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LIPPO LIMITED
力 寶 有 限 公 司

(Incorporated in Hong Kong with limited liability)

(Stock code: 226)

FINAL RESULTS
FOR THE YEAR ENDED 31 MARCH 2020

The Directors of Lippo Limited (the "Company") announce the consolidated final results of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 March 2020 together with the comparative figures for the corresponding period in 2019 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 March 2020

	Note	**2020** **HK$'000**	2019 *HK$'000*
Continuing operations			
Revenue	*4*	**925,155**	2,554,210
Cost of sales	*7*	**(284,952)**	(1,406,343)
Gross profit		**640,203**	1,147,867
Other income	*5*	**22,635**	33,108
Administrative expenses		**(632,011)**	(798,602)
Other operating expenses	*7*	**(238,735)**	(454,205)
Gain on disposal of subsidiaries	*16*	**342,679**	873,928
Net fair value gain/(loss) on investment properties		**(81,539)**	30,062
Net fair value loss on financial instruments at fair value through profit or loss	*7*	**(173,028)**	(186,012)
Other losses — net	*6*	**(13,911)**	(55,032)
Finance costs		**(91,921)**	(90,169)
Share of results of associates	*8*	**(17,225)**	(3,430)
Share of results of joint ventures	*9*	**428,899**	(190,738)
Profit before tax from continuing operations	*7*	**186,046**	306,777
Income tax	*10*	**(2,346)**	(17,444)
Profit for the year from continuing operations		**183,700**	289,333
Discontinued operation			
Profit for the year from discontinued operation	*11*	**–**	145,666
Profit for the year		**183,700**	434,999
Attributable to:			
Equity holders of the Company		**(10,315)**	(112,191)
Non-controlling interests		**194,015**	547,190
		183,700	434,999
		HK$	*HK$*
Loss per share attributable to equity holders of the Company	*12*		
Basic and diluted			
– For loss for the year		**(0.02)**	(0.23)
– For loss from continuing operations		**(0.02)**	(0.44)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2020

	Note	**2020**	2019
		HK$'000	*HK$'000*
Profit for the year		**183,700**	434,999
Other comprehensive income/(loss)			
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		**(94,754)**	(92,003)
Exchange differences reclassified to profit or loss upon:			
Disposal of foreign subsidiaries	*16*	**11,351**	26,228
Liquidation of foreign operations	*6*	**(13,985)**	(12,142)
Derecognition of an associate		**1,511**	–
Share of other comprehensive loss of associates		**(39,924)**	(24,860)
Share of other comprehensive loss of joint ventures:			
Exchange differences on translation of foreign operations		**(502,169)**	(205,036)
Other reserves		**(50,719)**	(8,048)
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods, net of tax		**(688,689)**	(315,861)
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:			
Changes in fair value of equity instruments at fair value through other comprehensive income		**(36,427)**	95,444
Share of changes in fair value of equity instruments at fair value through other comprehensive income of joint ventures		**54,920**	29,438
Gain on property revaluation		**–**	2,790
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods, net of tax		**18,493**	127,672
Other comprehensive loss for the year, net of tax		**(670,196)**	(188,189)
Total comprehensive income/(loss) for the year		**(486,496)**	246,810
Attributable to:			
Equity holders of the Company		**(498,187)**	(225,523)
Non-controlling interests		**11,691**	472,333
		(486,496)	246,810
Total comprehensive income/(loss) for the year attributable to equity holders of the Company:			
– From continuing operations		**(498,187)**	(327,534)
– From discontinued operation		**–**	102,011
		(498,187)	(225,523)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2020

	Note	**2020** *HK$'000*	2019 *HK$'000*
Non-current assets			
Intangible assets		**21,034**	181,592
Exploration and evaluation assets		**882**	602
Fixed assets		**1,158,151**	1,091,618
Investment properties		**763,652**	923,465
Right-of-use assets		**133,715**	–
Interests in associates		**1,042,358**	1,114,187
Interests in joint ventures	*9*	**10,338,320**	10,524,740
Financial assets at fair value through other comprehensive income		**105,689**	356,513
Financial assets at fair value through profit or loss		**388,662**	392,359
Debtors, prepayments and other assets	*14*	**11,872**	38,634
Other financial asset		**46,780**	49,087
Deferred tax assets		**2,807**	845
		14,013,922	14,673,642
Current assets			
Properties held for sale		**81,512**	86,165
Properties under development		**30,179**	29,566
Inventories		**10,389**	11,349
Loans and advances		**74,695**	83,631
Debtors, prepayments and other assets	*14*	**199,869**	264,539
Financial assets at fair value through profit or loss		**453,307**	588,148
Other financial assets		**–**	365
Tax recoverable		**474**	202
Restricted cash		**51,854**	59,899
Time deposits with original maturity of more than three months		**66,176**	69,342
Cash and cash equivalents		**1,175,208**	2,830,780
		2,143,663	4,023,986
Current liabilities			
Bank and other borrowings		**916,817**	1,289,332
Lease liabilities		**45,680**	–
Creditors, accruals and other liabilities	*15*	**301,354**	464,942
Other financial liabilities		**21,606**	9,770
Tax payable		**174,359**	192,633
		1,459,816	1,956,677
Net current assets		**683,847**	2,067,309
Total assets less current liabilities		**14,697,769**	16,740,951

	Note	**2020**	2019
		HK$'000	*HK$'000*
Non-current liabilities			
Bank and other borrowings		**1,022,806**	1,438,668
Lease liabilities		**94,560**	–
Creditors, accruals and other liabilities	*15*	**6,453**	24,412
Other financial liability		**1,303**	220
Deferred tax liabilities		**44,128**	66,193
		1,169,250	1,529,493
Net assets		**13,528,519**	15,211,458
Equity			
Equity attributable to equity holders of the Company			
Share capital		**986,598**	986,598
Reserves		**8,521,586**	9,223,349
		9,508,184	10,209,947
Non-controlling interests		**4,020,335**	5,001,511
		13,528,519	15,211,458

Note:

1. BASIS OF PREPARATION

This financial information has been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance. The financial information also includes applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The accounting policies and methods of computation used in the preparation of the financial information are consistent with those used in the Group's audited financial statements for the year ended 31 March 2019, except for the adoption of the new and revised HKFRSs as disclosed in Note 2 to the final results.

The unaudited financial information relating to the year ended 31 March 2020 and the financial information relating to the year ended 31 March 2019 included in this preliminary announcement of annual results for the year ended 31 March 2020 does not constitute the Company's statutory annual consolidated financial statements for those years but, in respect of the year ended 31 March 2019, 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 is as follows:

The financial statements for the year ended 31 March 2020 have yet to be reported on by the Company's auditor and will be delivered to the Registrar of Companies in due course.

The Company has delivered the financial statements for the year ended 31 March 2019 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

The Company's auditor has reported on the financial statements of the Group for the year ended 31 March 2019. 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.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

Amendments to HKFRS 9	*Prepayment Features with Negative Compensation*
HKFRS 16	*Leases*
Amendments to HKAS 19	*Plan Amendment, Curtailment or Settlement*
Amendments to HKAS 28	*Long-term Interests in Associates and Joint Ventures*
HK(IFRIC)-Int 23	*Uncertainty over Income Tax Treatments*
Annual Improvements to HKFRSs 2015-2017 Cycle	Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23

Other than as explained below regarding the impact of HKFRS 16 and Amendments to HKAS 28, the application of the above new and revised standards has had no significant financial effect on the final results.

HKFRS 16

HKFRS 16 replaces HKAS 17 *Leases*, HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*, HK(SIC)-Int 15 *Operating Leases — Incentives* and HK(SIC)-Int 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model to recognise and measure right-of-use assets and lease liabilities, except for certain recognition exemptions. Lessor accounting under HKFRS 16 is substantially unchanged from HKAS 17. Lessors continue to classify leases as either operating or finance leases using similar principles as in HKAS 17. HKFRS 16 did not have any significant impact on leases where the Group is the lessor.

The Group has adopted HKFRS 16 using the modified retrospective method with the date of initial application of 1 April 2019. Under this method, the standard has been applied retrospectively with the cumulative effect of initial adoption recognised as an adjustment to the opening balance of equity at 1 April 2019, and the comparative information for the prior period was not restated and continued to be reported under HKAS 17 and related interpretations.

New definition of a lease
Under HKFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 at the date of initial application. Contracts that were not identified as leases under HKAS 17 and HK(IFRIC)-Int 4 were not reassessed. Therefore, the definition of a lease under HKFRS 16 has been applied only to contracts entered into or changed on or after 1 April 2019.

Nature of the effect of adoption of HKFRS 16
The Group has lease contracts for various items of properties, equipment and motor vehicles. As a lessee, the Group previously classified leases as either finance leases or operating leases based on the assessment of whether the lease transferred substantially all the rewards and risks of ownership of assets to the Group. Under HKFRS 16, the Group applies a single approach to recognise and measure right-of-use assets and lease liabilities for all leases, except for two elective exemptions for leases of low-value assets (elected on a lease-by-lease basis) and leases with a lease term of 12 months or less ("short-term leases") (elected by class of underlying asset). The Group has elected not to recognise right-of-use assets and lease liabilities for (i) leases of low-value assets (e.g., laptop computers and telephones); and (ii) leases, that at the commencement date, have a lease term of 12 months or less. Instead, the Group recognises the lease payments associated with those leases as an expense on a straight-line basis over the lease term.

Leases previously classified as finance leases
The Group did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified as finance leases. Upon the adoption of HKFRS 16, the Group reclassified the assets under finance leases from fixed assets to right-of-use assets and related liabilities from obligations under finance leases included in bank and other borrowings to lease liabilities for presentation purposes. There was no impact on the opening balance of equity at 1 April 2019.

Leases previously classified as operating leases
Lease liabilities at 1 April 2019 were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at 1 April 2019.

