Lippo Limited
力寶有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 226)

2019
INTERIM REPORT

Contents

The Directors of Lippo Limited (the "Company") present the unaudited condensed consolidated interim financial statements of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 September 2019.

Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 September 2019

	Note	Unaudited Six months ended 30 September 2019 HK$'000	2018 HK$'000
Continuing operations			
Revenue	4	**528,964**	1,307,411
Cost of sales	7	**(144,416)**	(717,905)
Gross profit		**384,548**	589,506
Other income	5	**19,194**	16,198
Administrative expenses		**(322,782)**	(357,801)
Other operating expenses	7	**(102,455)**	(207,127)
Fair value gain/(loss) on investment properties		**(65,859)**	16,300
Net fair value loss on financial instruments at fair value through profit or loss	7	**(7,254)**	(184,765)
Other gains/(losses) — net	6	**15,249**	(27,524)
Finance costs		**(52,636)**	(45,987)
Share of results of associates		**11,791**	(9,946)
Share of results of joint ventures	8	**263,942**	(160,295)
Profit/(Loss) before tax from continuing operations	7	**143,738**	(371,441)
Income tax	9	**(7,547)**	(17,568)
Profit/(Loss) for the period from continuing operations		**136,191**	(389,009)
Discontinued operation			
Loss for the period from discontinued operation	10	**–**	(4,667)
Profit/(Loss) for the period		**136,191**	(393,676)
Attributable to:			
Equity holders of the Company		**88,753**	(311,664)
Non-controlling interests		**47,438**	(82,012)
		136,191	(393,676)
		HK cents	HK cents
Earnings/(Loss) per share attributable to equity holders of the Company	11		
Basic and diluted			
— For profit/(loss) for the period		**18**	(63)
— For profit/(loss) from continuing operations		**18**	(62)

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 September 2019

	Unaudited Six months ended 30 September 2019 HK$'000	2018 HK$'000 (Restated)
Profit/(Loss) for the period	**136,191**	(393,676)
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	**(47,366)**	(126,887)
Exchange differences reclassified to profit or loss upon liquidation of foreign operations	**(19,752)**	–
Share of other comprehensive loss of associates	**(14,500)**	(34,593)
Share of other comprehensive income/(loss) of joint ventures:		
Exchange differences on translation of foreign operations	**(181,920)**	(333,810)
Other reserves	**(14,639)**	6,469
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods, net of tax	**(278,177)**	(488,821)
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	**(20,789)**	(35,806)
Share of changes in fair value of equity instruments at fair value through other comprehensive income of joint ventures	**88,080**	(368,757)
Gain on property revaluation	**–**	2,790
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods, net of tax	**67,291**	(401,773)
Other comprehensive loss for the period, net of tax	**(210,886)**	(890,594)
Total comprehensive loss for the period	**(74,695)**	(1,284,270)
Attributable to:		
Equity holders of the Company	**(59,105)**	(925,055)
Non-controlling interests	**(15,590)**	(359,215)
	(74,695)	(1,284,270)
Total comprehensive loss for the period attributable to equity holders of the Company:		
— From continuing operations	**(59,105)**	(921,135)
— From discontinued operation	**–**	(3,920)
	(59,105)	(925,055)

Condensed Consolidated Statement of Financial Position

As at 30 September 2019

	Note	**30 September 2019 HK$'000 (Unaudited)**	31 March 2019 HK$'000 (Audited)
Non-current assets			
Intangible assets		**20,977**	181,592
Exploration and evaluation assets		**801**	602
Fixed assets		**1,044,091**	1,091,618
Right-of-use assets	2.1	**132,131**	–
Investment properties		**843,325**	923,465
Interests in associates		**1,102,656**	1,114,187
Interests in joint ventures	8	**10,495,525**	10,524,740
Financial assets at fair value through other comprehensive income		**335,414**	356,513
Financial assets at fair value through profit or loss		**395,077**	392,359
Debtors, prepayments and other assets	13	**148,606**	38,634
Other financial asset		**44,103**	49,087
Deferred tax assets		**845**	845
		14,563,551	14,673,642
Current assets			
Properties held for sale		**82,540**	86,165
Properties under development		**30,487**	29,566
Inventories		**8,849**	11,349
Loans and advances		**140,476**	83,631
Debtors, prepayments and other assets	13	**158,887**	264,539
Financial assets at fair value through profit or loss		**581,725**	588,148
Other financial assets		**–**	365
Tax recoverable		**88**	202
Restricted cash		**53,641**	59,899
Time deposits with original maturity of more than three months		**66,485**	69,342
Cash and cash equivalents		**893,097**	2,830,780
		2,016,275	4,023,986
Assets classified as held for sale	14	**834,905**	–
		2,851,180	4,023,986
Current liabilities			
Bank and other borrowings	15	**1,055,690**	1,289,332
Lease liabilities	2.1	**53,080**	–
Creditors, accruals and other liabilities	16	**217,294**	464,942
Other financial liabilities		**12,825**	9,770
Tax payable		**180,309**	192,633
		1,519,198	1,956,677
Liabilities directly associated with assets classified as held for sale	14	**637,600**	–
		2,156,798	1,956,677
Net current assets		**694,382**	2,067,309
Total assets less current liabilities		**15,257,933**	16,740,951

Condensed Consolidated Statement of Financial Position *(Continued)*
As at 30 September 2019

	Note	**30 September 2019 HK$'000 (Unaudited)**	31 March 2019 HK$'000 (Audited)
Non-current liabilities			
Bank and other borrowings	15	**917,914**	1,438,668
Lease liabilities	2.1	**85,320**	–
Creditors, accruals and other liabilities	16	**12,620**	24,412
Other financial liability		**562**	220
Deferred tax liabilities		**61,102**	66,193
		1,077,518	1,529,493
Net assets		**14,180,415**	15,211,458
Equity			
Equity attributable to equity holders of the Company			
Share capital	17	**986,598**	986,598
Reserves	19	**8,974,418**	9,223,349
		9,961,016	10,209,947
Non-controlling interests		**4,219,399**	5,001,511
		14,180,415	15,211,458

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2019

	Unaudited									
	Attributable to equity holders of the Company									
	Share capital	Special capital reserve *(Note 19(a))*	Fair value reserve of financial assets at FVOCI*	Other assets revaluation reserve	Hedging reserve *(Note 19(b))*	Exchange equalisation reserve	Retained profits	Total	Non-controlling interests	Total equity
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
At 31 March 2019, as previously reported	**986,598**	**1,709,202**	**110,287**	**2,092**	**(3,644)**	**298,396**	**7,107,016**	**10,209,947**	**5,001,511**	**15,211,458**
Impact on initial application of HKFRS 16 *(Note 2.1)*	**–**	**–**	**–**	**–**	**–**	**–**	**(7,214)**	**(7,214)**	**(16,343)**	**(23,557)**
At 1 April 2019, as adjusted	**986,598**	**1,709,202**	**110,287**	**2,092**	**(3,644)**	**298,396**	**7,099,802**	**10,202,733**	**4,985,168**	**15,187,901**
Profit for the period	**–**	**–**	**–**	**–**	**–**	**–**	**88,753**	**88,753**	**47,438**	**136,191**
Other comprehensive income/(loss) for the period:										
Exchange differences on translation of foreign operations	**–**	**–**	**–**	**–**	**–**	**(25,275)**	**–**	**(25,275)**	**(22,091)**	**(47,366)**
Exchange differences reclassified to profit or loss upon liquidation of foreign operations	**–**	**–**	**–**	**–**	**–**	**(16,915)**	**–**	**(16,915)**	**(2,837)**	**(19,752)**
Changes in fair value of equity instruments at fair value through other comprehensive income	**–**	**–**	**(14,573)**	**–**	**–**	**–**	**–**	**(14,573)**	**(6,216)**	**(20,789)**
Share of other comprehensive loss of associates	**–**	**–**	**–**	**–**	**–**	**(10,874)**	**–**	**(10,874)**	**(3,626)**	**(14,500)**
Share of other comprehensive income/(loss) of joint ventures	**–**	**–**	**65,286**	**–**	**(10,976)**	**(134,531)**	**–**	**(80,221)**	**(28,258)**	**(108,479)**
Total comprehensive income/(loss) for the period	**–**	**–**	**50,713**	**–**	**(10,976)**	**(187,595)**	**88,753**	**(59,105)**	**(15,590)**	**(74,695)**
Share of equity movements arising on equity transactions of joint ventures	**–**	**–**	**–**	**–**	**–**	**–**	**(157,958)**	**(157,958)**	**(55,643)**	**(213,601)**
Transfer of reserve of a joint venture	**–**	**–**	**(377,043)**	**–**	**–**	**–**	**377,043**	**–**	**–**	**–**
Transfer of fair value reserve upon disposal of equity instruments at fair value through other comprehensive income	**–**	**–**	**(196)**	**–**	**–**	**–**	**196**	**–**	**–**	**–**
Change in non-controlling interests without change in control	**–**	**–**	**–**	**–**	**–**	**–**	**4**	**4**	**(123)**	**(119)**
2018/2019 final dividend declared and paid to shareholders of the Company	**–**	**–**	**–**	**–**	**–**	**–**	**(24,658)**	**(24,658)**	**–**	**(24,658)**
Dividends declared and paid to non-controlling shareholders of subsidiaries	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(697,336)**	**(697,336)**
Advance from a non-controlling shareholder of a subsidiary	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**2,923**	**2,923**
At 30 September 2019	**986,598**	**1,709,202**	**(216,239)**	**2,092**	**(14,620)**	**110,801**	**7,383,182**	**9,961,016**	**4,219,399**	**14,180,415**
At 1 April 2018	986,598	1,709,202	(426)	–	1,977	511,312	7,095,408	10,304,071	4,834,197	15,138,268
Loss for the period	–	–	–	–	–	–	(311,664)	(311,664)	(82,012)	(393,676)
Other comprehensive income/(loss) for the period:										
Exchange differences on translation of foreign operations	–	–	–	–	–	(65,171)	–	(65,171)	(61,716)	(126,887)
Changes in fair value of equity instruments at fair value through other comprehensive income	–	–	(26,176)	–	–	–	–	(26,176)	(9,630)	(35,806)
Share of other comprehensive loss of associates (restated)	–	–	–	–	–	(25,939)	–	(25,939)	(8,654)	(34,593)
Share of other comprehensive income/(loss) of joint ventures	–	–	(264,230)	–	4,941	(238,908)	–	(498,197)	(197,901)	(696,098)
Gain on property revaluation	–	–	–	2,092	–	–	–	2,092	698	2,790
Total comprehensive income/(loss) for the period (restated)	–	–	(290,406)	2,092	4,941	(330,018)	(311,664)	(925,055)	(359,215)	(1,284,270)
Share of equity movements arising on equity transactions of joint ventures	–	–	–	–	–	–	(579)	(579)	(231)	(810)
Transfer of reserve of a joint venture	–	–	(396)	–	–	–	396	–	–	–
Transfer of fair value reserve upon disposal of equity instruments at fair value through other comprehensive income	–	–	8,337	–	–	–	(8,337)	–	–	–
Change in non-controlling interests without change in control	–	–	–	–	–	–	2	2	(42)	(40)
2017/2018 final dividend declared to shareholders of the Company	–	–	–	–	–	–	(24,658)	(24,658)	–	(24,658)
Dividends declared to non-controlling shareholders of subsidiaries	–	–	–	–	–	–	–	–	(17,166)	(17,166)
Return of capital to a non-controlling shareholder of a subsidiary	–	–	–	–	–	–	–	–	(7,607)	(7,607)
At 30 September 2018 (restated)	986,598	1,709,202	(282,891)	2,092	6,918	181,294	6,750,568	9,353,781	4,449,936	13,803,717

