LIPPO CHINA RESOURCES LIMITED
力寶華潤有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 156)

FINAL RESULTS
FOR THE NINE MONTHS ENDED 31 DECEMBER 2020

The Directors of Lippo China Resources Limited (the "Company") announce the consolidated final results of the Company and its subsidiaries (collectively, the "Group") for the nine months ended 31 December 2020 together with the comparative figures for the year ended 31 March 2020 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the nine months ended 31 December 2020

	Note	**Nine months ended 31 December 2020 HK$'000**	Year ended 31 March 2020 HK$'000
Revenue	4	**491,697**	855,720
Cost of sales		**(225,887)**	(283,307)
Gross profit		**265,810**	572,413
Other income	5	**45,902**	22,635
Administrative expenses		**(272,885)**	(581,855)
Other operating expenses	7	**(140,420)**	(183,181)
Gain on disposal of subsidiaries		**–**	342,679
Net fair value loss on investment properties		**(61,387)**	(94,747)
Net fair value gain/(loss) on financial instruments at fair value through profit or loss	7	**131,776**	(166,861)
Other losses — net	6	**(17,394)**	(13,229)
Finance costs		**(28,445)**	(44,856)
Share of results of associates		**33,558**	(41,745)
Share of results of joint ventures		**(202)**	(239)
Loss before tax	7	**(43,687)**	(188,986)
Income tax	8	**909**	578
Loss for the period/year		**(42,778)**	(188,408)
Attributable to:			
Equity holders of the Company		**(11,630)**	(361,035)
Non-controlling interests		**(31,148)**	172,627
		(42,778)	(188,408)
		HK cents	HK cents
Loss per share attributable to equity holders of the Company	9		
Basic and diluted		**(0.13)**	(3.93)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the nine months ended 31 December 2020

	Nine months ended 31 December 2020 HK$'000	Year ended 31 March 2020 HK$'000
Loss for the period/year	**(42,778)**	(188,408)
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	**48,454**	(58,795)
Exchange differences reclassified to profit or loss upon:		
Disposal of foreign subsidiaries	**–**	11,351
Liquidation of foreign operations	**1,907**	(13,985)
Deemed disposal of an associate	**(32)**	–
Derecognition of an associate	**–**	1,511
Share of other comprehensive income/(loss) of associates	**48,938**	(39,924)
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods, net of tax	**99,267**	(99,842)
Other comprehensive 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	**(6,786)**	(36,401)
Other comprehensive income/(loss) for the period/year, net of tax	**92,481**	(136,243)
Total comprehensive income/(loss) for the period/year	**49,703**	(324,651)
Attributable to:		
Equity holders of the Company	**50,927**	(486,296)
Non-controlling interests	**(1,224)**	161,645
	49,703	(324,651)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2020

	Note	**31 December 2020 HK$'000**	31 March 2020 HK$'000
Non-current assets			
Intangible assets		**21,034**	21,034
Exploration and evaluation assets		**1,370**	882
Fixed assets		**1,097,645**	1,065,288
Investment properties		**673,670**	713,445
Right-of-use assets		**127,586**	133,715
Interests in associates		**767,809**	664,425
Interests in joint ventures	11	**74,477**	32,163
Financial assets at fair value through other comprehensive income		**102,896**	105,620
Financial assets at fair value through profit or loss		**468,796**	385,762
Debtors, prepayments and other assets	12	**10,615**	11,872
Other financial asset		**1,199**	–
Deferred tax assets		**4,815**	2,807
		3,351,912	3,137,013
Current assets			
Inventories		**15,839**	10,389
Debtors, prepayments and other assets	12	**188,848**	263,253
Financial assets at fair value through profit or loss		**564,304**	442,186
Tax recoverable		**2,698**	320
Restricted cash		**55,844**	51,854
Time deposits with original maturity of more than three months		**73,034**	66,176
Cash and cash equivalents		**996,714**	981,788
		1,897,281	1,815,966
Current liabilities			
Bank and other borrowings		**457,858**	691,967
Lease liabilities		**43,298**	45,680
Creditors, accruals and other liabilities	13	**272,312**	260,145
Other financial liabilities		**23,519**	21,606
Tax payable		**122,631**	125,584
		919,618	1,144,982
Net current assets		**977,663**	670,984
Total assets less current liabilities		**4,329,575**	3,807,997

	Note	**31 December 2020 HK$'000**	31 March 2020 HK$'000
Non-current liabilities			
Bank and other borrowings		**716,352**	152,726
Lease liabilities		**91,713**	94,560
Creditors, accruals and other liabilities	13	**9,418**	6,453
Other financial liability		**1,343**	1,303
Deferred tax liabilities		**28,606**	28,645
		847,432	283,687
Net assets		**3,482,143**	3,524,310
Equity			
Equity attributable to equity holders of the Company			
Share capital		**1,705,907**	1,705,907
Reserves		**1,417,651**	1,458,594
		3,123,558	3,164,501
Non-controlling interests		**358,585**	359,809
		3,482,143	3,524,310

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 2020, except for the adoption of the revised HKFRSs as disclosed in Note 2 to the final results.

The unaudited financial information relating to the nine months ended 31 December 2020 and the financial information relating to the year ended 31 March 2020 included in this preliminary announcement of final results for the nine months ended 31 December 2020 does not constitute the Company's statutory annual consolidated financial statements for those period/year but, in respect of the year ended 31 March 2020, 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 nine months ended 31 December 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 2020 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 2020. 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.