The right-of-use assets were either (i) measured at the amount of the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised in the statement of financial position immediately before 1 April 2019, or (ii) recognised based on the carrying amount as if the standard had always been applied, except for the incremental borrowing rate where the Group applied the incremental borrowing rate at 1 April 2019. All these assets were assessed for any impairment based on HKAS 36 on that date. The Group elected to present the right-of-use assets separately in the statement of financial position.

The Group has used the following elective practical expedients when applying HKFRS 16 at 1 April 2019:

- Applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relying on the entity's assessment of whether leases were onerous by applying HKAS 37 immediately before the date of initial application as an alternative to performing an impairment review
- Applying the short-term lease exemptions to leases with a lease term that ends within 12 months from the date of initial application
- Excluding initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Using hindsight in determining the lease term where the contract contains options to extend/terminate the lease

The lease liabilities as at 1 April 2019 reconciled to the operating lease commitments as at 31 March 2019 are as follows:

	HK$'000
Operating lease commitments as at 31 March 2019	518,587
Weighted average incremental borrowing rate as at 1 April 2019	3.4%
Discounted operating lease commitments as at 1 April 2019	495,975
Less: Commitments relating to short-term leases and those leases with a remaining lease term ending on or before 31 March 2020	(13,774)
Less: Non-lease components	(11,016)
Less: Commitments relating to leases with lease terms beginning on or after 1 April 2019	(18,182)
Add: Commitments relating to leases previously classified as finance leases	376
Add: Payments for optional extension periods not recognised as at 31 March 2019	178,779
Add: Others	226
Lease liabilities as at 1 April 2019	632,384

The Group's associates and joint ventures also adopted HKFRS 16 on 1 April 2019 using the modified retrospective method. The cumulative effect of initial adoption was adjusted to the carrying amounts of the interests in associates and joint ventures and the opening balance of equity at 1 April 2019.

Besides, certain prepayments and accruals related to previous operating leases of the Group were derecognised upon the initial application of HKFRS 16 at 1 April 2019.

The impact arising from the adoption of HKFRS 16 at 1 April 2019 was as follows:

	Increase/ (Decrease) *HK$'000*
Assets	
Decrease in fixed assets	(623)
Increase in right-of-use assets	610,065
Decrease in interests in associates	(1,118)
Decrease in interests in joint ventures	(99)
Decrease in debtors, prepayments and other assets	(75)
Increase in total assets	608,150
Liabilities	
Decrease in bank and other borrowings	(376)
Increase in lease liabilities	632,384
Decrease in creditors, accruals and other liabilities	(301)
Increase in total liabilities	631,707
Equity	
Decrease in retained profits	(7,214)
Decrease in non-controlling interests	(16,343)
	(23,557)

Amendments to HKAS 28

Amendments to HKAS 28 clarify that the scope exclusion of HKFRS 9 only includes interests in an associate or joint venture to which the equity method is applied and does not include long-term interests that in substance form part of the net investment in the associate or joint venture, to which the equity method has not been applied. Therefore, an entity applies HKFRS 9, rather than HKAS 28, including the impairment requirements under HKFRS 9, in accounting for such long-term interests. HKAS 28 is then applied to the net investment, which includes the long-term interests, only in the context of recognising losses of an associate or joint venture and impairment of the net investment in the associate or joint venture. The Group assessed its business model for its long-term interests in associates and joint ventures upon adoption of the amendments on 1 April 2019 based on the facts and circumstances that exist on that day using the transitional requirements in the amendments. The adoption of the amendments on 1 April 2019 resulted in reclassification of HK$21,177,000 from share of net liabilities of associates to provision for impairment losses and HK$139,204,000 from share of net liabilities of joint ventures to provision for impairment losses. There is no impact on the balances of the interests in associates and interests in joint ventures, respectively. The Group applies the relief from restating comparative information for prior periods upon adoption of the amendments.

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 investments relating to the letting and resale of properties;

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

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

(d) the securities investment segment includes investments in securities held-for-trading and for long-term strategic purposes;

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

(f) the healthcare services segment includes the provision of healthcare management services;

(g) the banking business segment engages in the provision of commercial and retail banking services; and

(h) the "other" segment comprises principally mineral exploration, extraction and processing, money lending, the provision of property, project, fund management and investment advisory services and investment in a closed-end fund.

The corporate finance and securities broking segment which provides securities and futures brokerage, investment banking, underwriting and other related advisory services was classified as discontinued operation during the prior year (Note 11).

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss) and comprises segment results of the Company and its subsidiaries, the Group's share of results of associates and joint ventures.

Segment results are measured consistently with the Group's profit/(loss) before tax except that the Group's share of results of associates and joint ventures, unallocated corporate expenses and certain finance costs are excluded from such measurement.

Segment assets exclude interests in associates and joint ventures, 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 31 March 2020

	Continuing operations										Discontinued operation		
	Property investment *HK$'000*	Property development *HK$'000*	Treasury investment *HK$'000*	Securities investment *HK$'000*	Food businesses *HK$'000*	Healthcare services *HK$'000*	Banking business *HK$'000*	Other *HK$'000*	Inter-segment elimination *HK$'000*	Consolidated *HK$'000*	Corporate finance and securities broking *HK$'000*	Inter-segment elimination *HK$'000*	Consolidated *HK$'000*
Revenue													
External	90,720	–	16,034	17,158	785,326	–	–	15,917	–	925,155	–	–	925,155
Inter-segment	4,596	–	–	–	–	–	–	2,349	(6,945)	–	–	–	–
Total	95,316	–	16,034	17,158	785,326	–	–	18,266	(6,945)	925,155	–	–	925,155
Segment results	(47,036)	(8,430)	16,034	(147,108)	278,433	(896)	(2,307)	(12,779)	652	76,563	–	–	76,563
Unallocated corporate expenses										(254,273)			(254,273)
Finance costs										(47,918)			(47,918)
Share of results of associates	–	24,520	–	–	–	(4,118)	–	(37,627)	–	(17,225)	–	–	(17,225)
Share of results of joint ventures	433,874	(31)	–	–	(230)	–	(4,714)	–	–	428,899	–	–	428,899
Profit before tax										186,046			186,046
Segment assets	1,536,382	100,732	474,036	1,545,627	851,332	–	46,780	156,539	(16,504)	4,694,924	–	–	4,694,924
Interests in associates	6,290	369,646	–	–	–	394,071	–	272,351	–	1,042,358	–	–	1,042,358
Interests in joint ventures	10,176,674	530	–	–	31,243	580	129,293	–	–	10,338,320	–	–	10,338,320
Unallocated assets										81,983	–	–	81,983
Total assets										16,157,585	–	–	16,157,585
Segment liabilities	717,678	9,919	–	12,102	478,582	398,902	–	427,256	(391,529)	1,652,910	–	–	1,652,910
Unallocated liabilities										976,156	–	–	976,156
Total liabilities										2,629,066	–	–	2,629,066
Other segment information:													
Capital expenditure *(Note)*	199	–	–	–	235,883	–	–	461	–	236,543	–	–	236,543
Depreciation	(23,480)	(2)	–	–	(167,585)	–	–	(862)	4,714	(187,215)	–	–	(187,215)
Interest income	61,254	–	16,034	–	5,563	–	–	1,188	–	84,039	–	–	84,039
Finance costs	(19,192)	–	–	–	(18,988)	–	–	(6,364)	541	(44,003)	–	–	(44,003)
Gain/(Loss) on disposal of:													
Subsidiaries	–	–	–	–	342,679	–	–	–	–	342,679	–	–	342,679
Fixed assets	–	–	–	–	(4,775)	–	–	(1)	–	(4,776)	–	–	(4,776)
An investment property	(1,254)	–	–	–	–	–	–	–	–	(1,254)	–	–	(1,254)
Loss on derecognition of associates	–	–	–	–	–	–	–	(1,519)	–	(1,519)	–	–	(1,519)
Write-back of provisions/(Provisions) for impairment losses on:													
Fixed assets	(20,192)	–	–	–	3,265	–	–	–	–	(16,927)	–	–	(16,927)
Associates	–	–	–	–	–	–	–	168	–	168	–	–	168
Joint ventures	–	3,400	–	–	–	(896)	–	(717)	–	1,787	–	–	1,787
Properties under development	–	(140)	–	–	–	–	–	–	–	(140)	–	–	(140)
Inventories	–	–	–	–	(667)	–	–	–	–	(667)	–	–	(667)
Loans and receivables	–	–	–	–	(1,539)	–	–	–	–	(1,539)	–	–	(1,539)
Fixed assets written off	–	–	–	–	(2,627)	–	–	–	–	(2,627)	–	–	(2,627)
Realised translation losses reclassified to the statement of profit or loss relating to liquidation of foreign operations	–	–	–	–	(10,434)	–	–	–	–	(10,434)	–	–	(10,434)
Net fair value loss on financial instruments at fair value through profit or loss	–	–	–	(158,880)	(11,841)	–	(2,307)	–	–	(173,028)	–	–	(173,028)
Net fair value loss on investment properties	(81,539)	–	–	–	–	–	–	–	–	(81,539)	–	–	(81,539)
Unallocated:													
Capital expenditure *(Note)*										2,883			2,883
Depreciation										(17,564)			(17,564)
Finance costs										(47,918)			(47,918)
Gain on disposal of fixed assets										133			133
Net realised translation gains reclassified to the statement of profit or loss relating to liquidation of foreign operations										24,419			24,419