* FVOCI stands for fair value through other comprehensive income.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2019

	Note	Unaudited Six months ended 30 September **2019** **HK$'000**	 2018 HK$'000
Net cash flows from/(used in) operating activities		**(210,667)**	226,992
Cash flows from investing activities			
Payments to acquire fixed assets		**(70,560)**	(50,653)
Payments to acquire financial assets at fair value through other comprehensive income		**–**	(233,413)
Payments to acquire financial assets at fair value through profit or loss		**(16,103)**	(270,583)
Proceeds from disposal of financial assets at fair value through other comprehensive income		**262**	28,629
Proceeds from disposal of financial assets at fair value through profit or loss		**23,280**	19,549
Capital injection in a joint venture		**–**	(25,220)
Other net cash flows arising from investing activities		**12,695**	7,374
Net cash flows used in investing activities		**(50,426)**	(524,317)
Cash flows from financing activities			
Drawdown of bank and other borrowings		**149,240**	611,636
Repayment of bank and other borrowings		**(896,637)**	(306,660)
Principal portion of lease payments		**(84,424)**	–
Return of capital to a non-controlling shareholder of a subsidiary		**–**	(7,607)
Dividend paid to shareholders of the Company		**(24,658)**	–
Dividends paid to non-controlling shareholders of subsidiaries		**(697,336)**	–
Increase in restricted cash		**(440)**	(83,181)
Other net cash flows arising from financing activities		**(44,388)**	(39,406)
Net cash flows from/(used in) financing activities		**(1,598,643)**	174,782
Net decrease in cash and cash equivalents		**(1,859,736)**	(122,543)
Cash and cash equivalents at beginning of period		**2,830,780**	1,797,328
Cash and cash equivalents included in assets classified as held for sale	14	**(35,777)**	–
Exchange realignments		**(42,170)**	(41,077)
Cash and cash equivalents at end of period		**893,097**	1,633,708
Analysis of balances of cash and cash equivalents			
Cash and cash equivalents as stated in the statement of financial position		**893,097**	1,511,120
Cash and cash equivalents attributable to a discontinued operation		**–**	122,588
Cash and cash equivalents as stated in the statement of cash flows		**893,097**	1,633,708

Notes to the Interim Financial Statements

1. BASIS OF PREPARATION

The interim financial statements are unaudited, condensed and have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 March 2019.

The accounting policies and basis of preparation adopted in the preparation of the interim financial statements 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 Hong Kong Financial Reporting Standards ("HKFRSs"), HKASs and Interpretations (hereinafter collectively referred to as the "new and revised HKFRSs") as disclosed in Note 2.1 to the interim financial statements.

The financial information relating to the year ended 31 March 2019 that is included in the interim financial statements as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 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 (Cap. 622).

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

2.1 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

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 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, the application of the above new and revised standards has had no significant financial effect on these financial statements.

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. Lessor accounting under HKFRS 16 is substantially unchanged from HKAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in HKAS 17. Therefore, HKFRS 16 did not have any financial impact on leases where the Group is the lessor.

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

2.1 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES *(Continued)*

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.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their stand-alone prices. A practical expedient is available to a lessee, which the Group has adopted, not to separate non-lease components and to account for the lease and the associated non-lease components (e.g., property management services for leases of properties) as a single lease component.

Nature of the effect of adoption of HKFRS 16

The Group has lease contracts for various items of property, vehicles and other equipment. 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 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 lease 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 purpose. There is 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:

- Applied a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied 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
- Applied the short-term lease exemptions to leases with a lease term that ends within 12 months from the date of initial application
- Excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contains options to extend/terminate the lease

2.1 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES *(Continued)*

Nature of the effect of adoption of HKFRS 16 *(Continued)*

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 impacts arising from the adoption of HKFRS 16 as at 1 April 2019 are 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)

2.1 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES *(Continued)*

Summary of new accounting policies

The accounting policy for leases as disclosed in the annual financial statements for the year ended 31 March 2019 is replaced with the following new accounting policies upon adoption of HKFRS 16 from 1 April 2019:

Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of the estimated useful life and the lease term.

Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in-substance fixed lease payments or a change in assessment to purchase the underlying asset.

Significant judgement in determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercised.

The Group has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

2.1 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES *(Continued)*

Amounts recognised in the interim condensed consolidated statement of financial position and profit or loss

The carrying amounts of the Group's right-of-use assets and lease liabilities, and the movement during the period are as follows:

	Right-of-use assets				
	Land and buildings HK$'000	Furniture, fixtures, plant and equipment HK$'000	Motor vehicles HK$'000	Total HK$'000	Lease liabilities HK$'000
At 1 April 2019	564,522	2,246	43,297	610,065	632,384
Additions	144,285	130	408	144,823	143,422
Reduction	(3,525)	–	–	(3,525)	(3,559)
Depreciation charges	(87,675)	(257)	(4,692)	(92,624)	–
Interest expenses	–	–	–	–	11,945
Payments	–	–	–	–	(96,369)
Reclassification to assets/liabilities held for sale *(Note 14)*	(514,800)	–	–	(514,800)	(537,456)
Exchange realignment	(10,929)	(43)	(836)	(11,808)	(11,967)
At 30 September 2019	**91,878**	**2,076**	**38,177**	**132,131**	**138,400**

The Group recognised rental expenses from short-term leases of HK$13,231,000 and leases of low-value assets of HK$1,065,000 and variable lease payments not based on index or rate of HK$5,985,000 for the six months ended 30 September 2019.

2.2 ISSUED BUT NOT YET EFFECTIVE NEW AND REVISED HKFRSS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements:

Amendments to HKFRS 3	*Definition of a Business*[1]
Amendments to HKFRS 10 and HKAS 28 (2011)	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]
HKFRS 17	*Insurance Contracts*[2]
Amendments to HKAS 1 and HKAS 8	*Definition of Material*[1]

1 Effective for annual periods beginning on or after 1 January 2020
2 Effective for annual periods beginning on or after 1 January 2021
3 No mandatory effective date yet determined but available for adoption

The Directors of the Company anticipate that the adoption of above new and revised HKFRSs will have no significant impact on the financial performance and the financial position of the Group.

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 letting and resale of properties;

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

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

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

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

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

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

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

(i) the "other" segment comprises principally money lending, the provision of property, project, fund management and investment advisory services and investment in 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 period (Note 10).

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss) 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.

3. SEGMENT INFORMATION *(Continued)*

Six months ended 30 September 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$'000	Mineral exploration and extraction HK$'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	46,360	–	9,083	13,519	451,987	–	–	–	8,015	–	528,964	–	–	528,964
Inter-segment	2,625	–	–	–	–	–	–	–	479	(3,104)	–	–	–	–
Total	48,985	–	9,083	13,519	451,987	–	–	–	8,494	(3,104)	528,964	–	–	528,964
Segment results	(39,214)	(5,917)	9,083	10,663	(3,393)	–	(4,984)	(5,815)	(386)	75	(39,888)	–	–	(39,888)
Unallocated corporate expenses											(66,058)			(66,058)
Finance costs											(26,049)			(26,049)
Share of results of associates	–	13,287	–	–	–	(2,800)	–	–	1,304	–	11,791	–	–	11,791
Share of results of joint ventures	262,813	(17)	–	–	11	(475)	1,610	–	–	–	263,942	–	–	263,942
Profit before tax											143,738			143,738
Other segment information:														
Capital expenditure *(Note)*	28	–	–	–	69,552	–	–	194	127	–	69,901	–	–	69,901
Depreciation	(12,341)	(2)	–	–	(113,744)	–	–	(20)	(406)	2,407	(124,106)	–	–	(124,106)
Interest income	30,768	–	9,083	–	1,642	–	–	–	537	–	42,030	–	–	42,030
Finance costs	(9,589)	–	–	–	(14,092)	–	–	–	(3,199)	293	(26,587)	–	–	(26,587)
Loss on disposal of fixed assets	–	–	–	–	(46)	–	–	–	(1)	–	(47)	–	–	(47)
Provisions for impairment losses on:														
Inventories	–	–	–	–	(280)	–	–	–	–	–	(280)	–	–	(280)
Loans and receivables	–	–	–	–	(275)	–	–	–	–	–	(275)	–	–	(275)
Realised translation losses reclassified to the statement of profit or loss relating to liquidation of foreign operations	–	–	–	–	(4,692)	–	–	–	–	–	(4,692)	–	–	(4,692)
Net fair value loss on financial instruments at fair value through profit or loss	–	–	–	(782)	(1,488)	–	(4,984)	–	–	–	(7,254)	–	–	(7,254)
Fair value loss on investment properties	(65,859)	–	–	–	–	–	–	–	–	–	(65,859)	–	–	(65,859)
Unallocated:														
Capital expenditure *(Note)*											881			881
Depreciation											(8,706)			(8,706)
Finance costs											(26,049)			(26,049)
Gain on disposal of fixed assets											133			133
Realised translation gains reclassified to the statement of profit or loss relating to liquidation of a foreign operation											24,444			24,444