Change of financial year end date

Pursuant to a resolution of the Board of Directors passed on 18 September 2020, the Company's financial year end date was changed from 31 March to 31 December. Accordingly, the current financial period covers a 9-month period from 1 April 2020 to 31 December 2020. The comparative figures cover a 12-month period from 1 April 2019 to 31 March 2020, which may not be comparable with amounts shown for the current period.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the *Conceptual Framework for Financial Reporting 2018* and the following revised HKFRSs for the first time for the current period's final results:

Amendments to HKFRS 3	*Definition of a Business*
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	*Interest Rate Benchmark Reform*
Amendment to HKFRS 16	*Covid-19-Related Rent Concessions* (early adopted)
Amendments to HKAS 1 and HKAS 8	*Definition of Material*

Other than as explained below regarding the impact of Amendment to HKFRS 16, the application of the *Conceptual Framework for Financial Reporting 2018* and the revised HKFRSs has had no significant financial effect on the final results.

Amendment to HKFRS 16 provides a practical expedient for lessees to elect not to apply lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. The practical expedient applies only to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if (i) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; (ii) any reduction in lease payments affects only payments originally due on or before 30 June 2021; and (iii) there is no substantive change to other terms and conditions of the lease. The amendment is effective retrospectively for annual periods beginning on or after 1 June 2020 with earlier application permitted.

During the nine months ended 31 December 2020, certain monthly lease payments for the leases of the Group's leased properties have been reduced by the lessors as a result of the COVID-19 pandemic and there are no other changes to the terms of the leases. The Group has early adopted the amendment on 1 April 2020 and elected not to apply lease modification accounting for all rent concessions granted by the lessors as a result of the COVID-19 pandemic during the nine months ended 31 December 2020. Accordingly, a reduction in the lease payments arising from the rent concessions of HK$8,299,000 has been accounted for as variable lease payments by derecognising part of the lease liabilities and crediting to profit or loss for the nine months ended 31 December 2020.

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 treasury investment segment includes investments in money markets;

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

(d) the food businesses segment mainly includes food manufacturing and retailing, the management of restaurants and food court operations;

(e) the healthcare services segment includes the provision of healthcare management services; and

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

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.

Nine months ended 31 December 2020

	Property investment HK$'000	Treasury investment HK$'000	Securities investment HK$'000	Food businesses HK$'000	Healthcare services HK$'000	Other HK$'000	Inter-segment elimination HK$'000	Consolidated HK$'000
Revenue								
External	14,937	3,187	15,848	446,018	–	11,707	–	491,697
Inter-segment	2,269	–	–	–	–	6,070	(8,339)	–
Total	17,206	3,187	15,848	446,018	–	17,777	(8,339)	491,697
Segment results	(75,278)	3,187	135,298	(22,939)	(2,025)	(8,122)	(490)	29,631
Unallocated corporate expenses								(92,549)
Finance costs								(14,125)
Share of results of associates	–	–	–	–	7,002	26,556	–	33,558
Share of results of joint ventures	–	–	–	(196)	–	(6)	–	(202)
Loss before tax								(43,687)
Segment assets	1,321,388	369,243	1,647,355	909,938	–	108,269	(15,686)	4,340,507
Interests in associates	–	–	–	–	431,252	336,557	–	767,809
Interests in joint ventures	–	–	41,512	32,238	368	359	–	74,477
Unallocated assets								66,400
Total assets								5,249,193
Segment liabilities	221,556	–	61,374	547,403	416,466	471,736	(858,913)	859,622
Unallocated liabilities								907,428
Total liabilities								1,767,050
Other segment information:								
Capital expenditure *(Note)*	4	–	–	63,866	–	461	–	64,331
Depreciation	(13,228)	–	–	(61,905)	–	(662)	2,254	(73,541)
Interest income	–	3,187	–	1,911	–	1,598	–	6,696
Finance costs	–	–	–	(10,271)	–	(4,709)	660	(14,320)
Loss on disposal of fixed assets	–	–	–	(34)	–	–	–	(34)
Gain on deemed disposal of an associate	–	–	–	–	–	195	–	195
Provisions for impairment losses on:								
Fixed assets	(12,238)	–	–	–	–	–	–	(12,238)
Joint ventures	–	–	–	–	(212)	(980)	–	(1,192)
Inventories	–	–	–	(2,409)	–	–	–	(2,409)
Loans and receivables	–	–	–	(507)	–	–	–	(507)
Realised translation losses reclassified to the statement of profit or loss relating to liquidation of foreign operations	–	–	–	(1,503)	–	(404)	–	(1,907)
Net fair value gain on financial instruments at fair value through profit or loss	–	–	128,360	3,416	–	–	–	131,776
Net fair value loss on investment properties	(61,387)	–	–	–	–	–	–	(61,387)
Unallocated:								
Capital expenditure *(Note)*								142
Depreciation								(8,180)
Finance costs								(14,125)
Loss on disposal of fixed assets								(712)