Year ended 31 March 2019

	Continuing operations										Discontinued operation		
	Property investment *HK$'000*	Property development *HK$'000*	Treasury investment *HK$'000*	Securities investment *HK$'000*	Food businesses *HK$'000*	Healthcare services *HK$'000*	Banking business *HK$'000*	Other *HK$'000*	Inter-segment elimination *HK$'000*	Consolidated *HK$'000*	Corporate finance and securities broking *HK$'000*	Inter-segment elimination *HK$'000*	Consolidated *HK$'000*
Revenue													
External	86,368	6,083	14,163	35,426	2,396,501	–	–	15,669	–	2,554,210	11,493	–	2,565,703
Inter-segment	5,355	–	–	–	–	–	–	860	(6,215)	–	84	(84)	–
Total	91,723	6,083	14,163	35,426	2,396,501	–	–	16,529	(6,215)	2,554,210	11,577	(84)	2,565,703
Segment results	82,587	2,453	14,163	(178,718)	975,118	–	261	(45,825)	84	850,123	145,750	(84)	995,789
Unallocated corporate expenses										(293,086)			(293,086)
Finance costs										(56,092)			(56,092)
Share of results of associates	–	5,782	–	–	–	(16,104)	–	6,892	–	(3,430)	–	–	(3,430)
Share of results of joint ventures	(111,827)	2,852	–	–	(18)	(1,101)	7,681	(88,325)	–	(190,738)	–	–	(190,738)
Profit before tax										306,777			452,443
Segment assets	1,742,151	111,673	1,059,282	1,570,183	2,319,940	–	49,087	117,516	(966)	6,968,866	–	–	6,968,866
Interests in associates	6,476	367,761	–	–	–	423,772	–	316,178	–	1,114,187	–	–	1,114,187
Interests in joint ventures	10,384,189	2,042	–	–	2,932	1,370	134,207	–	–	10,524,740	–	–	10,524,740
Unallocated assets										89,835	–	–	89,835
Total assets										18,697,628	–	–	18,697,628
Segment liabilities	1,061,355	8,282	–	10,151	489,561	419,342	–	431,973	(386,339)	2,034,325	–	–	2,034,325
Unallocated liabilities										1,451,845	–	–	1,451,845
Total liabilities										3,486,170	–	–	3,486,170
Other segment information:													
Capital expenditure *(Note)*	21,750	–	–	–	131,517	–	–	10,548	–	163,815	3	–	163,818
Depreciation	(25,123)	(11)	–	–	(37,147)	–	–	(308)	–	(62,589)	(50)	–	(62,639)
Interest income	52,283	–	14,163	8,690	2,864	–	–	1,109	–	79,109	–	–	79,109
Finance costs	(17,338)	–	–	(5,009)	(5,329)	–	–	(6,401)	–	(34,077)	–	–	(34,077)
Gain/(Loss) on disposal of:													
Subsidiaries	–	15,547	–	–	858,381	–	–	–	–	873,928	153,255	–	1,027,183
Fixed assets	–	4	–	–	(2,402)	–	–	–	–	(2,398)	–	–	(2,398)
Gain on derecognition of an associate	–	–	–	–	–	–	–	5	–	5	–	–	5
Write-back of provisions/(Provisions) for impairment losses on:													
Intangible assets	–	–	–	–	(10,681)	–	–	–	–	(10,681)	–	–	(10,681)
Fixed assets	(1,782)	–	–	–	3,262	–	–	–	–	1,480	–	–	1,480
An associate	–	–	–	–	–	–	–	(22,698)	–	(22,698)	–	–	(22,698)
A joint venture	–	–	–	–	–	–	–	(41)	–	(41)	–	–	(41)
Properties under development	–	(138)	–	–	–	–	–	–	–	(138)	–	–	(138)
Properties held for sale	196	–	–	–	–	–	–	–	–	196	–	–	196
Inventories	–	–	–	–	(8,158)	–	–	–	–	(8,158)	–	–	(8,158)
Loans and receivables	–	–	–	–	(2,535)	–	–	(3,332)	–	(5,867)	(238)	–	(6,105)
Fixed assets written off	–	–	–	–	(6,720)	–	–	–	–	(6,720)	–	–	(6,720)
Realised translation gains reclassified to the statement of profit or loss relating to liquidation of foreign operations	9,272	2,093	–	–	–	–	–	777	–	12,142	–	–	12,142
Net fair value gain/(loss) on financial instruments at fair value through profit or loss	–	–	–	(191,787)	5,514	–	261	–	–	(186,012)	–	–	(186,012)
Fair value gain on investment properties	30,062	–	–	–	–	–	–	–	–	30,062	–	–	30,062
Unallocated:													
Capital expenditure *(Note)*										1,705			1,705
Depreciation										(14,693)			(14,693)
Finance costs										(56,092)			(56,092)

Note: Capital expenditure includes additions to fixed assets and exploration and evaluation assets.

Geographical information

(a) Revenue from external customers

	2020	2019
	HK$'000	*HK$'000*
Hong Kong	**253,605**	280,675
Macau	**81**	5,908
Mainland China	**14,900**	19,766
Republic of Singapore	**619,451**	1,565,533
Malaysia	**9,572**	665,924
Indonesia	**17,193**	2,515
Other	**10,353**	13,889
Revenue from continuing operations	**925,155**	2,554,210
Revenue from discontinued operation — Hong Kong	**–**	11,493
	925,155	2,565,703

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

(b) Non-current assets

	2020	2019
	HK$'000	*HK$'000*
Hong Kong	**1,241,416**	1,290,571
Macau	**129,293**	134,207
Mainland China	**265,582**	283,754
Republic of Singapore	**11,234,996**	11,755,727
Malaysia	**319,596**	132,440
Indonesia	**161,951**	139,541
Other	**105,278**	101,365
	13,458,112	13,837,605

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

Information about a major customer

Revenue of approximately HK$118,793,000 for the year ended 31 March 2020 (2019 — HK$416,916,000) was derived from sales by the food businesses segment to a single customer.

4. REVENUE

An analysis of revenue from continuing operations is as follows:

	2020	2019
	HK$'000	*HK$'000*
Revenue from contracts with customers:		
Sale of properties	**–**	6,083
Sale of goods and fast-moving consumer products	**307,446**	1,788,264
Sale of food and beverage	**371,342**	448,374
Provision of management services	**14,336**	14,226
Revenue from other sources:		
Fees charged to food court tenants *(Note)*		
Variable lease payments that do not depend on an index or a rate	**8,018**	N/A
Other lease payments, including fixed payments	**81,190**	N/A
	89,208	136,958
Property rental income from operating leases	**29,466**	34,085
Interest income	**83,223**	78,285
Dividend income	**17,158**	26,736
Other	**12,976**	21,199
	925,155	2,554,210

Note: During the year ended 31 March 2019, the revenue included contingent rents of HK$15,011,000.

N/A: Not applicable

Revenue from contracts with customers
Disaggregated revenue information
Year ended 31 March 2020

Segments	**Food businesses**	**Other**	**Total**
	HK$'000	***HK$'000***	***HK$'000***
Types of goods or services:			
Sale of goods and fast-moving consumer products	**307,446**	**–**	**307,446**
Sale of food and beverage	**371,342**	**–**	**371,342**
Provision of management services	**–**	**14,336**	**14,336**
Total revenue from contracts with customers	**678,788**	**14,336**	**693,124**
Geographical markets:			
Hong Kong	**217,022**	**11,091**	**228,113**
Mainland China	**–**	**2,135**	**2,135**
Republic of Singapore	**459,058**	**1,110**	**460,168**
Malaysia	**2,708**	**–**	**2,708**
Total revenue from contracts with customers	**678,788**	**14,336**	**693,124**
Timing of revenue recognition:			
Goods transferred at a point in time	**678,788**	**–**	**678,788**
Services transferred over time	**–**	**14,336**	**14,336**
Total revenue from contracts with customers	**678,788**	**14,336**	**693,124**

Year ended 31 March 2019

Segments	Property development *HK$'000*	Food businesses *HK$'000*	Other *HK$'000*	Total *HK$'000*
Types of goods or services:				
Sale of properties	6,083	–	–	6,083
Sale of goods and fast-moving consumer products	–	1,788,264	–	1,788,264
Sale of food and beverage	–	448,374	–	448,374
Provision of management services	–	–	14,226	14,226
Total revenue from contracts with customers	6,083	2,236,638	14,226	2,256,947
Geographical markets:				
Hong Kong	–	240,447	11,220	251,667
Macau	5,906	–	–	5,906
Mainland China	177	–	2,556	2,733
Republic of Singapore	–	1,348,935	450	1,349,385
Malaysia	–	647,256	–	647,256
Total revenue from contracts with customers	6,083	2,236,638	14,226	2,256,947
Timing of revenue recognition:				
Goods transferred at a point in time	6,083	2,236,638	–	2,242,721
Services transferred over time	–	–	14,226	14,226
Total revenue from contracts with customers	6,083	2,236,638	14,226	2,256,947

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information:

Segments	**Property development** ***HK$'000***	**Food businesses** ***HK$'000***	**Other** ***HK$'000***	**Total** ***HK$'000***
Year ended 31 March 2020				
Revenue from contracts with customers				
External customers	**–**	**678,788**	**14,336**	**693,124**
Inter-segment	**–**	**–**	**2,349**	**2,349**
Total revenue from contracts with customers	**–**	**678,788**	**16,685**	**695,473**
Revenue from other sources — external	**–**	**106,538**	**1,581**	**108,119**
Total segment revenue	**–**	**785,326**	**18,266**	**803,592**
Year ended 31 March 2019				
Revenue from contracts with customers				
External customers	6,083	2,236,638	14,226	2,256,947
Inter-segment	–	–	860	860
Total revenue from contracts with customers	6,083	2,236,638	15,086	2,257,807
Revenue from other sources — external	–	159,863	1,443	161,306
Total segment revenue	6,083	2,396,501	16,529	2,419,113

5. OTHER INCOME

	2020	2019
	HK$'000	*HK$'000*
Recovery of costs from food court tenants	**21,819**	32,284
Interest income from promissory note	**816**	824
	22,635	33,108