3. SEGMENT INFORMATION *(Continued)*

Six months ended 30 September 2018

	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$'000	Mineral exploration and extraction HK$'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	43,712	5,841	5,032	28,953	1,216,176	–	–	–	7,697	–	1,307,411	8,714	–	1,316,125
Inter-segment	2,730	–	–	–	–	–	–	–	440	(3,170)	–	57	(57)	–
Total	46,442	5,841	5,032	28,953	1,216,176	–	–	–	8,137	(3,170)	1,307,411	8,771	(57)	1,316,125
Segment results	45,549	(8,597)	5,032	(180,015)	63,563	–	3,468	(4,735)	4,093	57	(71,585)	(4,610)	(57)	(76,252)
Unallocated corporate expenses											(99,876)			(99,876)
Finance costs											(29,739)			(29,739)
Share of results of associates	–	5,705	–	–	–	(3,674)	–	–	(11,977)	–	(9,946)	–	–	(9,946)
Share of results of joint ventures	(112,843)	30	–	–	–	(421)	569	(47,630)	–	–	(160,295)	–	–	(160,295)
Loss before tax											(371,441)			(376,108)
Other segment information:														
Capital expenditure *(Note)*	19,874	–	–	–	29,594	–	–	125	4	–	49,597	3	–	49,600
Depreciation	(12,485)	(8)	–	–	(19,514)	–	–	(22)	(17)	–	(32,046)	(40)	–	(32,086)
Interest income	26,287	–	5,032	5,708	1,324	–	–	–	564	–	38,915	–	–	38,915
Finance costs	(7,934)	–	–	(3,097)	(1,989)	–	–	–	(3,228)	–	(16,248)	–	–	(16,248)
Gain/(Loss) on disposal of fixed assets	–	4	–	–	(639)	–	–	–	–	–	(635)	–	–	(635)
Write-back of provision/(Provisions) for impairment losses on:														
Fixed assets	–	–	–	–	999	–	–	–	–	–	999	–	–	999
Inventories	–	–	–	–	(6,040)	–	–	–	–	–	(6,040)	–	–	(6,040)
Loans and receivables	–	–	–	–	(2,910)	–	–	–	2,220	–	(690)	–	–	(690)
Net fair value gain/(loss) on financial instruments at fair value through profit or loss	–	–	–	(188,233)	–	–	3,468	–	–	–	(184,765)	–	–	(184,765)
Fair value gain on investment properties	16,300	–	–	–	–	–	–	–	–	–	16,300	–	–	16,300
Unallocated:														
Capital expenditure *(Note)*											2,126			2,126
Depreciation											(7,430)			(7,430)
Finance costs											(29,739)			(29,739)

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

3. SEGMENT INFORMATION *(Continued)*

	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$'000	Mineral exploration and extraction HK$'000	Other HK$'000	Inter-segment elimination HK$'000	Consolidated HK$'000
At 30 September 2019 (unaudited)											
Segment assets	**1,648,782**	**102,573**	**599,703**	**1,569,331**	**1,678,550**	**–**	**44,103**	**2,157**	**102,582**	**(18,306)**	**5,729,475**
Interests in associates	**6,283**	**373,452**	**–**	**–**	**–**	**411,336**	**–**	**–**	**311,585**	**–**	**1,102,656**
Interests in joint ventures	**10,356,108**	**1,984**	**–**	**–**	**–**	**923**	**136,020**	**490**	**–**	**–**	**10,495,525**
Unallocated assets											**87,075**
Total assets											**17,414,731**
Segment liabilities	**799,752**	**9,991**	**–**	**12,251**	**1,142,138**	**418,468**	**–**	**3,796**	**421,027**	**(536,911)**	**2,270,512**
Unallocated liabilities											**963,804**
Total liabilities											**3,234,316**
At 31 March 2019 (audited)											
Segment assets	1,742,151	111,673	1,059,282	1,570,183	2,319,940	–	49,087	2,139	115,377	(966)	6,968,866
Interests in associates	6,476	367,761	–	–	–	423,772	–	–	316,178	–	1,114,187
Interests in joint ventures	10,384,189	2,042	–	–	2,932	1,370	134,207	–	–	–	10,524,740
Unallocated assets											89,835
Total assets											18,697,628
Segment liabilities	1,061,355	8,282	–	10,151	489,561	419,342	–	4,997	426,976	(386,339)	2,034,325
Unallocated liabilities											1,451,845
Total liabilities											3,486,170

4. REVENUE

An analysis of revenue from continuing operations is as follows:

	Six months ended 30 September	
	2019	2018
	HK$'000	HK$'000
Revenue from contracts with customers:		
Sale of properties	**–**	5,841
Sale of goods and fast-moving consumer products	**151,180**	918,717
Sale of food and beverage	**212,832**	223,839
Provision of management services	**7,680**	6,778
Revenue from other sources:		
Fees charged to food court tenants	**76,938**	64,130
Property rental income	**15,592**	17,425
Interest income	**41,621**	38,499
Dividend income	**13,519**	23,245
Other	**9,602**	8,937
	528,964	1,307,411

4. REVENUE *(Continued)*

Disaggregated revenue information for revenue from contracts with customers

Segments	Property development HK$'000	Food businesses HK$'000	Other HK$'000	Total HK$'000
Six months ended 30 September 2019				
Type of goods or services:				
Sale of goods and fast-moving consumer products	**–**	**151,180**	**–**	**151,180**
Sale of food and beverage	**–**	**212,832**	**–**	**212,832**
Provision of management services	**–**	**–**	**7,680**	**7,680**
Total revenue from contracts with customers	**–**	**364,012**	**7,680**	**371,692**
Geographical markets:				
Hong Kong	**–**	**113,922**	**5,775**	**119,697**
Mainland China	**–**	**–**	**1,390**	**1,390**
Republic of Singapore	**–**	**247,765**	**515**	**248,280**
Malaysia	**–**	**2,325**	**–**	**2,325**
Total revenue from contracts with customers	**–**	**364,012**	**7,680**	**371,692**
Timing of revenue recognition:				
Goods transferred at a point in time	**–**	**364,012**	**–**	**364,012**
Services transferred over time	**–**	**–**	**7,680**	**7,680**
Total revenue from contracts with customers	**–**	**364,012**	**7,680**	**371,692**
Six months ended 30 September 2018				
Type of goods or services:				
Sale of properties	5,841	–	–	5,841
Sale of goods and fast-moving consumer products	–	918,717	–	918,717
Sale of food and beverage	–	223,839	–	223,839
Provision of management services	–	–	6,778	6,778
Total revenue from contracts with customers	5,841	1,142,556	6,778	1,155,175
Geographical markets:				
Hong Kong	–	116,615	5,521	122,136
Macau	5,841	–	–	5,841
Mainland China	–	–	1,257	1,257
Republic of Singapore	–	689,083	–	689,083
Malaysia	–	336,858	–	336,858
Total revenue from contracts with customers	5,841	1,142,556	6,778	1,155,175
Timing of revenue recognition:				
Goods transferred at a point in time	5,841	1,142,556	–	1,148,397
Services transferred over time	–	–	6,778	6,778
Total revenue from contracts with customers	5,841	1,142,556	6,778	1,155,175

4. REVENUE *(Continued)*

Disaggregated revenue information for revenue from contracts with customers *(Continued)*

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
Six months ended 30 September 2019				
Revenue from contracts with customers				
External customers	**–**	**364,012**	**7,680**	**371,692**
Inter-segment	**–**	**–**	**479**	**479**
Total revenue from contracts with customers	**–**	**364,012**	**8,159**	**372,171**
Revenue from other sources — external	**–**	**87,975**	**335**	**88,310**
Total segment revenue	**–**	**451,987**	**8,494**	**460,481**
Six months ended 30 September 2018				
Revenue from contracts with customers				
External customers	5,841	1,142,556	6,778	1,155,175
Inter-segment	–	–	440	440
Total revenue from contracts with customers	5,841	1,142,556	7,218	1,155,615
Revenue from other sources — external	–	73,620	919	74,539
Total segment revenue	5,841	1,216,176	8,137	1,230,154

5. OTHER INCOME

	Six months ended 30 September 2019 HK$'000	2018 HK$'000
Recovery of costs from food court tenants	**18,785**	15,782
Interest income from promissory note	**409**	416
	19,194	16,198

6. OTHER GAINS/(LOSSES) — NET

	Six months ended 30 September 2019 HK$'000	2018 HK$'000
Gain/(Loss) on disposal of:		
Fixed assets	**86**	(635)
An associate	**–**	5
Write-back of provisions/(Provisions) for impairment losses on:		
Fixed assets	**–**	999
Inventories	**(280)**	(6,040)
Loans and receivables	**(275)**	(690)
Fixed assets written off	**(6)**	(70)
Foreign exchange losses — net	**(4,028)**	(21,093)
Realised translation gains reclassified to the statement of profit or loss relating to liquidation of foreign operations	**19,752**	–
	15,249	(27,524)

7. PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS

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

	Six months ended 30 September 2019 HK$'000	2018 HK$'000
Cost of sales:		
Cost of properties sold	**–**	(1,170)
Cost of inventories sold	**(142,684)**	(714,725)
Other	**(1,732)**	(2,010)
	(144,416)	(717,905)
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	**(30,111)**	(144,982)
Debt securities	**–**	(1,355)
Investment funds	**292**	(18,615)
Other financial assets mandatorily classified at fair value through profit or loss:		
Debt securities	**(806)**	(2,463)
Investment funds	**28,335**	(4,544)
Equity linked notes	**–**	15,585
Financial liabilities at fair value through profit or loss designated as such upon initial recognition	**1,508**	1,016
Derivative financial instruments	**(6,472)**	(29,407)
	(7,254)	(184,765)

7. PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS *(Continued)*

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

	Six months ended 30 September	
	2019	2018
	HK$'000	HK$'000
Interest income:		
Financial assets at fair value through profit or loss	**–**	5,708
Loans and advances	**30,893**	26,435
Promissory note	**409**	416
Other	**10,728**	6,356
Depreciation of fixed assets	**(40,188)**	(39,476)
Depreciation of right-of-use assets	**(92,624)**	–
Selling and distribution expenses *(Note)*	**(10,591)**	(86,571)
Legal and professional fees *(Note)*	**(24,061)**	(23,687)
Consultancy and service fees *(Note)*	**(13,848)**	(18,447)
Utilities charges *(Note)*	**(19,190)**	(21,370)
Repairs and maintenance expenses *(Note)*	**(12,564)**	(16,393)

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

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

Share of results of joint ventures for the six months ended 30 September 2019 mainly included share of profit of Lippo ASM Asia Property Limited ("LAAPL") of HK$265,571,000 (2018 — share of loss of HK$112,843,000). 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 period.