Year ended 31 March 2020

	Property investment HK$'000	Treasury investment HK$'000	Securities investment HK$'000	Food businesses HK$'000	Healthcare services HK$'000	Other HK$'000	Inter-segment elimination HK$'000	Consolidated HK$'000
Revenue								
External	24,565	14,905	16,450	785,326	–	14,474	–	855,720
Inter-segment	4,596	–	–	–	–	1,702	(6,298)	–
Total	29,161	14,905	16,450	785,326	–	16,176	(6,298)	855,720
Segment results	(99,743)	14,905	(143,853)	278,433	(896)	(7,613)	652	41,885
Unallocated corporate expenses								(168,821)
Finance costs								(20,066)
Share of results of associates	–	–	–	–	(4,118)	(37,627)	–	(41,745)
Share of results of joint ventures	–	–	–	(230)	–	(9)	–	(239)
Loss before tax								(188,986)
Segment assets	1,382,825	302,834	1,531,537	851,332	–	149,529	(16,504)	4,201,553
Interests in associates	–	–	–	–	394,071	270,354	–	664,425
Interests in joint ventures	–	–	–	31,243	580	340	–	32,163
Unallocated assets								54,838
Total assets								4,952,979
Segment liabilities	223,417	–	12,102	478,582	398,902	427,419	(391,529)	1,148,893
Unallocated liabilities								279,776
Total liabilities								1,428,669
Other segment information:								
Capital expenditure *(Note)*	28	–	–	235,883	–	338	–	236,249
Depreciation	(21,756)	–	–	(167,585)	–	(328)	4,714	(184,955)
Interest income	–	14,905	–	5,563	–	938	–	21,406
Finance costs	–	–	–	(18,988)	–	(6,343)	541	(24,790)
Gain/(Loss) on disposal of:								
Subsidiaries	–	–	–	342,679	–	–	–	342,679
Fixed assets	–	–	–	(4,775)	–	–	–	(4,775)
An investment property	(1,254)	–	–	–	–	–	–	(1,254)
Loss on derecognition of associates	–	–	–	–	–	(1,519)	–	(1,519)
Write-back of provisions/(Provisions) for impairment losses on:								
Fixed assets	(20,192)	–	–	3,265	–	–	–	(16,927)
An associate	–	–	–	–	–	209	–	209
Joint ventures	–	–	–	–	(896)	(717)	–	(1,613)
Inventories	–	–	–	(667)	–	–	–	(667)
Loans and receivables	–	–	–	(1,539)	–	–	–	(1,539)
Fixed assets written off	–	–	–	(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)
Net fair value loss on financial instruments at fair value through profit or loss	–	–	(155,020)	(11,841)	–	–	–	(166,861)
Net fair value loss on investment properties	(94,747)	–	–	–	–	–	–	(94,747)
Unallocated:								
Capital expenditure *(Note)*								1,299
Depreciation								(11,572)
Finance costs								(20,066)
Gain on disposal of fixed assets								133
Net realised translation gains reclassified to the statement of profit or loss relating to liquidation of foreign operations								24,419

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

Geographical information

(a) Revenue from external customers

	Nine months ended 31 December 2020 HK$'000	Year ended 31 March 2020 HK$'000
Hong Kong	**161,082**	254,714
Mainland China	**6,776**	10,918
Republic of Singapore	**315,515**	565,632
Malaysia	**–**	9,572
Other	**8,324**	14,884
	491,697	855,720

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

(b) Non-current assets

	31 December 2020 HK$'000	31 March 2020 HK$'000
Hong Kong	**1,182,594**	1,259,394
Mainland China	**201,693**	189,980
Republic of Singapore	**875,728**	780,251
Malaysia	**374,896**	319,596
Other	**128,759**	81,731
	2,763,670	2,630,952

The non-current assets 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$90,271,000 for the nine months ended 31 December 2020 (year ended 31 March 2020 — HK$118,793,000) was derived from sales by the food businesses segment to a single customer.

4. REVENUE

An analysis of revenue is as follows:

	Nine months ended 31 December 2020 HK$'000	Year ended 31 March 2020 HK$'000
Revenue from contracts with customers:		
Sale of goods and fast-moving consumer products	**244,657**	307,446
Sale of food and beverage	**196,236**	371,342
Provision of management services	**9,281**	13,226
	450,174	692,014
Revenue from other sources:		
Fees charged to food court tenants		
Variable lease payments that do not depend on an index or a rate	**–**	8,018
Other lease payments, including fixed payments	**–**	81,190
	–	89,208
Property rental income from operating leases	**14,937**	24,565
Interest income	**6,090**	20,590
Dividend income	**15,848**	16,450
Other	**4,648**	12,893
	491,697	855,720

Revenue from contracts with customers
Disaggregated revenue information
Nine months ended 31 December 2020

Segments	**Food businesses HK$'000**	**Other HK$'000**	**Total HK$'000**
Types of goods or services:			
Sale of goods and fast-moving consumer products	**244,657**	**–**	**244,657**
Sale of food and beverage	**196,236**	**–**	**196,236**
Provision of management services	**–**	**9,281**	**9,281**
Total revenue from contracts with customers	**440,893**	**9,281**	**450,174**
Geographical markets:			
Hong Kong	**132,510**	**7,705**	**140,215**
Mainland China	**–**	**1,576**	**1,576**
Republic of Singapore	**308,383**	**–**	**308,383**
Total revenue from contracts with customers	**440,893**	**9,281**	**450,174**
Timing of revenue recognition:			
Goods transferred at a point in time	**440,893**	**–**	**440,893**
Services transferred over time	**–**	**9,281**	**9,281**
Total revenue from contracts with customers	**440,893**	**9,281**	**450,174**

Year ended 31 March 2020

Segments	Food businesses HK$'000	Other HK$'000	Total 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	–	13,226	13,226
Total revenue from contracts with customers	678,788	13,226	692,014
Geographical markets:			
Hong Kong	217,022	11,091	228,113
Mainland China	–	2,135	2,135
Republic of Singapore	459,058	–	459,058
Malaysia	2,708	–	2,708
Total revenue from contracts with customers	678,788	13,226	692,014
Timing of revenue recognition:			
Goods transferred at a point in time	678,788	–	678,788
Services transferred over time	–	13,226	13,226
Total revenue from contracts with customers	678,788	13,226	692,014