6. OTHER LOSSES — NET

	2020	2019
	HK$'000	*HK$'000*
Loss on disposal of:		
Fixed assets	**(4,643)**	(2,398)
An investment property	**(1,254)**	–
Gain/(Loss) on derecognition of associates	**(1,519)**	5
Write-back of provisions/(Provisions) for impairment losses on:		
Intangible assets	**–**	(10,681)
Fixed assets	**(16,927)**	1,480
Associates	**168**	(22,698)
Joint ventures	**1,787**	(41)
Properties under development	**(140)**	(138)
Properties held for sale	**–**	196
Inventories	**(667)**	(8,158)
Loans and receivables	**(1,539)**	(5,867)
Bad debt recovered	**4,618**	2,223
Fixed assets written off	**(2,627)**	(6,720)
Foreign exchange losses — net	**(5,153)**	(14,377)
Realised translation gains reclassified to the statement of profit or loss relating to liquidation of foreign operations	**13,985**	12,142
	(13,911)	(55,032)

7. PROFIT BEFORE TAX FROM CONTINUING OPERATIONS

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

	2020	2019
	HK$'000	*HK$'000*
Cost of sales:		
Cost of properties sold	**–**	(849)
Cost of inventories sold	**(281,325)**	(1,401,471)
Other	**(3,627)**	(4,023)
	(284,952)	(1,406,343)
Net fair value gain/(loss) on financial instruments at fair value through profit or loss:		
Held for trading financial assets at fair value through profit or loss:		
Equity securities	**(154,098)**	(188,115)
Debt securities	**–**	(2,452)
Investment funds	**505**	(18,590)
Other financial assets mandatorily classified at fair value through profit or loss:		
Debt securities	**(1,956)**	4,299
Investment funds	**(5,181)**	34,735
Equity linked notes	**–**	15,585
Financial liabilities at fair value through profit or loss designated as such upon initial recognition	**1,850**	(1,059)
Derivative financial instruments	**(14,148)**	(30,415)
	(173,028)	(186,012)
Interest income:		
Financial assets at fair value through profit or loss	**–**	8,690
Loans and advances	**70,498**	52,565
Promissory note	**816**	824
Other	**12,725**	17,030
Depreciation of fixed assets	**(72,316)**	(77,282)
Depreciation of right-of-use assets	**(132,463)**	–
Selling and distribution expenses#	**(17,789)**	(161,934)
Legal and professional fees#	**(46,775)**	(54,317)
Consultancy and service fees#	**(71,064)**	(73,080)
Utilities charges#	**(27,718)**	(42,929)
Repairs and maintenance expenses#	**(24,418)**	(33,099)

The amounts are included in "Other operating expenses" in the consolidated statement of profit or loss.

8. SHARE OF RESULTS OF ASSOCIATES

Share of results of associates for the year ended 31 March 2020 included share of loss of TIH Limited ("TIH"). TIH is a closed-end fund listed in Singapore which focuses on investment in various sectors in Asia such as consumer and industrial products, healthcare, technology, media and telecommunications, food, manufacturing and chemicals. Due to the adverse effects of the COVID-19 pandemic, TIH recorded fair value loss on its investments. As a result, the Group shared a loss of HK$37,989,000 from TIH for the year ended 31 March 2020 (2019 — profit of HK$4,663,000).

9. SHARE OF RESULTS OF JOINT VENTURES/INTERESTS IN JOINT VENTURES

Share of results of joint ventures for the year ended 31 March 2020 mainly included share of profit of Lippo ASM Asia Property Limited ("LAAPL") of HK$439,522,000 (2019 — share of loss of HK$111,741,000). The change mainly resulted from the gain on disposal of interests in an associate, higher contribution from equity-accounted investees and partial offset by the fair value loss on investment properties during the year.

LAAPL is a joint venture set up to hold the controlling stake in OUE Limited ("OUE"), a listed company in Singapore. OUE is principally engaged in developing and managing assets across the commercial, hospitality, retail, residential and healthcare sectors. Certain bank facilities under LAAPL were secured by certain listed shares held under it.

Share of results of joint ventures for the year ended 31 March 2019 also included share of loss of Collyer Quay Limited ("CQL") of HK$88,325,000. CQL is a joint venture consortium to invest in a company (the "JV Company") principally engaged in the exploration, extraction and processing of mineral resources. The Group shared a loss from the joint venture for the year ended 31 March 2019 as a result of the drop in copper price and the increased production cost. The JV Company put the mine into care and maintenance mode in order to minimise the costs incurred and CQL had fully impaired its investment in the JV Company as at 31 March 2019.

Reference was made to the Group's interest in a minority ownership interest in Skye Mineral Partners, LLC ("Skye") whose major asset, prior to the events described below, was substantially all of the equity interests in CS Mining, LLC ("CS Mining"), a company that owned a number of copper ore deposits in the Milford Mineral Belt in Beaver County, State of Utah in the U.S.A. and had engaged in the business of mining and processing copper and other minerals. Subsequently the Group invested in CQL, a joint venture of the Company, for an investment in the JV Company. The JV Company, in which the Group has an effective interest of 45%, acquired all or substantially all of the mining assets (the "Assets") held by CS Mining in a court-supervised sale process under its bankruptcy proceedings in August 2017. In January 2018, a verified complaint (the "Complaint") was filed in a United States state court in Delaware (the "Delaware State Court") by the majority investors in Skye individually and derivatively on behalf of Skye against, among others, certain entities and persons in or related to the Group. The Complaint alleges, among other things, that the majority investors directly and derivatively through their ownership of Skye, suffered from diminution in the value of their equity interests in CS Mining based on an alleged scheme perpetrated by the Group on CS Mining. The Group filed a motion to dismiss the Complaint in 2019. The Delaware State Court recently issued its decision on the motion to dismiss, which was partially granted. With respect to the remaining parts of the Complaint that were not dismissed, the Delaware State Court did not rule on the merits of those claims and therefore, the Group, together with the other persons in or related to the Group, filed an answer and the majority investors in Skye (the "Majority Investors") will now have to provide evidence to establish the claims that were not dismissed. Subsequently, the Group, individually and derivatively on behalf of Skye, filed a counterclaim (the "Counterclaim") against the Majority Investors and their related persons (the "Counterparties"), in which the Group has claimed that the Counterparties had, at all relevant times, controlled over both Skye and CS Mining and had continuously preferred their own interests over those of Skye and its creditors and other owners. As a result, the Counterclaim alleges that the conduct of the Counterparties caused the other parties to the Complaint, including, inter alia, the Group, to suffer loss, and accordingly seeks damages against the Counterparties for such losses. The Group continues to believe the Complaint is wholly frivolous and without basis and the Group will continue to vigorously defend the claims made against it as well as to pursue the Counterclaim.

10. INCOME TAX

	2020	2019
	HK$'000	*HK$'000*
Hong Kong:		
Charge for the year	**4,275**	1,324
Underprovision in prior years	**436**	–
Deferred	**(652)**	(715)
	4,059	609
Overseas:		
Charge for the year	**14,386**	37,683
Overprovision in prior years	**(13,161)**	(20,349)
Deferred	**(2,938)**	(499)
	(1,713)	16,835
Total charge for the year from continuing operations	**2,346**	17,444

Hong Kong profits tax has been provided at the rate of 8.25% or 16.5% (2019 — 8.25% or 16.5%), as appropriate. For the companies operating in the Republic of Singapore, Macau and mainland China, corporate taxes have been calculated on the estimated assessable profits for the year at the rates of 17%, 12% and 25% (2019 — 17%, 12% and 25%), respectively. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

11. DISCONTINUED OPERATION

In July 2018, the Group entered into a sale and purchase agreement for the sale of the entire issued shares in Lippo Securities Holdings Limited ("LSH", the securities arm of the Company). The disposal was completed on 11 December 2018 and the Group has ceased the corporate finance and securities broking business.

The results of LSH and its subsidiaries included in the Group's consolidated statement of profit or loss for the year ended 31 March 2019 as a discontinued operation are presented below:

	Note	2019 *HK$'000*
Revenue *(Note)*		11,493
Cost of sales		(5,305)
Gross profit		6,188
Administrative expenses		(10,859)
Other operating expenses		(2,918)
Loss before tax		(7,589)
Income tax		–
Loss after tax of discontinued operation		(7,589)
Gain on disposal of discontinued operation		153,255
Profit for the year from discontinued operation		145,666
Other comprehensive loss		
Exchange differences on translation of discontinued operation		(424)
Release of cumulative exchange differences on translation of discontinued operation upon disposal		(2,708)
Other comprehensive loss from discontinued operation		(3,132)
Total comprehensive income for the year from discontinued operation		142,534
Profit for the year attributable to:		
Equity holders of the Company		104,253
Non-controlling interests		41,413
		145,666
Total comprehensive income for the year attributable to:		
Equity holders of the Company		102,011
Non-controlling interests		40,523
		142,534
		HK$
Earnings per share attributable to equity holders of the Company	*12*	
Basic and diluted		
– For profit from discontinued operation		0.21

Note: Revenue represents income from securities and futures brokerage, investment banking, underwriting and other related advisory services under the corporate finance and securities broking segment. The revenue is recognised at a point in time when the services are rendered and generated from customers located in Hong Kong.

12. 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 year attributable to equity holders of the Company; and (ii) the weighted average number of approximately 493,154,000 ordinary shares (2019 — approximately 493,154,000 ordinary shares) in issue during the year.

	2020	2019
	HK$'000	*HK$'000*
Consolidated profit/(loss) attributable to equity holders of the Company:		
From continuing operations	**(10,315)**	(216,444)
From discontinued operation	**–**	104,253
	(10,315)	(112,191)

(b) Diluted earnings/(loss) per share

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 March 2020 and 2019.

