the six months ended 30 June 2016, the Company and its subsidiaries have not purchased, sold or redeemed any of the shares in the Company.

REVIEW OF UNAUDITED INTERIM FINANCIAL REPORT

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the unaudited interim financial report. In addition, the condensed consolidated financial statements of the Company for the six months ended 30 June 2016 have been reviewed by our auditor, Messrs. Deloitte Touche Tohmatsu, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants and an unmodified review report is issued.

PUBLICATION OF RESULTS ON THE WEBSITE

This results announcement, containing the relevant information required by the Listing Rules, is published on the website of the HKExnews (www.hkexnews.hk) and the website of the Company (www.lchi.com.hk). The Company's interim report for 2016 will be dispatched to the shareholders of the Company and available on the above websites on or about 23 August 2016.

BOARD OF DIRECTORS

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

By Order of the Board
Dr. Liu Lit Mo
Chairman

Hong Kong, 3 August 2016