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

Segments	**Food businesses HK$'000**	**Other HK$'000**	**Total HK$'000**
Nine months ended 31 December 2020			
Revenue from contracts with customers			
External customers	**440,893**	**9,281**	**450,174**
Inter-segment	**–**	**6,070**	**6,070**
Total revenue from contracts with customers	**440,893**	**15,351**	**456,244**
Revenue from other sources — external	**5,125**	**2,426**	**7,551**
Total segment revenue	**446,018**	**17,777**	**463,795**
Year ended 31 March 2020			
Revenue from contracts with customers			
External customers	678,788	13,226	692,014
Inter-segment	–	1,702	1,702
Total revenue from contracts with customers	678,788	14,928	693,716
Revenue from other sources — external	106,538	1,248	107,786
Total segment revenue	785,326	16,176	801,502

5. OTHER INCOME

	Nine months ended 31 December 2020 HK$'000	Year ended 31 March 2020 HK$'000
Government grants *(Note)*	**45,296**	–
Interest income from promissory note	**606**	816
Recovery of costs from food court tenants	**–**	21,819
	45,902	22,635

Note: Government grants mainly represent subsidies received in connection with COVID-19 pandemic in Hong Kong and Singapore. There are no unfulfilled conditions or other contingencies attaching to these grants.

6. OTHER LOSSES — NET

	Nine months ended 31 December 2020 HK$'000	Year ended 31 March 2020 HK$'000
Loss on disposal of:		
Fixed assets	**(746)**	(4,642)
An investment property	**–**	(1,254)
Gain on deemed disposal of an associate	**195**	–
Loss on derecognition of associates	**–**	(1,519)
Write-back of provisions/(Provisions) for impairment losses on:		
Fixed assets	**(12,238)**	(16,927)
An associate	**–**	209
Joint ventures	**(1,192)**	(1,613)
Inventories	**(2,409)**	(667)
Loans and receivables	**(507)**	(1,539)
Bad debt recovered	**–**	4,618
Fixed assets written off	**–**	(2,627)
Foreign exchange gains/(losses) — net	**1,410**	(1,253)
Realised translation gains/(losses) reclassified to the statement of profit or loss relating to liquidation of foreign operations	**(1,907)**	13,985
	(17,394)	(13,229)

7. LOSS BEFORE TAX

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

	Nine months ended 31 December 2020 HK$'000	Year ended 31 March 2020 HK$'000
Net fair value gain/(loss) on financial instruments at fair value through profit or loss:		
Financial assets at fair value through profit or loss held for trading:		
Equity securities	**79,432**	(150,072)
Investment funds	**(10,982)**	319
Other financial assets mandatorily classified at fair value through profit or loss:		
Debt securities	**(390)**	(1,916)
Investment funds	**62,864**	(5,201)
Financial liabilities at fair value through profit or loss designated as such upon initial recognition	**(864)**	1,850
Derivative financial instruments	**1,716**	(11,841)
	131,776	(166,861)
Interest income:		
Loans and advances	**3,673**	8,998
Promissory note	**606**	816
Other	**2,417**	11,592
Depreciation of fixed assets	**(39,106)**	(64,525)
Depreciation of right-of-use assets	**(42,615)**	(132,002)
Cost of inventories sold	**(224,476)**	(281,325)
Selling and distribution expenses#	**(22,662)**	(17,789)
Legal and professional fees#	**(18,074)**	(30,166)
Consultancy and service fees#	**(41,276)**	(48,866)
Utilities charges#	**(7,819)**	(26,887)
Repairs and maintenance expenses#	**(6,677)**	(23,281)

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

8. INCOME TAX

	Nine months ended 31 December 2020 HK$'000	Year ended 31 March 2020 HK$'000
Hong Kong:		
Charge for the period/year	**630**	2,032
Underprovision/(Overprovision) in prior years	**(169)**	438
Deferred	**(67)**	(871)
	394	1,599
Mainland China and overseas:		
Charge for the period/year	**4,664**	14,157
Overprovision in prior years	**(580)**	(12,998)
Deferred	**(5,387)**	(3,336)
	(1,303)	(2,177)
Total credit for the period/year	**(909)**	(578)

Hong Kong profits tax has been provided at the rate of 8.25% or 16.5% (year ended 31 March 2020 — 8.25% or 16.5%), as appropriate. For the companies operating in mainland China and the Republic of Singapore, corporate taxes have been calculated on the estimated assessable profits for the period/year at the rates of 25% and 17% (year ended 31 March 2020 — 25% and 17%), respectively. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

9. LOSS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

(a) Basic loss per share

Basic loss per share is calculated based on (i) the consolidated loss for the period/year attributable to equity holders of the Company; and (ii) the weighted average number of approximately 9,186,913,000 ordinary shares (year ended 31 March 2020 — approximately 9,186,913,000 ordinary shares) in issue during the period/year.

(b) Diluted loss per share

The Group had no potentially dilutive ordinary shares in issue during the nine months ended 31 December 2020 and the year ended 31 March 2020.