13. DIVIDENDS

	2020	2019
	HK$'000	*HK$'000*
Interim dividend, declared, of HK4 cents (2019 — HK3 cents) per ordinary share	**19,726**	14,795
Final dividend, proposed, of HK5 cents (2019 — HK5 cents) per ordinary share	**24,658**	24,658
	44,384	39,453

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

14. DEBTORS, PREPAYMENTS AND OTHER ASSETS

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

	2020	2019
	HK$'000	*HK$'000*
Outstanding balances with ages:		
Within 30 days	**30,732**	27,405
Between 31 and 60 days	**20,456**	17,244
Between 61 and 90 days	**13,577**	13,382
Between 91 and 180 days	**3,363**	1,696
	68,128	59,727

15. CREDITORS, ACCRUALS AND OTHER LIABILITIES

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

	2020	2019
	HK$'000	*HK$'000*
Outstanding balances with ages:		
Within 30 days	**22,722**	47,597
Between 31 and 60 days	**6,307**	10,180
Between 61 and 90 days	**409**	625
Between 91 and 180 days	**1,286**	828
Over 180 days	**2,382**	313
	33,106	59,543

16. DISPOSAL OF SUBSIDIARIES

	2020	2019
	HK$'000	*HK$'000*
Net assets disposed of:		
Intangible assets	**158,091**	14,388
Fixed assets	**66,597**	19,158
Right-of-use assets	**504,075**	–
Deferred tax assets	**–**	7,754
Inventories	**969**	255,558
Loans and advances	**–**	7,861
Debtors, prepayments and other assets	**65,520**	306,007
Tax recoverable	**1,835**	3,851
Client trust bank balances	**–**	217,350
Restricted cash	**5,482**	1,010
Cash and cash equivalents	**44,715**	238,246
Bank and other borrowings	**–**	(56,471)
Lease liabilities	**(527,439)**	–
Creditors, accruals and other liabilities	**(103,767)**	(501,623)
Tax payable	**(2,422)**	(5,156)
Deferred tax liabilities	**(16,987)**	–
Non-controlling interests	**(1,117)**	–
	195,552	507,933
Release of cumulative exchange differences on translation of foreign operations	**11,351**	26,228
	206,903	534,161
Gain on disposal of subsidiaries:		
Continuing operations	**342,679**	873,928
Discontinued operation *(Note 11)*	**–**	153,255
	549,582	1,561,344
Satisfied by:		
Cash	**489,099**	1,561,344
Other receivables	**60,483**	–
	549,582	1,561,344

17. EVENTS AFTER THE REPORTING PERIOD

(a) The Group provided a loan facility of US$35 million (approximately HK$271 million) to a subsidiary of LAAPL for investment opportunities of strategic assets and general working capital purposes. Interest is charged at 2.2% over 1 week US$ London Inter-Bank Offered Rate.

(b) The COVID-19 pandemic since early 2020 has impacted the global business and economic environment. The overall financial effect on the Group in the coming financial year cannot be reasonably estimated for the time being as the pandemic is still continuing. The Group will be watchful of the development and continue to evaluate its impacts on the business, financial position, cash flows and financial performance of the Group.

18. COMPARATIVE AMOUNTS

(a) As further explained in Note 2 to the final results, the Group adopted HKFRS 16 on 1 April 2019 using the modified retrospective approach. Under this approach, the comparative amounts in the final results were not restated and continued to be reported under the requirements of the previous standard, HKAS 17, and related interpretations.

(b) Certain comparative amounts have been reclassified to conform with the current year's presentation and disclosures.

BUSINESS REVIEW

Overview

The novel coronavirus (COVID-19) pandemic has a severe impact across the world. Various COVID-19 containment measures to slow down the spread of the virus such as travel restrictions, lockdowns, isolation and social distancing measures have been implemented in different parts of the world including the places at which the Group and its associates and joint ventures have operations. Such measures have slowed down the global economy markedly. Apart from the outbreak of the COVID-19 pandemic, the trade conflicts between the U.S.A. and the PRC and the recent plunge in global oil prices increased the volatility in the stock markets. The global stock markets experienced a notable correction. Against this backdrop, the performance of the Group during the year under review was affected.

Results for the Year

The Group recorded a consolidated loss attributable to shareholders of approximately HK$10 million for the year ended 31 March 2020 (the "Year"), as compared to a consolidated loss of approximately HK$112 million for the year ended 31 March 2019 ("2019"). Such loss was mainly attributable to fair value losses on investment properties and financial instruments at fair value through profit or loss and share of loss of associates due to the outbreak of COVID-19 pandemic in the later part of the Year. Performance of the Group's food businesses and property investment operations in Hong Kong had also been affected. However, the loss was largely offset by the gain on disposal of subsidiaries in the food businesses segment and the share of profit of joint ventures.

The Group successfully sold the food distribution business and food court business at a profit in March 2019 and October 2019 respectively prior to the outbreak of COVID-19. As a result, the revenue from continuing operations for the Year dropped to HK$925 million (2019 — HK$2,554 million) following the sale. Food businesses remain the principal sources of revenue of the Group, contributing to 85% (2019 — 94%) of total revenue from continuing operations for the Year.

The Group's other operating expenses mainly included selling and distribution expenses and utilities charges for food businesses, legal and professional fees, consultancy and service fees, and repairs and maintenance expenses. Other operating expenses decreased to HK$239 million for the Year (2019 — HK$454 million). The decrease in other operating expenses was mainly due to the completion of the disposal of food distribution business and food court business.

Property investment

The total segment revenue for the Year amounted to HK$95 million (2019 — HK$92 million). Segment revenue was mainly attributable to recurrent rental income from the Group's investment properties of HK$34 million (2019 — HK$40 million) and interest income from loans to joint ventures of the Company of HK$61 million (2019 — HK$52 million).

The Group's property investment portfolio is located mainly in Hong Kong and mainland China. To cope with the downturn of business arising from the protest events in Hong Kong during the Year and the outbreak of COVID-19 pandemic, the Group, like other landlords in Hong Kong, offered rent concessions to its tenants to allow tenants to cope with such worsening economic conditions. Accordingly, the rental income for the Year decreased. The Group recorded a net fair value loss on investment properties of HK$82 million (2019 — a gain of HK$30 million), which was mainly due to the downturn in the property market in Hong Kong. Besides, a provision of HK$20 million for impairment of certain properties located in Hong Kong was recorded during the Year. As a result, segment loss for the Year before accounting for the share of results from the Group's joint ventures amounted to HK$47 million (2019 — profit of HK$83 million).

Lippo ASM Asia Property Limited ("LAAPL", together with its subsidiaries, the "LAAPL Group") is a principal joint venture of Hongkong Chinese Limited ("HKC", together with its subsidiaries, the "HKC Group"), a 73.95% listed subsidiary of the Company. LAAPL is the vehicle holding a controlling stake in OUE Limited ("OUE", together with its subsidiaries, the "OUE Group"), a company listed on the Mainboard of the Singapore Exchange Securities Trading Limited (the "SGX-ST") and which is principally engaged in developing and managing assets across the commercial, hospitality, retail, residential and healthcare sectors. As at 31 March 2020, the LAAPL Group had an equity interest of approximately 68.69% in OUE. The OUE Group has established a high quality property portfolio which generates stable recurrent income. Such properties are located in prime locations in Singapore, Shanghai in the PRC and Los Angeles in the U.S.A.

In April 2019, the OUE Group completed the disposal of all its interests in Aquamarina Hotel Private Limited ("Aquamarina") and Marina Centre Holdings Private Limited for an aggregate consideration of S$390 million (collectively, the "AM Disposal"). Further to the AM Disposal, Singapore Mandarin International Hotels Pte Ltd, a wholly-owned subsidiary of OUE, had terminated its hotel operating agreement with Aquamarina, being the owner of the Marina Mandarin Singapore, in December 2019. In November 2019, the OUE Group completed the disposal of its entire interest and business in the serviced residences component of OUE Downtown in Singapore for an aggregate consideration of S$289 million. Such disposal will enable the OUE Group to fund business plans with higher-growth opportunities.

During the Year, the OUE Group increased its stake in Gemdale Properties and Investment Corporation Limited ("GPI", a company listed on The Stock Exchange of Hong Kong Limited). As at 31 March 2020, the OUE Group holds approximately 24% (31 March 2019 — 15%) interest in GPI. The existing stake in GPI allows the OUE Group to expand its existing access and exposure to the real estate market in the PRC as the OUE Group continues to explore its partnership and potential collaborations with GPI.

The merger of OUE Commercial Real Estate Investment Trust ("OUE C-REIT"), listed on the Mainboard of the SGX-ST, and OUE Hospitality Trust ("OUE H-Trust") which was effected through the acquisition by OUE C-REIT's trustee of all the issued and paid-up stapled securities in OUE H-Trust by way of a trust scheme of arrangement (the "Merger"), was completed in September 2019. Following the completion of the Merger, OUE H-Trust is wholly-owned by OUE C-REIT and was delisted from the SGX-ST. The Merger marked a significant milestone for the OUE Group and has resulted in the creation of one of the largest diversified REITs listed on the SGX-ST. The larger capital base and broadened investment mandate enhance OUE C-REIT's long-term growth potential, with the increased capacity to undertake larger acquisitions and asset enhancement initiatives as well as improved flexibility in sources of funding. The property portfolio of the enlarged OUE C-REIT includes OUE Bayfront, One Raffles Place, OUE Downtown Office, Mandarin Orchard Singapore, the adjoining Mandarin Gallery and Crowne Plaza Changi Airport in Singapore as well as Lippo Plaza in Shanghai. The committed occupancy of the commercial segment of OUE C-REIT in Singapore remained stable as at 31 March 2020. The "circuit breaker" announced by the Singapore Government ordering all non-essential businesses and services to close temporarily from 7 April 2020 to 1 June 2020 had impacted retail tenants' operations. Rental rebates and flexible payment schemes have been extended to eligible retail tenants. As there was significant loss of demand from tourist arrivals as well as postponement and cancellation of social events and planned meetings, incentives, conferences and exhibitions ("MICE") in Singapore, the hospitality segment of OUE C-REIT was affected. To capitalise on the weak operating environment, OUE and the Manager of OUE C-REIT jointly announced the transformational re-branding of Mandarin Orchard Singapore to Hilton Singapore Orchard which is set to become Hilton's flagship in Singapore and the largest Hilton hotel in Asia Pacific when it relaunches in 2022. The leasing momentum in Shanghai was weaker due to the outbreak of COVID-19. The committed office occupancy of Lippo Plaza fell but was still in line with overall Shanghai Grade A office occupancy. In view of the challenging environment, various cost containment measures have been implemented across OUE C-REIT's portfolio to manage operating expenditure. OUE C-REIT also suspended non-essential capital expenditure across its properties. The LAAPL Group held approximately 48.64% of the total number of OUE C-REIT units in issue as at 31 March 2020.