LAAPL is a joint venture set up to hold the controlling stake in OUE Limited ("OUE"). OUE is listed on the Mainboard of Singapore Exchange Securities Trading Limited (the "SGX-ST"). OUE is principally engaged in developing and managing assets across commercial, hospitality, retail, residential and healthcare sectors. Certain bank facilities under LAAPL were secured by certain listed shares held under it. As at 30 September 2019, the Group's interests in LAAPL was approximately HK$10,215,372,000 (31 March 2019 — HK$10,244,651,000). The decrease in interests in LAAPL for the six months ended 30 September 2019 was mainly due to share of dilution loss arising from the merger of OUE Commercial Real Estate Investment Trust ("OUE C-REIT" which is listed on the Mainboard of the SGX-ST) and OUE Hospitality Trust ("OUE H-Trust") in equity, decrease in share of exchange reserve on translation of LAAPL's investment and offset by the share of profit and the share of fair value gain of its financial assets at fair value through other comprehensive income during the period.

Share of results of joint ventures for the six months ended 30 September 2018 also included share of loss of Collyer Quay Limited ("CQL") of HK$47,630,000. CQL is a joint venture consortium to invest in a company (the "JV Company") principally engaged in exploration, extraction and processing of mineral resources. The Group shared a loss from the joint venture for the six months ended 30 September 2018 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.

8. SHARE OF RESULTS OF JOINT VENTURES/INTERESTS IN JOINT VENTURES *(Continued)*

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. The JV Company 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 earlier this year. The Delaware State Court held a hearing to consider the motion to dismiss in November 2019, and is expected to issue a ruling on the motion to dismiss in the next few months. As discussed more fully in the motion to dismiss, the Group believes that the Complaint is frivolous and wholly without merit and has opposed, and will continue to vigorously oppose, the allegations set forth in the Complaint (including any amendments thereto) and any other claim that the majority investors in Skye may seek to bring against the Group.

9. INCOME TAX

	Six months ended 30 September	
	2019	2018
	HK$'000	HK$'000
Hong Kong:		
Charge for the period	**1,487**	326
Underprovision in prior periods	**432**	–
Deferred	**(280)**	67
	1,639	393
Overseas:		
Charge for the period	**6,516**	17,328
Underprovision/(Overprovision) in prior periods	**1,127**	(315)
Deferred	**(1,735)**	162
	5,908	17,175
Total charge for the period from continuing operations	**7,547**	17,568

Hong Kong profits tax has been provided at the rate of 8.25% or 16.5%, as appropriate (2018 — 16.5%) on the estimated assessable profits arising in Hong Kong during the period. 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 period at the rates of 17%, 12% and 25% (2018 — 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.

10. 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 (the "LSH Group") included in the condensed consolidated statement of profit or loss for the six months ended 30 September 2018 as a discontinued operation are presented below:

	Note	Six months ended 30 September 2018 HK$'000
Revenue *(Note)*		8,714
Cost of sales		(4,039)
Gross profit		4,675
Administrative expenses		(7,473)
Other operating expenses		(1,869)
Loss before tax		(4,667)
Income tax		–
Loss for the period from discontinued operation		(4,667)
Other comprehensive loss		
Exchange differences on translation of discontinued operation		(810)
Total comprehensive loss for the period from discontinued operation		(5,477)
Loss for the period attributable to:		
Equity holders of the Company		(3,340)
Non-controlling interests		(1,327)
		(4,667)
Total comprehensive loss for the period attributable to:		
Equity holders of the Company		(3,920)
Non-controlling interests		(1,557)
		(5,477)
		HK cent
Loss per share attributable to equity holders of the Company	11	
Basic and diluted		
— For loss from discontinued operation		(1)

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

10. DISCONTINUED OPERATION *(Continued)*

The net cash flows incurred by the LSH Group for the six months ended 30 September 2018 are as follows:

	Six months ended 30 September 2018 HK$'000
Operating activities	(2,957)
Investing activities	(3)
Financing activities	(4)
Net cash outflow	(2,964)

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

(a) Basic earnings/(loss) per share

Basic earnings/(loss) per share is calculated based on (i) the consolidated profit/(loss) for the period attributable to equity holders of the Company; and (ii) the weighted average number of approximately 493,154,000 ordinary shares (2018 — approximately 493,154,000 ordinary shares) in issue during the period.

	Six months ended 30 September	
	2019 **HK$'000**	2018 HK$'000
Consolidated profit/(loss) attributable to equity holders of the Company:		
From continuing operations	**88,753**	(308,324)
From discontinued operation	**–**	(3,340)
	88,753	(311,664)

(b) Diluted earnings/(loss) per share

The Group had no potentially dilutive ordinary shares in issue during the six months ended 30 September 2019 and 2018.

12. INTERIM DIVIDEND

	Six months ended 30 September	
	2019 **HK$'000**	2018 HK$'000
Interim dividend, declared, of HK4 cents (2018 — HK3 cents) per ordinary share	**19,726**	14,795

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

13. 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:

	30 September 2019 HK$'000	31 March 2019 HK$'000
Outstanding balances with ages:		
Within 30 days	**28,494**	27,405
Between 31 and 60 days	**23,519**	17,244
Between 61 and 90 days	**14,987**	13,382
Between 91 and 180 days	**1,865**	1,696
	68,865	59,727

14. ASSETS/(LIABILITIES) CLASSIFIED AS HELD FOR SALE

In August 2019, the Group entered into a disposal agreement with an independent third party for the disposal of entire issued share in Food Junction Management Pte Ltd ("FJM"), a non-wholly owned subsidiary of the Company, for an initial consideration of S$80,000,000 (equivalent to approximately HK$452,000,000), subject to adjustments (the "FJM Disposal"). FJM and its subsidiaries (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 and is included in the Group's food businesses segment for segment reporting purposes. The FJM Disposal was completed in October 2019. As at 30 September 2019, the FJM Group was classified as disposal group held for sale. Cumulative exchange losses on translation of foreign operations of HK$2,263,000 relating to the FJM Group classified as held for sale have been included in other comprehensive income and included in equity.

The major classes of assets and liabilities classified as held for sale are as follows:

	30 September 2019 HK$'000
Assets	
Intangible assets	**157,375**
Fixed assets	**69,677**
Right-of-use assets	**514,800**
Debtors, prepayments and other assets	**50,747**
Inventories	**1,049**
Restricted cash	**5,480**
Cash and cash equivalents	**35,777**
Total assets classified as held for sale	**834,905**
Liabilities	
Lease liabilities	**537,456**
Creditors, accruals and other liabilities	**98,669**
Tax payable	**630**
Deferred tax liabilities	**845**
Total liabilities classified as held for sale	**637,600**
Net assets	**197,305**

15. BANK AND OTHER BORROWINGS

	30 September 2019 HK$'000	31 March 2019 HK$'000
Current portion:		
Bank loans:		
Secured *(Note (a))*	**853,081**	658,611
Unsecured	**72,609**	470,524
Other borrowings:		
Unsecured other loan *(Note (b))*	**130,000**	160,000
Obligations under finance leases *(Note (d))*	**–**	197
	1,055,690	1,289,332
Non-current portion:		
Bank loans:		
Secured *(Note (a))*	**149,224**	663,161
Unsecured	**489,167**	490,000
Other borrowings:		
Unsecured notes *(Note (c))*	**279,523**	285,328
Obligations under finance leases *(Note (d))*	**–**	179
	917,914	1,438,668
	1,973,604	2,728,000
Bank and other borrowings by currency:		
Hong Kong dollar	**1,472,248**	2,218,439
Singapore dollar	**501,356**	509,561
	1,973,604	2,728,000
Bank loans repayable:		
Within one year	**925,690**	1,129,135
In the second year	**18,653**	663,161
In the third to fifth years, inclusive	**619,738**	490,000
	1,564,081	2,282,296
Other borrowings repayable:		
Within one year	**130,000**	160,197
In the second year	**279,523**	285,507
	409,523	445,704

The Group's bank loans bear interest at floating rates ranging from 2.9% to 4.6% (31 March 2019 — 2.5% to 5.1%) per annum.

15. BANK AND OTHER BORROWINGS *(Continued)*

Note:

(a) At the end of the reporting period, the bank loans were secured by:

(i) shares in certain listed subsidiaries of the Group with market value of HK$2,281,636,000 (31 March 2019 — HK$2,678,912,000);

(ii) first legal mortgages over certain investment properties and land and buildings of the Group with carrying amounts of HK$314,750,000 (31 March 2019 — HK$359,100,000) and HK$829,634,000 (31 March 2019 — HK$773,037,000) respectively.

(b) The Group's other loans represent unsecured loans advanced from Lippo Capital Limited, a holding company of the Company, which bears interest at a rate of 4% (31 March 2019 — 4%) per annum.

(c) The unsecured notes were issued in connection to the acquisition of TIH Limited ("TIH"), an associate of the Company, through a share offer (the "Offer"). The unsecured notes carried interest at a rate of 2.25% per annum and are redeemable at par on their respective maturity dates in January and February 2021. As at 30 September 2019, restricted cash balances with a carrying amount of HK$51,650,000 (31 March 2019 — HK$52,516,000) were placed in a bank account of a subsidiary of the Company which is solely earmarked to satisfy the principal and interest repayment for the unsecured notes (other than those held by the joint offeror and other concert parties of the Offer).