10. DIVIDENDS

	Nine months ended 31 December 2020 HK$'000	Year ended 31 March 2020 HK$'000
Interim dividend, declared, of HK0.2 cent (year ended 31 March 2020 — HK0.2 cent) per ordinary share	**18,374**	18,374
Final dividend, proposed, of HK0.35 cent (year ended 31 March 2020 — HK0.5 cent) per ordinary share	**32,154**	45,935
Special final dividend, proposed, of Nil (year ended 31 March 2020 — HK0.3 cent per ordinary share)	**–**	27,561
	50,528	91,870

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

11. INTERESTS IN JOINT VENTURES

Reference was made to the Group's 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. Subsequently, CS Mining sold its assets through a court-supervised sale process under its bankruptcy proceedings and a joint venture of the Company participated and won the bid to acquire the assets 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 (the "Majority Investors") individually and derivatively on behalf of Skye against, among others, certain entities and persons in or related to the Group (collectively, the "Parties"). 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 Parties on CS Mining. The Parties filed a motion to dismiss the Complaint in 2019. The Delaware State Court issued a decision on the motion to dismiss in 2020, partially granting the motion and dismissing several of the causes of action alleged by the Majority Investors. 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 Parties filed its answer and the Majority Investors will have to provide evidence to establish the claims that were not dismissed. The Group, individually and derivatively on behalf of Skye, also filed a counterclaim (the "Counterclaim") against the Majority Investors and their related persons (the "Counterparties"), in which the Group has claimed that the Counterparties, at all relevant times, controlled both Skye and CS Mining and preferred their own interests over those of Skye and its creditors and other owners. As a result, the Counterclaim alleged that the conduct of the Counterparties caused the Group to suffer loss, and accordingly seeks damages against the Counterparties for such losses. The Counterparties have filed a motion to dismiss the Counterclaim but the Group has opposed such motion. The Group continues to believe the Complaint is wholly frivolous and without basis.

12. 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:

	31 December 2020 HK$'000	31 March 2020 HK$'000
Outstanding balances with ages:		
Within 30 days	**33,336**	30,696
Between 31 and 60 days	**24,489**	20,456
Between 61 and 90 days	**15,904**	13,577
Between 91 and 180 days	**1,813**	3,363
	75,542	68,092

13. CREDITORS, ACCRUALS AND OTHER LIABILITIES

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

	31 December 2020 HK$'000	31 March 2020 HK$'000
Outstanding balances with ages:		
Within 30 days	**30,470**	22,722
Between 31 and 60 days	**8,527**	6,307
Between 61 and 90 days	**1,061**	409
Between 91 and 180 days	**1,097**	1,286
Over 180 days	**2,545**	2,382
	43,700	33,106

BUSINESS REVIEW

Overview

The prolonged novel coronavirus (COVID-19) pandemic has severely impacted businesses and economies worldwide. Various COVID-19 containment measures such as travel restrictions and social distancing measures are still implemented in different parts of the world including the places at which the Group and its associates have operations. The businesses of the Group and its associates were affected by the pandemic.

Results for the Period

Pursuant to a resolution of the Board of Directors passed on 18 September 2020, the Company's financial year end date was changed from 31 March to 31 December. Accordingly, the current financial period covers a nine-month period from 1 April 2020 to 31 December 2020 (the "Period"), and the comparative figures cover a twelve-month period from 1 April 2019 to 31 March 2020 ("year ended 31 March 2020"), which may not be comparable with amounts shown for the Period.

Due to the prolonged COVID-19 pandemic, the operating environment of the Group and its associates was difficult and challenging. The Group recorded a consolidated loss attributable to shareholders of HK$12 million for the Period, as compared to a consolidated loss of HK$361 million for the year ended 31 March 2020. The loss was mainly attributable to fair value losses on investment properties and operating loss due to COVID-19 pandemic while partially offset by net fair value gain on financial instruments at fair value through profit or loss during the Period.

Various COVID-19 containment measures affected the food businesses of the Group during the Period. Coupled with the absence of contribution from the food court business which was disposed of in October 2019 and the impact of the restrictive measures under COVID-19, revenue for the Period dropped to HK$492 million (year ended 31 March 2020 – HK$856 million). Food businesses remain the principal sources of revenue of the Group, contributing to 91% (year ended 31 March 2020 – 92%) of total revenue for the Period.

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 amounted to HK$140 million for the Period (year ended 31 March 2020 – HK$183 million).

Food businesses

The Group's food businesses segment recorded a revenue of HK$446 million (year ended 31 March 2020 – HK$785 million), mainly from food manufacturing and food retail operations in chains of cafés and bistros. The substantial decrease in revenue was mainly due to the completion of the disposal of the food court business in October 2019, the adverse impact of the prolonged COVID-19 pandemic on the Group's food businesses for the Period and the shorter reporting period due to the change of financial year end date. The food retail operations were subject to tight social distancing measures, seating restrictions, reduced dining hours and other restrictive policies. The customer traffic dropped significantly. In particular, the Chinese restaurant was affected significantly due to the cancellation of banquets and events under the restrictive policies of the local government during the COVID-19 pandemic. Other than launching different promotions and takeaway product activities, e-commerce business strategy has been implemented to drive takeaway and delivery sales through on-line delivery platforms. The local government's Anti-epidemic Fund and wage subsidies for Employment Support Scheme helped to offset some of these effects. The food manufacturing business in Malaysia under-performed during the Period as the factory is still in limited commercial operation due to various movement control orders in Malaysia during the outbreak of COVID-19. The food businesses segment reported a loss of HK$23 million for the Period (year ended 31 March 2020 – profit of HK$278 million, which included a gain on disposal of subsidiaries of HK$343 million).