OUE Lippo Healthcare Limited ("OUELH", together with its subsidiaries, the "OUELH Group"), listed on the sponsor-supervised listing platform (the "Catalist Board") of the SGX-ST, provides high-quality and sustainable healthcare solutions through the acquisition, development, management, and operations of healthcare facilities. As at 31 March 2020, the OUE Group owned approximately 64.36% equity interest in OUELH. ITOCHU Corporation, a Tokyo Stock Exchange-listed trading company, also owned approximately 25.32% equity interest in OUELH as at 31 March 2020. OUELH currently owns 12 quality nursing homes in Japan, which OUELH derives its rental revenue therefrom. In April 2019, the OUELH Group completed the acquisition of 40% and 35% equity interest in two Myanmar companies that own, manage and operate three hospitals, one medical centre and two clinics in Myanmar. This marks OUELH's successful entry into one of the fastest-growing Southeast Asian markets with reliable partner, First Myanmar Investment Public Company Limited, a diversified blue-chip conglomerate in Myanmar. OUELH continued to fortify its hospital operation and management business in the PRC with the acquisition of a 70% stake in Wuxi Lippo Xi Nan Hospital Company Limited (formerly known as Wuxi Bohai Hospital Company Limited) in October 2019, which operates a general hospital in Wuxi, Jiangsu. In January 2020, OUELH completed a share subscription exercise and entered into a shareholders' agreement to hold 50% interest in a joint venture with the China Merchants group to develop the "China Merchants-Lippo" brand hospital in Prince Bay, Shenzhen, the PRC which will become the flagship hospital of the strategic partnership between the two groups. The hospital is positioned to serve the Greater Bay Area.

In May 2020, the Group provided a loan facility of US$35 million to the LAAPL Group for investment opportunities of strategic assets and for general working capital purposes.

The Group recorded a share of profit of joint ventures of HK$440 million from its investment in LAAPL for the Year (2019 — share of loss of HK$112 million). The change mainly resulted from the gain on disposal of interests in Aquamarina, higher profit contribution from equity-accounted investees and partial offset by the fair value loss on investment properties during the Year. Besides, the Group shared fair value gain of the LAAPL Group's financial assets at fair value through other comprehensive income of HK$55 million during the Year. As a result of the dilution impact on the Merger, the Group recorded a decrease in interest in LAAPL of HK$206 million directly in equity. Coupled with the decrease in exchange reserve on translation of LAAPL's investment of HK$489 million during the Year, the Group's total interests in LAAPL as at 31 March 2020 decreased to HK$10.0 billion (2019 — HK$10.2 billion).

Property development

Sale of the remaining apartment unit, small number of shophouses and carparking spaces at Lippo Plaza in Beijing, the PRC continued to be sluggish due to market conditions and the COVID-19 pandemic. No sale was completed during the Year while segment revenue of HK$6 million was recorded in 2019 mainly from the sale of the remaining carparking spaces of a residential development project in Macau. Before accounting for the share of results from the Group's associates and joint ventures, the segment recorded a loss of HK$8 million for the Year (2019 — profit of HK$2 million).

Sale of some of the remaining units of the luxurious Marina Collection in Sentosa, Singapore (in which Group has a 50% interest) was completed during the Year. A portion of the remaining units is leased out. The Group shared a profit of associate of HK$25 million (2019 — HK$6 million) from the investment.

Lippo Korea Holdings Pte. Limited which was engaged in the investment in MIDAN City Development Co., Ltd. and associated arbitration proceedings ceased to be a subsidiary of the Company.

Food businesses

The Group's food businesses segment recorded a revenue of HK$785 million (2019 — HK$2,397 million), mainly from food manufacturing and food retail operations in chains of cafés and bistros and food courts. The substantial decrease in revenue was mainly due to the completion of the disposal of the food distribution business and food court business in March 2019 and October 2019 respectively.

During the Year, the food businesses segment recorded gain on disposal of subsidiaries of HK$343 million, which was mainly arising from the disposal of its entire issued shares in Food Junction Management Pte Ltd ("FJM", together with its subsidiaries, the "FJM Group") for a consideration of S$88 million. The FJM Group is engaged in the operation of food courts and retail sale of food and beverage in the food courts managed by it in Singapore and Malaysia. The above disposal was completed in October 2019 and such disposal gave rise to a non-recurring gain on disposal of approximately HK$287 million, of which the Group's attributable share amounted to approximately HK$87 million. As a result, the segment recorded a profit of HK$278 million for the Year (2019 — HK$975 million).

After the disposal of food distribution business and food court business, dividends in a total of S$300 million (the "Dividends") were distributed by a non-wholly owned subsidiary of the food businesses segment to all of its shareholders during the Year. The Group received a cash dividend of approximately S$151 million based on its shareholding in that subsidiary. Coupled with the impact of the disposal of the FJM Group, segment assets decreased to HK$851 million (31 March 2019 — HK$2,320 million). On the other hand, segment liabilities slightly decreased to HK$479 million (31 March 2019 — HK$490 million) resulted from the net impact of disposal of the FJM Group and lease liabilities recognised since 1 April 2019 from the initial application of new accounting standard for leases.

The Group will continue to focus on its food manufacturing business and food retail business. The performance of the Group's food retail businesses in Hong Kong and Singapore were adversely affected by the restrictions on gatherings starting from March and April 2020 respectively. It is expected that the impact will be diminished when the situation is improved and the restrictive measures are released. The construction of the food manufacturing factory in Malaysia had been completed and was in trial operation as at 31 March 2020. Due to the Movement Control Order in Malaysia during the outbreak of COVID-19, the food manufacturing factory is now only in limited commercial operation. The Group has been expanding its food retail business, including the opening of new outlets in Hong Kong under the trade name "Chatterbox Café", the first outlet of which was opened in early September 2019. The Group plans to continue expanding the second line of Chatterbox in Hong Kong and the first express outlet is expected to be opened in the last quarter of 2020. There is growing demand for high quality coffee shops in Singapore. In January 2020, the Group entered into a franchise agreement with PT Maxx Coffee Prima (the "Franchisor") pursuant to which the Franchisor would grant the Group the exclusive right and licence in Singapore to carry on the business of establishing, developing and operating the Maxx Coffee Shops and sell Maxx Coffee brand coffee, beverages and/or other food and non-food products on a retail basis in Singapore for an initial term of ten years, with an option for the Group to extend for another five years. The above franchise agreement allows the Group to set up a new coffee chain in Singapore under the brand name "Maxx Coffee" and uses the know-hows from the Franchisor to expand its food retail business. In addition, the Group plans to expand its "alfafa" outlets in Hong Kong. alfafa offers simple and healthy European-style meals.

Treasury and securities investments

The Group managed its investment portfolio in accordance with its investment committee's terms of reference and looked for opportunities to enhance yields and seek gains. The Group invested in a diversified portfolio including listed and unlisted equity securities, debt securities, investment funds and other structured products. Treasury and securities investments businesses recorded a total revenue of HK$33 million during the Year (2019 — HK$50 million), mainly attributable to the interest income and dividend income received from the investment portfolio. The stock markets were volatile during the Year, especially following the outbreak of COVID-19 and the Group recorded net fair value loss in the statement of profit or loss from its securities investments of HK$159 million for the Year (2019 — HK$192 million) under this segment. The net fair value loss for the Year mainly comprised of fair value loss of equity securities of HK$154 million (2019 — HK$188 million), debt securities of HK$2 million (2019 — gain of HK$2 million), investment funds of HK$5 million (2019 — gain of HK$16 million). As a result, the treasury and securities investments businesses recorded a net loss of HK$131 million in the statement of profit or loss for the Year (2019 — HK$165 million).

In December 2019, the Group had disposed of all its shares in Tencent Holdings Limited through a series of trades conducted in the open market for an aggregate sale proceeds of approximately HK$301 million, before expenses. The Group recognised fair value losses of approximately HK$3.4 million and HK$2.7 million in the statement of profit or loss and the other comprehensive income, respectively. Such disposals allowed the Group to liquidate its securities investment and the sale proceeds will be re-allocated for any other potential investments and general working capital.

As at 31 March 2020, the treasury and securities investments portfolio of HK$2,020 million (31 March 2019 — HK$2,629 million) comprised mainly cash and bank balances of HK$1,070 million (31 March 2019 — HK$1,289 million), financial assets at fair value through profit or loss ("FVPL") of HK$842 million (31 March 2019 — HK$981 million) and financial assets at fair value through other comprehensive income ("FVOCI") of HK$106 million (31 March 2019 — HK$357 million). Further details of securities investments under different categories are as follows:

Financial assets at fair value through profit or loss

As of 31 March 2020, the Group's financial assets at FVPL amounted to HK$842 million (31 March 2019 — HK$981 million), comprising equity securities of HK$431 million (31 March 2019 — HK$581 million), debt securities of HK$22 million (31 March 2019 — HK$23 million) and investment funds of HK$389 million (31 March 2019 — HK$377 million).