(d) As at 31 March 2019, the Group had obligations under finance leases for certain fixed assets. The implicit average interest rate in the leases ranged from 2.5% to 2.6% per annum. The obligations under finance leases were secured by rights to certain leased fixed assets of the Group with a carrying amount of HK$623,000. Upon the adoption of HKFRS 16 on 1 April 2019, the Group reclassified the assets under finance lease from fixed assets to right-of-use assets and related liabilities from obligations under finance leases to lease liabilities for presentation purpose.

16. CREDITORS, ACCRUALS AND OTHER LIABILITIES

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

	30 September 2019 HK$'000	31 March 2019 HK$'000
Outstanding balances with ages:		
Within 30 days	**26,502**	47,597
Between 31 and 60 days	**6,365**	10,180
Between 61 and 90 days	**1,288**	625
Between 91 and 180 days	**777**	828
Over 180 days	**301**	313
	35,233	59,543

17. SHARE CAPITAL

	30 September 2019 HK$'000	31 March 2019 HK$'000
Issued and fully paid:		
493,154,032 (31 March 2019 — 493,154,032) ordinary shares	**986,598**	986,598

In accordance with section 135 of the Hong Kong Companies Ordinance (Cap. 622), the ordinary shares of the Company have no par value.

18. SHARE OPTION SCHEME

A share option scheme of Asia Now Resources Corp. ("Asia Now", a subsidiary of the Company) (the "ANR Share Option Scheme"), which was approved by the shareholders of Asia Now, Lippo China Resources Limited (a listed subsidiary of the Company) and the Company, was adopted on 11 September 2014.

As at the beginning and end of the period, there were no outstanding options granted under the ANR Share Option Scheme to subscribe for shares in Asia Now (the "ANR Shares"). No option of Asia Now was granted, exercised, cancelled or lapsed under the ANR Share Option Scheme during the period.

Following the entering into receivership in August 2015, the listing of Asia Now was transferred from TSX Venture Exchange of Canada ("TSXVE") to NEX, a separate board of TSXVE which provides a trading forum for listed companies in Canada that have fallen below TSXVE's ongoing financial listing standards. The receivership of Asia Now was completed in April 2016. ANR Shares were subsequently delisted from NEX.

19. RESERVES

The amounts of the Group's reserves and movements therein for the current and prior periods are presented in the condensed consolidated statement of changes in equity on page 6.

Note:

(a) Special capital reserve
Pursuant to a special resolution passed at an extraordinary general meeting of the Company on 23 December 1998 and the subsequent confirmation by the court on 26 January 1999, the then entire amount standing to the credit of the share capital account of the Company of approximately HK$1,709,202,000 was cancelled on 27 January 1999 (the "Cancellation"). The credit arising from the Cancellation was transferred to a special capital reserve account.

(b) Hedging reserve
The hedging reserve relates to the Group's share of the hedging reserve under joint ventures.

20. CONTINGENT LIABILITIES

Save as disclosed elsewhere in the interim financial statements, the Group had the following contingent liabilities at the end of the reporting period:

	30 September 2019 HK$'000	31 March 2019 HK$'000
Secured bankers' guarantee	**13,017**	16,981
Unsecured bankers' guarantee	**21,444**	20,355
	34,461	37,336

The bankers' guarantees were mainly issued in lieu of rental and utility deposits for the premises used in the food businesses segment. As at 30 September 2019, the secured bankers' guarantees were secured by fixed deposits of approximately HK$7,471,000 (31 March 2019 — HK$7,383,000) pledged to banks as security for secured bankers' guarantees issued and corporate guarantees from the shareholders of a subsidiary of approximately HK$389,000 (31 March 2019 — Nil).

21. COMMITMENTS

The Group had the following commitments at the end of the reporting period:

	30 September 2019 HK$'000	31 March 2019 HK$'000
Commitments in respect of properties, plant and equipment:		
Contracted, but not provided for *(Note (a))*	**62,266**	111,112
Other commitments:		
Contracted, but not provided for *(Note (b))*	**68,249**	58,916
	130,515	170,028

Note:

(a) The balance included the Group's commitments in relation to the construction of a new food factory in Malaysia of HK$60,503,000 (31 March 2019 — HK$109,353,000).

(b) The balance included the Group's commitments for financial assets at fair value through profit or loss of approximately HK$60,076,000 (31 March 2019 — HK$56,416,000).

22. RELATED PARTY TRANSACTIONS

In addition to the transactions detailed elsewhere in the interim financial statements, the Group had the following transactions with related parties during the period:

(a) During the period, the Group made lease payments (including service charges) of HK$3,144,000 (2018 — HK$4,245,000) to joint ventures of the Group for properties rented to the Group. The rentals were determined by reference to the then prevailing open market rentals.

(b) During the period, the Group paid interest expense of HK$2,905,000 (2018 — HK$3,610,000) to a holding company of the Company.

(c) During the period, the Group received interest income of HK$30,768,000 (2018 — HK$26,287,000) from joint ventures of the Group.

(d) As at 30 September 2019, the Group had amounts due from associates of HK$97,225,000 (31 March 2019 — HK$97,656,000). The amounts due from associates included a loan of HK$36,890,000 (31 March 2019 — HK$36,942,000), which bears interest at 8.5% per annum and is repayable on demand. The remaining balances with the associates are unsecured, interest-free and repayable on demand.

(e) As at 30 September 2019, the Group had amounts due from joint ventures of HK$2,705,202,000 (31 March 2019 — HK$2,729,052,000). The amounts due from joint ventures included balances of HK$2,416,331,000 (31 March 2019 — HK$2,440,301,000), which are unsecured, bear interest at rates ranging from nil to 2.25% per annum and are repayable on demand. The balance also included a loan of HK$136,142,000 (31 March 2019 — HK$138,970,000), which is unsecured, bears interest at 7% per annum and is repayable when the resources of the joint venture permit. The remaining balances with the joint ventures are unsecured, interest-free and repayable on demand.

23. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments carried at fair value, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts		**Fair values**	
	30 September 2019 HK$'000	31 March 2019 HK$'000	**30 September 2019 HK$'000**	31 March 2019 HK$'000
Financial assets				
Financial assets at fair value through other comprehensive income	**335,414**	356,513	**335,414**	356,513
Financial assets at fair value through profit or loss	**976,802**	980,507	**976,802**	980,507
Other financial assets	**44,103**	49,452	**44,103**	49,452
	1,356,319	1,386,472	**1,356,319**	1,386,472
Financial liabilities				
Bank and other borrowings	**279,523**	285,328	**280,499**	282,112
Other financial liabilities	**13,387**	9,990	**13,387**	9,990
	292,910	295,318	**293,886**	292,102

23. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(Continued)*

Management has assessed that the fair values of cash and cash equivalents, time deposits with original maturity of more than three months, restricted cash, financial assets included in debtors, prepayments and other assets, loans and advances, unsecured other loan and financial liabilities included in creditors, accruals and other liabilities approximate to their carrying amounts largely due to the short term maturity of these instruments. In addition, the fair values of interest-bearing bank loans approximate to their carrying amounts as they are floating rate instruments that are repriced to market interest rates at or near the end of the reporting period and the Group's non-performance risk is considered to be minimal.

The Group's management is responsible for determining the policies and procedures for the fair value measurement of significant financial instruments. At each reporting date, the finance team analyses the movements in the values of financial instruments and determines major inputs applied in the valuation.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

The fair values of listed equity securities, debt securities and investment funds are based on quoted market prices.

The fair values of unlisted debt securities are determined by reference to the quoted market prices from the broker using valuation technique with market observable inputs.

The fair value of financial liabilities at fair value through profit or loss designated as such upon initial recognition within Level 2 of fair value hierarchy is determined by reference to the pro-rata share held by external parties of the net asset value of certain exchange traded fund, which is a subsidiary of the Group.

The fair values of the forward currency contracts and interest rate swap are valued using valuation techniques with market observable inputs. The most frequently applied valuation techniques include present value calculations using forward pricing, observable forward interest rate.

The fair values of the unsecured notes have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for the unsecured notes as at 30 September 2019 was assessed to be insignificant.

The fair values of unlisted investment funds are assessed to approximate the net asset values indicated on the net asset value statements issued by the investment fund managers, which take into consideration the fair values of the underlying assets held under the investments. For unlisted investment funds classified under Level 3 of the fair value measurement hierarchy, when the net asset value increases/decreases 3% (31 March 2019 — 3%), the fair value will be increased/decreased by HK$11,271,000 (31 March 2019 — HK$11,199,000).

The fair values of unlisted equity securities are estimated based on either the market approach or the income approach. Market approach is based on price multiple determined with reference to comparable public companies and includes appropriate risks adjustments for lack of marketability. Income approach uses discounted cash flow model which requires management to make assumption about model inputs, including forecast cash flows, the discount rate and volatility based on observable or unobservable market data.

Pursuant to the amended and restated shareholders agreement for the joint arrangement for investment in The Macau Chinese Bank Limited ("MCB", a joint venture of the Company), the 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 right to exercise the Put Option survives any termination or expiry of the shareholders agreement.

The fair value of the Put Option is determined by Monte-Carlo simulation, which is the capitalisation of discounted cash flows generated by possible share price paths simulated by the model.

23. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(Continued)*

Below is a summary of significant unobservable inputs to the valuation of the unlisted equity securities and the Put Option used in Level 3 fair value measurements as at 30 September 2019:

	Valuation technique	Significant unobservable inputs	Range	Sensitivity of fair value to the input
Unlisted equity securities	Market approach	Price to earnings multiple ("PE multiple")	14.83 to 15.45 (31 March 2019 — 14.83 to 15.45)	When PE multiple increases/decreases by 0.5 (31 March 2019 — 0.5), the fair value will be increased/decreased by HK$3,944,000 and HK$3,944,000 (31 March 2019 — HK$3,949,000 and HK$3,949,000), respectively.
		Discount for lack of marketability ("DLOM")	15.8% (31 March 2019 — 15.8%)	When DLOM increases/decreases, the fair value will be decreased/increased. Fair value changes resulting from reasonably possible changes in DLOM were not significant (31 March 2019 — not significant).
	Income approach	Discount rate	20.3% to 26.0% (31 March 2019 — 20.3% to 26.0%)	When discount rate increases/decreases by 3% (31 March 2019 — 3%), the fair value will be decreased/increased by HK$2,174,000 and HK$3,137,000 (31 March 2019 — HK$2,178,000 and HK$3,143,000), respectively.
		DLOM	15.8% to 20.6% (31 March 2019 — 15.8% to 20.6%)	When DLOM increases/decreases, the fair value will be decreased/increased. Fair value changes resulting from reasonably possible changes in DLOM were not significant (31 March 2019 — not significant).
Put Option	Monte-Carlo simulation method	Volatility of underlying shares	18.3% (31 March 2019 — 20.4%)	When the volatility of the underlying shares increases/decreases 5% (31 March 2019 — 5%), the fair value will be increased/decreased by HK$91,000 and HK$174,000 (31 March 2019 — HK$212,000 and HK$91,000), respectively.

23. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(Continued)*

Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's financial instruments:

	Fair value measurement using			
	Quoted prices in active markets (Level 1) HK$'000	Significant observable inputs (Level 2) HK$'000	Significant unobservable inputs (Level 3) HK$'000	Total HK$'000
At 30 September 2019				
Assets measured at fair value				
Financial assets at fair value through other comprehensive income:				
Equity securities	**201,073**	**–**	**134,341**	**335,414**
Held for trading financial assets at fair value through profit or loss:				
Equity securities	**559,022**	**–**	**–**	**559,022**
Investment funds	**18,609**	**482**	**3,475**	**22,566**
Other financial assets mandatorily classified at fair value through profit or loss:				
Debt securities	**–**	**22,976**	**–**	**22,976**
Investment funds	**–**	**–**	**372,238**	**372,238**
Other financial asset:				
Put Option	**–**	**–**	**44,103**	**44,103**
	778,704	**23,458**	**554,157**	**1,356,319**
Liabilities measured at fair value				
Other financial liabilities:				
Financial liabilities at fair value through profit or loss designated as such upon initial recognition	**–**	**12,059**	**–**	**12,059**
Foreign currency contracts	**–**	**766**	**–**	**766**
Interest rate swap	**–**	**562**	**–**	**562**
	–	**13,387**	**–**	**13,387**
At 31 March 2019				
Assets measured at fair value				
Financial assets at fair value through other comprehensive income:				
Equity securities	219,809	–	136,704	356,513
Held for trading financial assets at fair value through profit or loss:				
Equity securities	580,988	–	–	580,988
Investment funds	2,470	758	3,796	7,024
Other financial assets mandatorily classified at fair value through profit or loss:				
Debt securities	–	23,001	–	23,001
Investment funds	–	–	369,494	369,494
Other financial assets:				
Put Option	–	–	49,087	49,087
Foreign currency contracts	–	365	–	365
	803,267	24,124	559,081	1,386,472
Liabilities measured at fair value				
Other financial liabilities:				
Financial liabilities at fair value through profit or loss designated as such upon initial recognition	–	9,770	–	9,770
Interest rate swap	–	220	–	220
	–	9,990	–	9,990

23. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(Continued)*

Fair value hierarchy *(Continued)*

The movements in fair value measurements in Level 3 during the six months ended 30 September 2019 are as follows:

	Equity securities at fair value through other comprehensive income HK$'000	Held for trading investment funds at fair value through profit or loss HK$'000	Investment funds mandatorily classified at fair value through profit or loss HK$'000	Put Option HK$'000
At 1 April 2019	136,704	3,796	369,494	49,087
Total gains/(losses) recognised in the statement of profit or loss	–	2	28,335	(4,984)
Total losses recognised in other comprehensive income	(2,053)	–	–	–
Additions	–	–	15,322	–
Disposals	(262)	–	(23,280)	–
Distributions	–	(323)	(15,284)	–
Exchange adjustments	(48)	–	(2,349)	–
At 30 September 2019	134,341	3,475	372,238	44,103

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (2018 — Nil). The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

	Fair value measurement using			
	Quoted prices in active markets (Level 1) HK$'000	Significant observable inputs (Level 2) HK$'000	Significant unobservable inputs (Level 3) HK$'000	Total HK$'000
At 30 September 2019				
Liabilities for which fair values are disclosed				
Bank and other borrowings:				
Unsecured notes	–	–	280,499	280,499
At 31 March 2019				
Liabilities for which fair values are disclosed				
Bank and other borrowings:				
Unsecured notes	–	–	282,112	282,112

24. EVENT AFTER THE REPORTING PERIOD

The FJM Disposal, details of which are disclosed in Note 14 to the interim financial statements. It is estimated that the FJM Disposal would give rise to a gain on disposal of subsidiaries of approximately HK$283,925,000 (subject to audit and adjustment), which shall be recorded in the consolidated statement of profit or loss for the year ending 31 March 2020.

25. COMPARATIVE AMOUNTS

(a) Comparative amounts for the six months ended 30 September 2018 have been restated as a result of the completion of the purchase price allocation exercise of the acquisition of TIH, an associate of the Company. The retrospective adjustments led to a decrease in share of other comprehensive loss of associates of HK$430,000 in the Group's consolidated statement of comprehensive income for the six months ended 30 September 2018, of which HK$324,000 was attributable to equity holders of the Company and HK$106,000 was attributable to non-controlling interests. The equity attributable to equity holders of the Company and non-controlling interests were decreased by HK$6,868,000 and HK$2,291,000, respectively as at 30 September 2018.

(b) The Group had initially applied HKFRS 16 on 1 April 2019. Under the transition methods chosen, comparative information is not restated. Further details of the changes in accounting policies are disclosed in Note 2.1 to the interim financial statements.

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

Business Review and Prospects

Business Review

Overview

The pace of economic activity remained weak during the period under review. Principal international economic organisations such as International Monetary Fund estimate that the global economy in 2019 would have grown its lowest pace in 10 years. Trade tensions have risen sharply, resulting in significant trade tariff increases between the U.S.A. and the PRC which have affected business sentiment and confidence globally. The financial market sentiment has also been undermined by these developments. The property market in Hong Kong softened during the period under review as sentiment was dampened by local social incidents. Against this backdrop, the performance of the Group during the period under review was invariably affected.

Results for the Period

The Group recorded a consolidated profit attributable to shareholders of approximately HK$89 million for the six months ended 30 September 2019 (the "Period"), as compared to a consolidated loss of approximately HK$312 million for the six months ended 30 September 2018 (the "Last Period" or "2018"). Such change was mainly attributable to share of profits of joint ventures, decrease in fair value loss on financial instruments at fair value through profit or loss, and partial offset by the fair value loss on investment properties.

Following the completion of the disposal of food distribution business in March 2019, revenue from continuing operations for the Period dropped substantially to HK$529 million (2018 – HK$1,307 million). Food businesses remain the principal sources of revenue of the Group, contributing to 85% (2018 – 93%) of total revenue from continuing operations 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. Total other operating expenses decreased to HK$102 million for the Period (2018 – HK$207 million). The decrease in other operating expenses was mainly due to the completion of the disposal of food distribution business.

Property investment

Segment revenue from the property investment business was mainly attributable to recurrent rental income from the Group's investment properties and interest income from loans to joint ventures of the Company. The total segment revenue for the Period amounted to HK$49 million (2018 – HK$46 million). The Group's property investment portfolio is located mainly in Hong Kong and mainland China. The Group recorded a fair value loss on investment properties of HK$66 million (2018 – a gain of HK$16 million), mainly attributable to the softening in the property market in Hong Kong. Segment loss for the Period before accounting for the share of results from the Group's joint ventures amounted to HK$39 million (2018 – profit of HK$46 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 30 September 2019, the LAAPL Group had an equity interest of approximately 68.65% 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, has also agreed to terminate its hotel operating agreement with Aquamarina, being the owner of the Marina Mandarin Singapore, on or before 31 December 2019. During the Period, the OUE Group increased its interest in Gemdale Properties and Investment Corporation Limited ("GPI", a company listed on The Stock Exchange of Hong Kong Limited) from approximately 15% to approximately 28%. The investment in GPI allows the OUE Group to maintain access and exposure to the real estate market in the PRC.

In April 2019, OUE Commercial Real Estate Investment Trust ("OUE C-REIT"), established by OUE in early 2014 and listed on the Mainboard of the SGX-ST, and OUE Hospitality Trust ("OUE H-Trust") announced the proposed merger of OUE C-REIT and OUE H-Trust (the "Merger"). The Merger 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's trustee and was delisted from the SGX-ST. The Merger has resulted in the creation of one of the largest diversified REITs listed on the SGX-ST. It is anticipated that the increased scale achieved by the enlarged REIT would provide flexibility and capacity to drive long term growth of the enlarged REIT. The property portfolio of the enlarged 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 PRC. The LAAPL Group held approximately 48.5% of the total number of OUE C-REIT units in issue as at 30 September 2019.

In September 2019, the OUE Group entered into agreements for the disposal of its entire interest and business in the hotel and 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. Based on current available information, it is expected that the above disposal would not result in material impact on the net asset value or earnings of the Group. Such disposal was completed in November 2019.

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 30 September 2019, the OUE Group owned approximately 64.35% equity interest in OUELH. ITOCHU Corporation, a Tokyo Stock Exchange-listed trading company, also owned approximately 25.32% equity interest in OUELH as at 30 September 2019. OUELH currently owns 12 quality nursing homes in Japan, which OUELH derives its rental revenue therefrom. Demand for private healthcare in Indonesia continues to rise with the growing nationwide adoption of the national health insurance scheme. Healthcare spending in Indonesia has also been projected to rise to Rp1,224 trillion by 2027, which bodes well for the OUELH Group's strategic investments in First Real Estate Investment Trust ("First REIT") and its manager, Bowsprit Capital Corporation Limited ("Bowsprit"). First REIT is the first listed healthcare real estate investment trust listed on the Mainboard of the SGX. First REIT currently has a portfolio of 20 high quality healthcare-related properties with stable cash flows and long lease terms across Indonesia, Singapore and Korea. As at 30 September 2019, the OUE Group, through the OUELH Group and Bowsprit, held approximately 18.52% of the issued units in First REIT. In April 2019, the OUELH Group completed the acquisition of 40% and 35% stakes in two Myanmar companies that own, manage and operate three hospitals, one medical centre and two clinics in Myanmar. The remaining stakes of such companies are held by First Myanmar Investment Public Company Limited, a diversified blue-chip conglomerate in Myanmar. The presence of the OUELH Group in key cities of Yangon, Mandalay and Taunggyi put the OUELH Group in a favourable position to capture the wealth of growth opportunities in the fast-growing Myanmar market. In October 2019, the OUELH Group completed the acquisition of a 70% stake in a company which operates a hospital in Wuxi, Jiangsu, the PRC. The above acquisition would strengthen the presence of the OUELH Group in the PRC.