The Group will continue to focus on its food manufacturing business and food retail business. The Group has been expanding its food retail business, including the opening of second line of Chatterbox in Hong Kong under the trade name "Chatterbox Express", the first outlet of which was opened in October 2020 in Taikoo Shing. In December 2020, the Group entered into franchise agreements with Chatexpress Pte. Ltd. ("Chatexpress") which formally establish the franchise arrangements to enable the Group to use the know-hows from Chatexpress to expand the food retail business by opening restaurants under the brands of "Chatterbox Café" and "Chatterbox Express" in Hong Kong. The Group is also currently operating restaurants under the brands "alfafa" and "Delifrance". The operation of Chatterbox Café and Chatterbox Express provided a new cuisine but leveraged on the Group's existing expertise. The diversity places the Group in a stronger position for its development and growth strategy of its food retail business.

Property investment

Segment revenue was mainly attributable to recurrent rental income from the Group's investment properties. The Group's property investment portfolio is located mainly in Hong Kong and mainland China. Following the downturn in the economy, the occupancy rate of the property investment portfolio dropped. The Group, like other landlords in Hong Kong, offered rent concessions to its tenants to allow them to cope with such worsening economic conditions. Accordingly, the rental income for the Period dropped to HK$17 million (year ended 31 March 2020 – HK$29 million).

The Group recorded fair value losses on investment properties of HK$61 million for the Period (year ended 31 March 2020 – HK$95 million), which was mainly due to the downturn in the property market in Hong Kong. Besides, a provision of HK$12 million (year ended 31 March 2020 – HK$20 million) for impairment of certain properties located in Hong Kong was recorded during the Period. As a result, segment loss for the Period amounted to HK$75 million (year ended 31 March 2020 – HK$100 million).

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 mainly including listed and unlisted equity securities, debt securities and investment funds. Treasury and securities investments businesses recorded a total revenue of HK$19 million during the Period (year ended 31 March 2020 – HK$31 million), mainly attributable to the dividend income received from the investment portfolio. The Group recorded net fair value gain in the statement of profit or loss from its securities investments of HK$128 million for the Period (year ended 31 March 2020 – loss of HK$155 million) under this segment. As a result, the treasury and securities investments businesses recorded a net profit of HK$138 million in the statement of profit or loss for the Period (year ended 31 March 2020 – loss of HK$129 million).

As at 31 December 2020, the treasury and securities investments portfolio of HK$2,017 million (31 March 2020 – HK$1,834 million) comprised mainly cash and bank balances of HK$876 million (31 March 2020 – HK$899 million), financial assets at fair value through profit or loss ("FVPL") of HK$1,033 million (31 March 2020 – HK$828 million) and financial assets at fair value through other comprehensive income ("FVOCI") of HK$103 million (31 March 2020 – HK$106 million). Further details of securities investments under different categories are as follows:

Financial assets at fair value through profit or loss

As of 31 December 2020, the Group's financial assets at FVPL amounted to HK$1,033 million (31 March 2020 – HK$828 million), comprising equity securities of HK$549 million (31 March 2020 – HK$423 million), debt securities of HK$21 million (31 March 2020 – HK$19 million) and investment funds of HK$463 million (31 March 2020 – HK$386 million).

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

	As at 31 December 2020			As at 31 March 2020	Nine months ended 31 December 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")	85,730	8.3%	1.6%	93,250	(7,520)
Quantedge Global Fund ("Quantedge")	70,314	6.8%	1.3%	45,373	23,822
PT Lippo Karawaci Tbk ("LPKR")	59,701	5.8%	1.1%	–	15,683
Others *(Note)*	817,355	79.1%	15.6%	689,325	98,939
Total	1,033,100	100.0%	19.6%	827,948	130,924

Note: Others comprised of various securities, none of which accounted for more than 5% of financial assets at FVPL as at 31 December 2020.

GSH

As at 31 December 2020, the fair value of the Group's equity securities in GSH amounted to HK$86 million, representing approximately 8.3% and 1.6% of the Group's total financial assets at FVPL and total assets, respectively. GSH, having its shares listed on the Singapore Exchange Securities Trading Limited ("SGX-ST"), is a property developer in Southeast Asia with certain properties under development in Kuala Lumpur and Kota Kinabalu, Malaysia. During the Period, GSH was negatively impacted by COVID-19. Progress on construction for two residential development projects in Malaysia was affected by the various measures taken by the Malaysian Government to control the spread of COVID-19. Besides, due to the continued international border closures and varying restrictions or relaxation measures taken by the Malaysian Government to control COVID-19 pandemic, the financial performance of 2 hotels in Sabah owned and operated by GSH has also been negatively impacted. The share price performance of GSH was not satisfactory, resulting in an unrealised fair value loss of HK$8 million recognised for the Period. The Group received dividend income of HK$1 million from GSH for the Period. 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.

Quantedge

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. Quantedge, an unlisted investment fund, aims 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. As at 31 December 2020, the fair value of the Group's investment in Quantedge amounted to HK$70 million, representing approximately 6.8% and 1.3% of the Group's total financial assets at FVPL and total assets, respectively. The Group reported a fair value gain of HK$24 million for the Period, mainly contributed by global equities led by gains in U.S.A. technology stocks, coupled with the improvement in other assets class in commodities, fixed income and currencies.

LPKR

The Group reported an unrealised fair value gain of HK$16 million for the Period since the acquisition of equity securities in LPKR in July 2020. As at 31 December 2020, the fair value of the Group's equity securities in LPKR amounted to HK$60 million, representing approximately 5.8% and 1.1% of the Group's total financial assets at FVPL and total assets, respectively. LPKR, listed on the Indonesia Stock Exchange, is a leading integrated real estate company in Indonesia. The core business of LPKR comprises urban residential developments, lifestyle malls and healthcare. The share price performance of LPKR may fluctuate due to the volatile stock market.