Details of the major financial assets at FVPL were as follows:

	As at 31 March 2020			As at 31 March 2019	For the year ended 31 March 2020
	Fair value *HK$'000*	Approximate percentage of financial assets at FVPL	Approximate percentage to the total assets	Fair value *HK$'000*	Net fair value gain/(loss) *HK$'000*
GSH Corporation Limited ("GSH")	93,250	11%	0.6%	132,830	(39,580)
Ilya Fund ("Ilya")	46,561	6%	0.3%	–	1,846
Quantedge Global Fund ("Quantedge")	45,373	5%	0.3%	65,030	331
SherpaEverest Fund, LP ("SherpaEverest")	33,793	4%	0.2%	33,869	(1,320)
Others *(Note)*	622,992	74%	3.8%	748,778	(122,007)
Total	841,969	100%	5.2%	980,507	(160,730)

Note: Others comprised of various securities, none of which accounted for more than 4% of financial assets at FVPL as at 31 March 2020.

GSH

As at 31 March 2020, the fair value of the Group's equity securities in GSH amounted to HK$93 million, representing approximately 11% and 0.6% of the Group's total financial assets at FVPL and total assets, respectively. GSH, having its shares listed on the SGX-ST, is a property developer in Southeast Asia with certain properties under development in Kuala Lumpur and Kota Kinabalu, Malaysia. In 2019, GSH continued to recognise income from the pre-sale of its two residential projects in Malaysia. GSH is planning to launch the residential project in a prime land parcel in the heart of Kuala Lumpur's Chinatown later this year, in which it has a 50% stake. However, the launch date has been postponed due to COVID-19 pandemic. GSH has been awarded a government tender of a prime land in the heart of Bishan district in Chongqing, in which it has a 51% stake. The site will be developed into a residential condominium and a five-star hotel. GSH also owns and operates 2 hotels in Sabah but a temporary closure was implemented from mid-March 2020 in compliance with the Movement Control Order in Malaysia. The share price performance of GSH was not satisfactory, resulting in an unrealised fair value loss of HK$40 million recognised for the Year. It is expected that the COVID-19 pandemic may continue to cast a negative impact on the GSH's hospitality business and the share price performance of GSH may continue to fluctuate.

Ilya

The Group invested approximately HK$45 million in Ilya in early 2020. As at 31 March 2020, the fair value of the Group's investment in Ilya amounted to HK$47 million, representing approximately 6% and 0.3% of the Group's total financial assets at FVPL and total assets, respectively. Fair value gain of HK$2 million was reported from such investment for the Year. Ilya is licensed and regulated by the Cayman Islands Monetary Authority as a mutual fund. The investment objective of Ilya is to provide its investors with long-term capital appreciation through direct and indirect investments globally, in both developed and emerging markets. Ilya may invest in multiple asset classes and may employ hybrid strategies including investing in both public and private companies.

Quantedge

The investment objective of Quantedge, an unlisted investment fund, is to achieve absolute long-term capital growth by investing in multiple asset classes across the globe, accordingly the investment results may vary substantially over short periods of time. The Group invested in Quantedge for long-term strategic purpose since early 2018 as its goal is in line with the Group's investment strategy. In October 2019, the Group has partially redeemed HK$19 million in Quantedge. The Group will continue to hold its remaining investment in Quantedge for long-term strategic purpose. Quantedge has recovered relatively quickly from the past drawdowns, mainly contributed by asset classes in global bonds, offset by the losses largely arising from the sharp drawdown across global equities and commodities during the outbreak of COVID-19. As at 31 March 2020, the fair value of the Group's investment in Quantedge amounted to HK$45 million, representing approximately 5% and 0.3% of the Group's total financial assets at FVPL and total assets, respectively. The Group reported a fair value gain of HK$0.3 million for the Year.

SherpaEverest

The Group committed to invest US$5 million (the "Committed Amount") in SherpaEverest in 2015. SherpaEverest is a closed-end fund with 10-year term, which may be extended for additional one-year period. As of 31 March 2020, the Group has contributed the full Committed Amount into the fund. The purpose of this investment is to have a long-term capital gain through investment in technology companies indirectly via a fund. The investment decision was made based on a number of factors including, inter alia, the fund team's experience, track records, and their ability to access into a wide range of technology companies in the U.S.A. The fund's investment focus is mid-to-late stage emerging technology-enabled private companies primarily based in the U.S.A. As of 31 March 2020, SherpaEverest has made investment across 14 portfolio companies in the commerce, transportation and logistics, health, digital enterprise software, and digital media and gaming sectors. The performance of SherpaEverest are satisfactory. Cumulated distribution to the Group amounted to HK$8 million, of which HK$4 million was received during the Year. As at 31 March 2020, the fair value of the Group's investment in SherpaEverest amounted to HK$34 million, representing approximately 4% and 0.2% of the Group's total financial assets at FVPL and total assets, respectively. The Group reported a fair value loss of HK$1 million for the Year.

Financial assets at fair value through other comprehensive income

In addition to the above investments under financial assets at FVPL, the Group also invests in listed and unlisted equity securities which are held for long term strategic purposes. Such investments were recorded under financial assets at FVOCI. As at 31 March 2020, the fair value of such investments amounted to approximately HK$106 million. During the Year, unrealised fair value loss of HK$36 million was recognised in other comprehensive income from these investments. The major investments under this category are investments in eBroker Holding Limited ("eBroker"), which accounted for 81% of the Group's total financial assets at FVOCI as at 31 March 2020.

The Group invested approximately HK$7.6 million in eBroker during its three rounds of financing held in 2017 and 2018. The carrying amount of total investments in eBroker amounted to HK$86 million as at 31 March 2020, representing 81% and 0.5% of the Group's total financial assets at FVOCI and total assets, respectively. Established in September 2015 in Shanghai, the PRC, eBroker's core business is the facilitation of financial and insurance services between wealthy individuals in mainland China and financial institutions as well as insurance issuers in overseas via its online wealth management platform. It has a very strong growth in business, in terms of customers, products and services coverage, revenues and profits, since its establishment. Investment in eBroker gives the Group an opportunity to potentially achieve a medium to long-term capital gain from the Fintech industry. eBroker had already undergone several rounds of fund raising and the Group had recorded unrealised fair value gain in prior years by reference to the latest round financing in early 2019. No distribution was made by eBroker. The Group reported a fair value loss of HK$25 million arising from revaluation at year end.

Healthcare services

The Group's healthcare services business is mainly carried out through its investments in Healthway Medical Corporation Limited ("Healthway", together with its subsidiaries, the "HMC Group"), an associate of the Company. As at 31 March 2020, the Group was interested in approximately 40.91% of the issued shares in Healthway. Healthway is a company listed on the Catalist Board of the SGX-ST and a well-established private healthcare provider in Singapore. The HMC Group owns, operates and manages around 90 medical centres and clinics in Singapore.

In June 2019, the HMC Group completed the refurbishment of a total of 36 clinics, which first began in August 2018. With the completion of clinic refurbishments, its general practice clinics are now better equipped to handle higher patient loads, with greater efficiency and personalised care. The HMC Group launched its comprehensive health screening centre, Healthway Screening @ Downtown in June 2019 which leverages innovation and technology, in the heart of Singapore's central business district. The screening centre is representative of the HMC Group's focus on preventive healthcare, to better manage and stave off chronic conditions through early detection and prevention.

With its ongoing efforts to streamline processes and operations, the total operating costs of Healthway fell by 2% to S$116 million for the Year. Such decrease was largely due to the absence of provisions for onerous lease contracts and lower write-off of property, plant and equipment upon the closure of non-performing clinics. The Group's share of loss from the HMC Group amounted to HK$4 million for the Year (2019 — HK$16 million). Coupled with the impact of depreciation of Singapore dollar during the Year, the Group's interest in Healthway decreased to HK$394 million (31 March 2019 — HK$424 million).

With the increase in COVID-19 cases in the months of April and May 2020 in Singapore, there was a continued and greater need for private healthcare providers like Healthway to support the public healthcare system by continuing to tend to the various healthcare need of the community. As part of the Public Health Preparedness Clinic scheme, the general clinics of the HMC Group play a critical role in supporting Singapore's healthcare system and the primary healthcare needs in a time of crisis. Throughout the COVID-19 "circuit breaker" period in Singapore, the HMC Group had enhanced its services and introduced initiatives to better serve the need of its patients which includes the implementation of teleconsultations at some general clinics and specialist clinics, as well as doorstep deliveries of medication for patients with chronic illnesses.

Banking business

The Macau Chinese Bank Limited ("MCB") is a joint venture of the HKC Group, in which the HKC Group had a 20% equity interest as at 31 March 2020. MCB recorded strong growth in customer deposits and loans during the Year. MCB reported a profit for the Year before taking into account the impact of allowance for expected credit losses on its financial assets. Due to the uncertainty on economic conditions, the expected credit losses increased. As a result, the Group recorded a share of accounting loss from MCB of HK$5 million for the Year (2019 — profit of HK$8 million).

Pursuant to the Amended and Restated Shareholders Agreement in June 2018, the HKC Group has a put option to sell its remaining 20% interest to the majority shareholder of MCB at any time during the 5 years from 3 November 2017 (the "Put Option"). The fair value of the Put Option was included in "Other financial asset" of the Group's consolidated statement of financial position and the change in fair value of the Put Option was recorded in the "net fair value loss on the financial instruments at fair value through profit or loss" of the Group's consolidated statement of profit or loss. The banking business segment reported a loss of HK$2 million for the Year (2019 — profit of HK$0.3 million), resulting from a decrease in the fair value of the Put Option.

Other businesses

TIH

The Group recorded a share of loss of HK$38 million from its investment in TIH Limited ("TIH"), an associate of the Company and listed on the Mainboard of the SGX-ST, for the Year (2019 — profit of HK$5 million), mainly attributable to the fair value loss on its investments at FVPL due to the adverse effects of the COVID-19 pandemic. Coupled with the effect of depreciation of Singapore dollar during the Year, the interests in TIH as at 31 March 2020 decreased to HK$237 million (31 March 2019 — HK$296 million).