The Group recorded a share of profit of joint ventures of HK$266 million from its investment in LAAPL for the Period (2018 – share of loss of HK$113 million). The change mainly resulted from the gain on disposal of interests in Aquamarina, higher contribution from equity-accounted investees and partial offset by the fair value loss on investment properties during the Period. Besides, the Group shared fair value gain of the LAAPL Group's financial assets at fair value through other comprehensive income of HK$88 million during the Period. As a result of the dilution impact on the Merger, the Group recorded a decrease in interest in LAAPL of HK$217 million directly in equity. Coupled with the decrease in exchange reserve on translation of LAAPL's investment of HK$180 million during the Period, the Group's total interests in LAAPL as at 30 September 2019 amounted to HK$10.2 billion (31 March 2019 – HK$10.2 billion).

Property development
Sale of the remaining apartment units, small number of shophouses and carparking spaces at Lippo Plaza in Beijing, the PRC remained sluggish due to persistent local conditions. No sale was completed during the Period while segment revenue of HK$6 million was recorded in 2018 from the sale of 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$6 million (2018 – HK$9 million) for the Period.

Sale of some of the remaining units of the luxurious Marina Collection in Sentosa, Singapore (in which the HKC Group has a 50% interest) was completed during the Period. A portion of the remaining units is leased out. The Group shared a profit of associate of HK$13 million (2018 – HK$6 million) from the investment.

Following the commencement of the arbitration proceedings against Incheon Metropolitan City Development Corporation ("IMCD", formerly known as Incheon Development & Transformation Corporation) (the "Arbitration") in respect of the Group's investment in MIDAN City Development Co., Ltd. ("MCDC") by the claimants (which include a wholly-owned subsidiary of the Company (the "Subsidiary") and other shareholders in MCDC), an arbitration tribunal had been formed. The Arbitration is ongoing. In the Arbitration process, IMCD filed an answer which denied all the claims asserted by the claimants (including the Subsidiary) and asserted a counterclaim against the Subsidiary (the "Counterclaim") alleging breach of certain development and financing-related obligations by the Subsidiary under the joint venture agreement between among others, IMCD and the Subsidiary dated 28 November 2006. In late October 2018, the Subsidiary received a notice of exercise of put option predicted on the Counterclaim from IMCD (the "Put Notice") demanding the Subsidiary to purchase all the shares in MCDC owned by IMCD for the consideration of approximately Korean Won 24 billion (equivalent to approximately HK$166 million) plus interest. Based on the advice from its legal advisers on the available facts, the Group is of the view that the Counterclaim and the Put Notice do not have any genuine basis and there is no obligation on the Subsidiary to comply with the terms of the Put Notice. The Group will vigorously defend the Counterclaim and the Put Notice.

Food businesses
Following the completion of the disposal of the food distribution business in March 2019, the Group recorded a substantial decrease in revenue in food businesses segment. The Group's food businesses segment recorded a revenue of HK$452 million (2018 – HK$1,216 million), mainly from food manufacturing and the food retail operations in chains of cafés and bistros and food courts. As a result of the competitive environment of the remaining food businesses, the segment recorded a loss of HK$3 million for the Period (2018 – profit of HK$64 million).

In August 2019, the Group entered into an agreement for the disposal of its entire issued shares in Food Junction Management Pte Ltd ("FJM", together with its subsidiaries, the "FJM Group") for an initial consideration of S$80 million (subject to adjustments). 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 is expected to give rise to a non-recurring gain attributable to the Group of approximately HK$83 million (subject to adjustments and audit, and before expenses and taxes), which shall be recorded in the Group's consolidated statement of profit or loss in the second half of this financial year.

After the disposal of food distribution business, a dividend of S$220 million (the "Dividend") was distributed in April 2019 by a subsidiary of the food businesses segment to all of its shareholders and the Group received a cash dividend of approximately S$110.7 million based on its shareholding in that subsidiary.

The Group adopted new accounting standard for leases on 1 April 2019. Under the new accounting standard, the Group recognised right-of-use assets and lease liabilities for leases. Hence, the segment liabilities of the food businesses increased to HK$1,142 million as at 30 September 2019 (31 March 2019 – HK$490 million). On the other hand, as a result of the net impact of the Dividend and right-of-use assets recognised, the segment assets decreased to HK$1,679 million (31 March 2019 – HK$2,320 million).

The Group will continue to focus on its food manufacturing business and food retail business. The new food manufacturing factory in Malaysia is under construction and is expected to commence operation in 2020. 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 performance of this outlet is encouraging.

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 structural products. Treasury and securities investments businesses recorded a total revenue of HK$23 million during the Period (2018 – HK$34 million), mainly attributable to the interest income and dividend income received from the investment portfolio. The stock markets were volatile during the Period and the Group recorded net fair value loss in the statement of profit or loss from its securities investments of HK$1 million for the Period under this segment (2018 – HK$188 million). The net fair value loss included unrealised loss of HK$10 million (2018 – HK$155 million) from the changes in fair value of financial instruments in this category and realised a gain on disposal of HK$9 million (2018 – loss of HK$33 million). The unrealised loss was a non-cash item subject to volatility of the stock markets. As a result, the treasury and securities investments businesses recorded a net profit of HK$20 million in the statement of profit or loss for the Period (2018 – loss of HK$175 million).

As at 30 September 2019, the treasury and securities investments portfolio of HK$2,169 million (31 March 2019 – HK$2,629 million) comprised mainly cash and bank balances of HK$793 million (31 March 2019 – HK$1,289 million), financial assets at fair value through profit or loss ("FVPL") of HK$977 million (31 March 2019 – HK$981 million) and financial assets at fair value through other comprehensive income ("FVOCI") of HK$335 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 at 30 September 2019, the Group's financial assets at FVPL amounted to HK$977 million (31 March 2019 – HK$981 million), comprising equity securities of HK$559 million (31 March 2019 – HK$581 million), debt securities of HK$23 million (31 March 2019 – HK$23 million) and investment funds of HK$395 million (31 March 2019 – HK$377 million).

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

	As at 30 September 2019			As at 31 March 2019	For the six months ended 30 September 2019
	Fair value HK$'000	Approximate percentage of financial assets at FVPL	Approximate percentage to the net assets	Fair value HK$'000	Net fair value gain/(loss) HK$'000
GSH Corporation Limited ("GSH")	163,211	17%	1.2%	132,830	30,381
Quantedge Global Fund ("Quantedge")	85,478	9%	0.6%	65,030	21,123
Tencent Holdings Limited ("Tencent")	80,552	8%	0.6%	88,066	(7,514)
Ascapia Fund II ("Ascapia")	51,229	5%	0.4%	58,298	(5,934)
FinVolution Group ("FinVolution") (formerly known as PPDAI Group Inc.)	44,455	5%	0.3%	58,027	(13,553)
Others *(Note)*	551,877	56%	3.8%	578,256	(26,793)
Total	976,802	100%	6.9%	980,507	(2,290)

Note: Others comprised of various securities, none of which accounted for more than 4% of financial assets at FVPL as at 30 September 2019.

GSH
As at 30 September 2019, the fair value of the Group's equity securities in GSH amounted to HK$163 million, representing approximately 17% of the Group's total financial assets at FVPL. 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. The pre-sale of one of its residential projects in Kuala Lumpur received satisfactory response and further contributions are expected. GSH also owns and operates 2 hotels at Sutera Harbour Resort in Kota Kinabalu. GSH is planning to launch the residential project in a prime land parcel in the heart of Kuala Lumpur's Chinatown later this year, which it has a 50% stake. The share price performance of GSH has improved during the Period, resulting in an unrealised fair value gain of HK$30 million recognised for the Period. It is expected that the share price performance of GSH may continue to fluctuate due to the prevailing stock market conditions, which is not directly related to the actual operational performance of GSH.

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. As at 30 September 2019, the fair value of the Group's investment in Quantedge amounted to HK$85 million, representing approximately 9% of the Group's total financial assets at FVPL. Quantedge has recovered relatively quickly from the past drawdowns for the Period, mainly contributed by positive returns from asset classes in global bonds, currencies and insurances, while offset by losses from global commodities. The Group reported a fair value gain of HK$21 million for its investment in Quantedge for the Period. In October 2019, the Group has partially redeemed Quantedge amounting to HK$19 million to realise the fair value gain captured in this investment. The Group will continue to hold Quantedge for long-term strategic purpose.

Tencent Shares
Tencent is a Chinese multinational investment holding conglomerate founded in 1998, whose subsidiaries specialise in various internet-related services and products, entertainment, artificial intelligence and technology both in the PRC and globally. Tencent is one of the world's most valuable technology conglomerates, one of the world's largest social media groups, venture capital firms and investment corporations. Its many services include social network, music, web portals, e-commerce, mobile games, internet services, payment systems, smartphones, and multiplayer online games, which are all among the world's biggest and most successful in their respective categories. Offerings in the PRC include the instant messenger Tencent QQ and one of the largest web portals, QQ.com. It also owns the majority of the PRC's music services (Tencent Music Entertainment). The share price performance of Tencent will be greatly affected by uncertainties of the global stock markets.

As at 30 September 2019, the fair value of shares in Tencent (the "Tencent Shares") held by the Group under financial assets at FVPL amounted to HK$81 million, representing approximately 8% of the Group's total financial assets at FVPL. A fair value loss of HK$8 million was recognised for the Period.