Financial assets at fair value through other comprehensive income

In addition to the above investments under financial assets at FVPL, the Group also invested 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 December 2020, the fair value of such investments amounted to HK$103 million (31 March 2020 – HK$106 million). During the Period, unrealised fair value loss of HK$7 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 approximately 75% of the Group's total financial assets at FVOCI as at 31 December 2020.

The Group invested approximately HK$7.6 million in eBroker in its three rounds of financing held in 2017 and 2018. The carrying amount of total investments in eBroker amounted to HK$77 million as at 31 December 2020, representing approximately 75% and 1.5% 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. Investment in eBroker gives the Group an opportunity to potentially achieve a medium to long-term capital gain from the Fintech industry. No distribution was made by eBroker. The Group had recorded unrealised fair value gain in prior years by reference to the latest round financing in early 2019. The Group reported a fair value loss of HK$8 million for the Period.

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 December 2020, the Group was interested in approximately 40.91% of the issued shares in Healthway. Healthway is a company listed on the sponsor-supervised listing platform 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.

The introduction of circuit breaker measures by the Singapore Government during the first half of the year 2020 to curb the community transmission had resulted in drop in mobility. With more people staying at home, the patient volume for both the Primary Healthcare segment and Specialist Healthcare segment reduced accordingly. In addition, mandatory deferment of elective surgeries imposed by the Singapore Government as part of the circuit breaker measures further affected revenue for the Specialist Healthcare segment. Following the gradual relaxation in measures introduced by the Singapore Government in the second half of the year 2020 to manage the spread of COVID-19, the revenue of the HMC Group improved but the HMC Group still recorded a decrease in revenue for the Period. Due to lower business activities arising from COVID-19, the HMC Group recorded a reduction in costs and operating expenses. In addition, the HMC Group had also received government grants comprising job support scheme, wage credit and property tax rebates as part of the COVID-19 Stimulus Packages of the Singapore Government. As a result, the HMC Group registered a profit attributable to shareholders of approximately S$3 million for the Period.

The Group's share of profit from the HMC Group amounted to HK$7 million for the Period (year ended 31 March 2020 – share of loss of HK$4 million). Including the effect of appreciation of Singapore dollar during the Period, the Group's interest in Healthway increased to HK$431 million (31 March 2020 – HK$394 million).

The HMC Group was awarded a government contract to manage three vaccination centres for COVID-19 vaccines. The HMC Group will continue to support the Singapore Government's range of initiatives, not only through vaccination efforts, but also through performing COVID-19 Polymerase Chain Reaction testing and serology testing. Anticipating an increase in business and individual travel, the HMC Group offers pre-departure tests ("PDT") at its 38 General Practitioner clinics, with digital PDT certificates issued to its patients.

Other businesses

TIH

The Group recorded a share of profit of HK$25 million from its investment in TIH Limited ("TIH"), an associate of the Company and listed on the Mainboard of the SGX-ST for the Period (year ended 31 March 2020 – share of loss of HK$38 million), mainly attributable to dividend income net off with fair value loss on investments at fair value through profit or loss. Including the effect of appreciation of Singapore dollar during the Period, the Group's interests in TIH as at 31 December 2020 increased to HK$275 million (31 March 2020 – HK$237 million).

TIH's core strategy remains in sourcing for attractive long-term investment opportunities in special situations, corporates deleveraging and non-core secondary assets. Depending on prevailing market conditions, TIH's investments in listed securities may fluctuate, affecting fair value valuations of its portfolio investments, which do not indicate a permanent increase or decline of the investment portfolio's valuation. TIH launched a new Asian active engagement fund, namely, Vasanta Fund, via a joint venture in May 2020 to focus on undervalued listed companies in Asia Pacific and unlock value through active engagement with the management and stakeholders.

Mineral exploration and extraction

Reference was made to the Group's 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. Subsequently, CS Mining sold its assets through a court-supervised sale process under its bankruptcy proceedings and a joint venture of the Company participated and won the bid to acquire the assets 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 (the "Majority Investors") individually and derivatively on behalf of Skye against, among others, certain entities and persons in or related to the Group (collectively, the "Parties"). 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 Parties on CS Mining. The Parties filed a motion to dismiss the Complaint in 2019. The Delaware State Court issued a decision on the motion to dismiss in 2020, partially granting the motion and dismissing several of the causes of action alleged by the Majority Investors. 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 Parties filed its answer and the Majority Investors will have to provide evidence to establish the claims that were not dismissed. The Group, individually and derivatively on behalf of Skye, also filed a counterclaim (the "Counterclaim") against the Majority Investors and their related persons (the "Counterparties"), in which the Group has claimed that the Counterparties, at all relevant times, controlled both Skye and CS Mining and preferred their own interests over those of Skye and its creditors and other owners. As a result, the Counterclaim alleged that the conduct of the Counterparties caused the Group to suffer loss, and accordingly seeks damages against the Counterparties for such losses. The Counterparties have filed a motion to dismiss the Counterclaim but the Group has opposed such motion. The Group continues to believe the Complaint is wholly frivolous and without basis.