Mineral exploration and extraction

Reference was made to the Group's interest in a minority ownership interest in Skye Mineral Partners, LLC ("Skye") whose major asset, prior to the events described below, was substantially all of the equity interests in CS Mining, LLC ("CS Mining"), a company that owned a number of copper ore deposits in the Milford Mineral Belt in Beaver County, State of Utah in the U.S.A. and had engaged in the business of mining and processing copper and other minerals. Subsequently, the Group invested in Collyer Quay Limited ("CQL"), a joint venture of the Company, for an investment in a joint venture consortium (the "JV Company"). The JV Company, in which the Group has an effective interest of 45%, acquired all or substantially all of the mining assets (the "Assets") held by CS Mining in a court-supervised sale process under its bankruptcy proceedings in August 2017. In January 2018, a verified complaint (the "Complaint") was filed in a United States state court in Delaware (the "Delaware State Court") by the majority investors in Skye individually and derivatively on behalf of Skye against, among others, certain entities and persons in or related to the Group. The Complaint alleges, among other things, that the majority investors directly and derivatively through their ownership of Skye, suffered from diminution in the value of their equity interests in CS Mining based on an alleged scheme perpetrated by the Group on CS Mining. The Group filed a motion to dismiss the Complaint in 2019. The Delaware State Court recently issued its decision on the motion to dismiss, which was partially granted. With respect to the remaining parts of the Complaint that were not dismissed, the Delaware State Court did not rule on the merits of those claims and therefore, the Group, together with the other persons in or related to the Group, filed an answer and the majority investors in Skye (the "Majority Investors") will now have to provide evidence to establish the claims that were not dismissed. Subsequently, the Group, individually and derivatively on behalf of Skye, filed a counterclaim (the "Counterclaim") against the Majority Investors and their related persons (the "Counterparties"), in which the Group has claimed that the Counterparties had, at all relevant times, controlled over both Skye and CS Mining and had continuously preferred their own interests over those of Skye and its creditors and other owners. As a result, the Counterclaim alleges that the conduct of the Counterparties caused the other parties to the Complaint, including, inter alia, the Group, to suffer loss, and accordingly seeks damages against the Counterparties for such losses. The Group continues to believe the Complaint is wholly frivolous and without basis and the Group will continue to vigorously defend the claims made against it as well as to pursue the Counterclaim.

The JV Company put the mine into care and maintenance mode in early 2019 in order to minimise the costs incurred. CQL fully impaired its investment in the JV Company as at 31 March 2019 and no further loss was shared from this investment for the Year. In 2019, the Group shared a loss of joint ventures of HK$88 million as a result of the drop in copper price and the increased production cost. Segment loss before accounting for the share of results of joint ventures for the Year amounted to HK$11 million (2019 — HK$17 million).

Financial Position

The Group's financial position remained healthy. As at 31 March 2020, its total assets decreased to HK$16.2 billion (31 March 2019 — HK$18.7 billion), mainly due to the decreased cash balances after repayment of bank loans, disposal of subsidiaries by the Group and the payment of dividends to non-controlling shareholders of a subsidiary in food businesses segment as well as decrease in fair value of the financial instruments during the Year, offset by the recognition of right-of-use assets upon the adoption of the new accounting standard for leases on 1 April 2019. Property-related assets amounted to HK$12.2 billion as at 31 March 2020 (31 March 2019 — HK$12.6 billion), representing 75% (31 March 2019 — 67%) of the total assets. As at 31 March 2020, total cash and bank balances (consisting of cash and cash equivalents, time deposits with original maturity of more than three months and restricted cash) decreased to HK$1,293 million (31 March 2019 — HK$2,960 million). Accordingly, current ratio as at 31 March 2020 decreased to 1.5 (31 March 2019 — 2.1).

Total liabilities decreased to HK$2.6 billion (31 March 2019 — HK$3.5 billion), mainly attributable to the repayment of bank and other borrowings and the disposal of subsidiaries by the Group during the Year, offset by the recognition of lease liabilities upon the adoption of the new accounting standard for leases on 1 April 2019.

As at 31 March 2020, bank and other borrowings of the Group decreased to HK$1,940 million (31 March 2019 — HK$2,728 million), which included bank loans of HK$1,571 million (31 March 2019 — HK$2,282 million), other loan of HK$100 million (31 March 2019 — HK$160 million) and unsecured notes of HK$269 million (31 March 2019 — HK$285 million). The balance as at 31 March 2019 also included obligations under finance leases of HK$0.4 million.

As at 31 March 2020, the bank loans comprised secured bank loans of HK$1,079 million (31 March 2019 — HK$1,322 million) and unsecured bank loans of HK$492 million (31 March 2019 — HK$960 million) and were denominated in Hong Kong dollars, Singapore dollars and Malaysian Ringgit. The bank loans were secured by fixed and floating charges on certain properties and assets of certain subsidiaries and shares in certain subsidiaries of the Group. Where appropriate, the Group would use interest rate swaps to modify the interest rate characteristics of its borrowings to limit interest rate exposure. As at 31 March 2020, 3% of the Group's bank loans effectively carried fixed rate of interest and the remaining were at floating rates. Other loan, denominated in Hong Kong dollars, was unsecured fixed rate loan from a holding company of the Company. The unsecured notes were unsecured, denominated in Singapore dollars, and carried interest at a rate of 2.25% per annum. The Group purchased certain motor vehicles under hire purchase which were secured by the rights to the leased fixed assets. The related hire purchase commitment previously recorded under obligation under finance leases were reclassified to lease liabilities on 1 April 2019 upon the initial application of new accounting standard for leases. As at 31 March 2020, hire purchase commitment amounted to HK$0.2 million and was included in lease liabilities on the statement of financial position.

As at 31 March 2020, approximately 47% (31 March 2019 — 47%) of the bank and other borrowings were repayable within one year. As at 31 March 2020, the gearing ratio (measured as total borrowings, net of non-controlling interests, to equity attributable to equity holders of the Company) was 15.9% (31 March 2019 — 20.7%). The Group does not expect any liquidity pressures under the current COVID-19 pandemic.

The net asset value attributable to equity holders of the Company amounted to HK$9.5 billion as at 31 March 2020 (31 March 2019 — HK$10.2 billion). This was equivalent to HK$19.3 per share as at 31 March 2020 (31 March 2019 — HK$20.7 per share).

The Group monitors the relative 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$20 million as at 31 March 2020 (31 March 2019 — HK$37 million) issued in lieu of rental and utility deposits for the premises used for operation of food businesses. Approximately 13% (31 March 2019 — 45%) of the bankers' guarantees were secured by certain bank deposits of the Group and corporate guarantees from the shareholders of a subsidiary. Aside from the abovementioned, the Group had neither material contingent liabilities outstanding nor charges on the Group's assets at the end of the Year (31 March 2019 — Nil).

The Group's commitments are mainly related to the securities investments and the new food factory in Malaysia. Due to the progress payment of the purchase of equipment for the new factory, total commitment as at 31 March 2020 decreased to HK$105 million (31 March 2019 — HK$170 million). 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 1,005 full-time employees as at 31 March 2020 (31 March 2019 — 1,099 full-time employees). Staff costs (including directors' emoluments) from continuing operations charged to the statement of profit or loss for the Year amounted to HK$413 million (2019 — HK$524 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

Looking ahead, the global economy may continue to experience sharp contraction in the near term as the major economies are still facing the serious threat of COVID-19. Economic recovery remains highly uncertain as most countries are vulnerable to the developments of COVID-19. It is anticipated that the impact of COVID-19 and the economic contraction will continue to affect the economic and social activities in the places at which the Group and its associates and joint ventures have operations. The trade and political tensions between the U.S.A. and the PRC will continue to affect the volatility in the financial markets.

Moving forward, the Group will be watchful of the new developments. It will remain focused on strengthening and boosting the value of its existing operations and seek suitable business opportunities with a view to enhancing shareholders return and sustainable long term value.

DIVIDENDS

The Directors have resolved to recommend to shareholders at the forthcoming Annual General Meeting to be held on Tuesday, 8 September 2020 (the "2020 AGM") the payment of a final dividend of HK5 cents per share (2019 — HK5 cents per share) amounting to approximately HK$24.7 million for the year ended 31 March 2020 (2019 — approximately HK$24.7 million). Together with the interim dividend of HK4 cents per share (For the six months ended 30 September 2018 — HK3 cents per share) paid in January 2020, total dividends for the year ended 31 March 2020 will be HK9 cents per share (2019 — HK8 cents per share) amounting to approximately HK$44.4 million (2019 — approximately HK$39.5 million). Subject to the approval of shareholders at the 2020 AGM, the final dividend will be paid on or about Wednesday, 30 September 2020 to shareholders whose names appear on the Register of Members on Wednesday, 16 September 2020.

CLOSURE OF REGISTER OF MEMBERS

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

(i) from Thursday, 3 September 2020 to Tuesday, 8 September 2020 (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 2020 AGM. In order to be entitled to attend and vote at the 2020 AGM, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Registrar, Tricor Progressive Limited, Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Wednesday, 2 September 2020; and

(ii) from Monday, 14 September 2020 to Wednesday, 16 September 2020 (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 Progressive Limited, Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Friday, 11 September 2020.

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

During the year ended 31 March 2020, 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 shareholder value.

To the best knowledge and belief of the Directors, the Directors consider that 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 year ended 31 March 2020.

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 31 March 2020.

REVIEW OF PRELIMINARY RESULTS ANNOUNCEMENT BY INDEPENDENT AUDITOR

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 March 2020 (the "Year") as set out in this preliminary announcement have been agreed by the Group's independent auditor, Ernst & Young, to the amounts set out in the Group's draft consolidated financial statements for the Year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently, no assurance has been expressed by Ernst & Young on this preliminary announcement.

By Order of the Board
Lippo Limited
John Luen Wai Lee
Managing Director and Chief Executive Officer

Hong Kong, 29 June 2020

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