Financial Position

The Group's financial position remained healthy. As at 31 December 2020, its total assets amounted to HK$5.2 billion (31 March 2020 – HK$5.0 billion). As at 31 December 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) amounted to HK$1.1 billion (31 March 2020 – HK$1.1 billion). Total liabilities increased to HK$1.8 billion (31 March 2020 – HK$1.4 billion). Current ratio as at 31 December 2020 increased to 2.1 (31 March 2020 – 1.6) after the completion of re-financing of certain bank loans during the Period.

As at 31 December 2020, bank and other borrowings of the Group increased to HK$1,174 million (31 March 2020 – HK$845 million), which included bank borrowings of HK$885 million (31 March 2020 – HK$576 million) and unsecured notes of HK$289 million (31 March 2020 – HK$269 million).

As at 31 December 2020, the bank borrowings comprised secured bank loans of HK$883 million (31 March 2020 – HK$576 million) and unsecured bank overdraft of HK$2 million (31 March 2020 – Nil). The bank borrowings 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 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 December 2020, approximately 7% (31 March 2020 – 9%) of the Group's bank borrowings effectively carried fixed rate of interest and the remaining were at floating rates. The unsecured notes were unsecured, denominated in Singapore dollars, and carried interest at a rate of 2.25% per annum. Such unsecured notes were redeemed in February 2021. The Group purchased certain motor vehicles under hire purchase which were secured by the rights to the leased fixed assets. As at 31 December 2020, hire purchase commitment amounted to HK$0.1 million (31 March 2020 – HK$0.2 million) and was included in lease liabilities on the statement of financial position.

As at 31 December 2020, approximately 39% (31 March 2020 – 82%) of the bank and other borrowings were repayable within one year. As at 31 December 2020, the gearing ratio (measured as total borrowings, net of non-controlling interests, to equity attributable to equity holders of the Company) was 33.2% (31 March 2020 – 23.1%). The Group does not expect any liquidity pressures under the prolonged COVID-19 pandemic.

The net asset value attributable to equity holders of the Company amounted to HK$3.1 billion as at 31 December 2020 (31 March 2020 – HK$3.2 billion). This was equivalent to HK$0.34 per share as at 31 December 2020 (31 March 2020 – HK$0.34 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 HK$4 million as at 31 December 2020 (31 March 2020 – HK$20 million) issued in lieu of rental and utility deposits for the premises used for operation of food businesses. Approximately 58% (31 March 2020 – 13%) 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 Period (31 March 2020 – Nil).

The Group's commitments are mainly related to the securities investments and the new food factory in Malaysia. As a lot of the equipment for the new food factory was purchased, total commitment as at 31 December 2020 decreased to HK$57 million (31 March 2020 – HK$104 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 945 full-time employees as at 31 December 2020 (31 March 2020 – 965 full-time employees). Staff costs (including directors' emoluments) charged to the statement of profit or loss for the Period amounted to HK$218 million (year ended 31 March 2020 – HK$379 million). The Group ensures that its employees are offered competitive remuneration packages. The Group also provides benefits such as medical insurance and retirement funds to employees to sustain competitiveness of the Group.

PROSPECTS

The global economy started to recover but the strength of the recovery is projected to vary significantly across countries, depending on the development of the pandemic, progress of mass vaccination campaigns and the effectiveness of policy support to drive economic recovery. Evolving relations between the PRC and the U.S.A. and geopolitical tensions could weigh on the global trade and the global economic recovery. The Group and its associates remain cautious towards the outlook of their businesses. They will continue their efforts to mitigate the challenging operating environment and manage its financial resources prudently. They will also seek suitable business opportunities cautiously for long-term growth.

DIVIDENDS

The Directors have resolved to recommend to shareholders at the forthcoming Annual General Meeting to be held on Tuesday, 8 June 2021 (the "2021 AGM") the payment of a final dividend of HK0.35 cent per share (year ended 31 March 2020 – HK0.5 cent per share and a special final dividend of HK0.3 cent per share) amounting to approximately HK$32.2 million for the nine months ended 31 December 2020 (year ended 31 March 2020 – approximately HK$73.5 million). Together with the interim dividend of HK0.2 cent per share (For the six months ended 30 September 2019 – HK0.2 cent per share) paid in January 2021, total dividends for the nine months ended 31 December 2020 will be HK0.55 cent per share (year ended 31 March 2020 – HK1 cent per share) amounting to approximately HK$50.5 million (year ended 31 March 2020 – approximately HK$91.9 million). Subject to the approval of shareholders at the 2021 AGM, the final dividend will be paid on or about Friday, 25 June 2021 to shareholders whose names appear on the Register of Members on Thursday, 17 June 2021.

CLOSURE OF REGISTER OF MEMBERS

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

(i) from Thursday, 3 June 2021 to Tuesday, 8 June 2021 (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 2021 AGM. In order to be entitled to attend and vote at the 2021 AGM, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Registrar, Tricor Tengis Limited, Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Wednesday, 2 June 2021; and

(ii) from Tuesday, 15 June 2021 to Thursday, 17 June 2021 (both dates inclusive) during which period no transfer of share will be registered, for the purpose of ascertaining shareholders' entitlement to the proposed final dividend. In order to qualify for the proposed final dividend, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Registrar, Tricor Tengis Limited, Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Friday, 11 June 2021.

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

During the nine months ended 31 December 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 nine months ended 31 December 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 Group for the nine months ended 31 December 2020.

AUDITOR'S PROCEDURES ON THIS PRELIMINARY ANNOUNCEMENT

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 nine months ended 31 December 2020 (the "Period") 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 Period. 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 China Resources Limited
John Luen Wai Lee
Chief Executive Officer

Hong Kong, 30 March 2021

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