Ascapia

The Group invested in Ascapia for strategic purpose from the beginning of year 2018. As at 30 September 2019, the fair value of the Group's investment in Ascapia amounted to HK$51 million, representing approximately 5% of the Group's total financial assets at FVPL.

Ascapia is an unlisted investment fund with investment objective to preserve capital and deliver attractive risk-adjusted returns and to outperform the market indices in bearish markets. The investment approach is based on the premise that companies can often trade at attractive discounts to intrinsic value. The investment manager seeks to avoid securities that it considers to be fraudulent, faddish, or financially unsustainable and actively attempts to hedge tail-risk with currency, commodities or futures. The investment approach of Ascapia aligns with the Group's investment strategy and the Group will continue to maintain its position in the Group's investment portfolio. The Group reported a fair value loss of HK$6 million for its investment in Ascapia for the Period, primarily due to short term volatility and underperformance of certain equity investments in the fund.

FinVolution

As at 30 September 2019, the Group held American Depository Shares ("ADSs") of FinVolution with a carrying amount of HK$44 million, representing approximately 5% of the Group's total financial assets at FVPL.

FinVolution's ADSs are listed on the New York Stock Exchange. It is one of the leading online consumer finance platform in the PRC connecting underserved individual borrowers with financial institutions. Launched in 2007, FinVolution is the pioneer in the PRC's online consumer finance industry and has developed innovative technologies and has accumulated in-depth experience in the core areas of credit risk assessment, fraud detection, big data and artificial intelligence. FinVolution generates revenues primarily from fees charged to borrowers for FinVolution's services in matching them with investors and for other related services. As of 30 September 2019, FinVolution had approximately 102.8 million cumulative registered users and reached approximately 17.4 million cumulative number of borrowers.

After the initial public offering (the "IPO") of FinVolution's ADSs, an announcement was made by the PRC Government putting a cap on the interest rate and restriction on the licensing in the online financing industry which adversely affected many companies in this sector including FinVolution as reflected in their share price. Hence, the share price performance of FinVolution's ADSs was not satisfactory. It also came to the Group's attention that a class action lawsuit has been filed by law firms in the U.S.A. against FinVolution. The filed complaint concerned whether FinVolution's filings with the U.S. Securities and Exchange Commission in connection with the IPO contained untrue statements or omitted material information regarding FinVolution's business practices, the interest rates on loans or the quality of loans. The case is still outstanding. The Group recorded an unrealised fair value loss of HK$14 million from its investment in FinVolution for the Period. Volatility in share price of FinVolution's ADSs is expected as regulators in the PRC are pushing through tough reforms in the Peer-to-Peer lending industry.

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 30 September 2019, the fair value of such investments amounted to approximately HK$335 million. During the Period, unrealised fair value loss of HK$21 million was recognised in other comprehensive income from these investments. The major investments under this category are Tencent Shares and investments in eBroker Holding Limited ("eBroker"), which accounted for 93% of the Group's total financial assets at FVOCI as at 30 September 2019.

The Group has designated certain Tencent Shares as FVOCI at initial recognition. As at 30 September 2019, the fair value of these Tencent Shares amounted to HK$201 million, representing 60% of the Group's total financial assets at FVOCI. Unrealised fair value loss of HK$19 million was recorded in other comprehensive income for the Period due to the volatile share price performance.

The carrying amount of total investments in eBroker amounted to HK$110 million as at 30 September 2019, representing 33% of the Group's total financial assets at FVOCI. Established in September 2015 in Shanghai, the PRC, eBroker conducts its business under the brand name of eDaili (e代理). Its core business is acting as an agent 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, revenue and net profit, since its establishment. There will be no change in business direction. eBroker had already undergone several rounds of fund raising and the Group had recorded the unrealised fair value gain in prior years by reference to the latest round financing in early 2019. Whether the Group will continue to participate in its future round's funding will depend on its business growth rate and financial results as well as the valuation, among other factors.

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 Lippo China Resources Limited ("LCR", together with its subsidiaries, the "LCR Group") which in turn is a 74.99% listed subsidiary of the Company. As at 30 September 2019, the LCR Group was interested in approximately 40.95% 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 close to 90 medical centres and clinics in Singapore.

The HMC Group launched its dedicated health screening centre, Healthway Screening @ Downtown ("HSDT") in June 2019 which offers full suite of medical services from health screenings to primary and specialist healthcare. The HMC Group's primary and specialist care units, along with the HSDT, will complement the Singapore government's efforts to provide more extensive care to Singapore's ageing population. As of November 2019, the Community Health Assist Scheme has been expanded to make healthcare affordable for all Singaporeans. With healthcare concerns unlikely to wane in the near future, Healthway remains committed to the constant review and upgrading of existing and new services to serve the needs of its stakeholders. The Group's share of loss from the HMC Group amounted to HK$3 million for the Period (2018 – HK$4 million). Coupled with the impact of depreciation of Singapore dollar during the Period, the Group's interest in Healthway decreased to HK$411 million (31 March 2019 – HK$424 million).

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 30 September 2019. MCB continued to record strong growth in customer deposits during the Period. The Group's share of profit from MCB increased to HK$2 million for the Period (2018 – HK$0.6 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$5 million for the Period (2018 – profit of HK$3 million), resulting from a decrease in the fair value of the Put Option.

Mineral exploration and extraction
Reference was made to the LCR 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 LCR Group invested in Collyer Quay Limited ("CQL"), a joint venture of LCR, for an investment in a joint venture consortium (the "JV Company"). The JV Company, in which the LCR 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 LCR 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 LCR Group on CS Mining. The LCR Group filed a motion to dismiss the Complaint earlier this year. The Delaware State Court held a hearing to consider the motion to dismiss in November 2019, and is expected to issue a ruling on the motion to dismiss in the next few months. As discussed more fully in the motion to dismiss, the LCR Group believes that the Complaint is frivolous and wholly without merit and has opposed, and will continue to vigorously oppose, the allegations set forth in the Complaint (including any amendments thereto) and any other claim that the majority investors in Skye may seek to bring against the LCR Group.

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 Period. In 2018, the Group shared a loss of joint venture of HK$48 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 Period amounted to HK$6 million (2018 – HK$5 million).

Other business

The Group recorded a share of profit of HK$1 million from its investment in TIH Limited ("TIH"), an associate of LCR and listed on the Mainboard of the SGX-ST, for the Period (2018 – loss of HK$14 million), mainly attributable to the fair value gain on its investments at FVPL. Offset by the effect of depreciation of Singapore dollar during the Period, the interests in TIH as at 30 September 2019 decreased to HK$285 million (31 March 2019 – HK$296 million). Amidst the challenging operating environment, TIH will capitalise on the volatility in the current markets to source for attractive opportunities in special situations, corporates deleveraging and non-core secondary assets at attractive valuations. TIH's wholly-owned subsidiary, TIH Investment Management Pte. Ltd., which has a Capital Markets Services License from the Monetary Authority of Singapore, will continue to actively seek out non-dilutive financing to deploy or manage to increase its recurring income base.

Financial Position

The Group's financial position remained healthy. As at 30 September 2019, its total assets decreased to HK$17.4 billion (31 March 2019 – HK$18.7 billion), mainly due to the decreased cash balances after the payment of dividends to non-controlling shareholders after the disposal of the food distribution business and repayment of bank loans during the Period, 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$12.5 billion as at 30 September 2019 (31 March 2019 – HK$12.6 billion), representing 72% (31 March 2019 – 67%) of the total assets. As at 30 September 2019, 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$1,013 million (31 March 2019 – HK$2,960 million). Accordingly, current ratio as at 30 September 2019 decreased to 1.3 (31 March 2019 – 2.1).

Total liabilities decreased to HK$3.2 billion (31 March 2019 – HK$3.5 billion), mainly attributable to the repayment of bank and other borrowings, offset by the recognition of lease liabilities upon the adoption of the new accounting standard for leases on 1 April 2019 during the Period.

As at 30 September 2019, bank and other borrowings of the Group decreased to HK$1,974 million (31 March 2019 – HK$2,728 million), which included bank loans of HK$1,564 million (31 March 2019 – HK$2,282 million), other loan of HK$130 million (31 March 2019 – HK$160 million), unsecured notes of HK$280 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 30 September 2019, the bank loans comprised secured bank loans of HK$1,002 million (31 March 2019 – HK$1,322 million) and unsecured bank loans of HK$562 million (31 March 2019 – HK$960 million) and were denominated in Hong Kong dollars and Singapore dollars. The bank loans were secured by certain properties and shares in certain subsidiaries of the Group. All of the bank loans carried interest at floating rates. Where appropriate, the Group would use interest rate swaps to modify the interest rate characteristics of its borrowings to limit interest rate exposure. 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 30 September 2019, hire purchase commitment amounted to HK$0.3 million and was included in lease liabilities on the statement of financial position.

As at 30 September 2019, approximately 53% (31 March 2019 – 47%) of the bank and other borrowings were repayable within one year. As at 30 September 2019, the gearing ratio (measured as total borrowings, net of non-controlling interests, to equity attributable to equity holders of the Company) was 15.4% (31 March 2019 – 20.7%).

The net asset value attributable to equity holders of the Company amounted to HK$10.0 billion as at 30 September 2019 (31 March 2019 – HK$10.2 billion). This was equivalent to HK$20.2 per share as at 30 September 2019 (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$34 million as at 30 September 2019 (31 March 2019 – HK$37 million) issued in lieu of rental and utility deposits for the premises used for operation of food businesses. Approximately 38% (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 Period (31 March 2019 – Nil).

The Group's commitments are mainly related to the securities investments and the construction of a new food factory in Malaysia. Due to the progress payment of the purchase of equipment for the new factory, total commitment as at 30 September 2019 decreased to HK$131 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 988 full-time employees as at 30 September 2019 (30 September 2018 – 1,930 full-time employees). Staff costs (including directors' emoluments) charged to the statement of profit or loss for the Period amounted to HK$177 million (2018 – HK$229 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 difficult external environment is likely to persist. Global economic outlook remains clouded by uncertainties and downside risks such as trade conflicts, Brexit and geopolitical tensions. It is expected that the prolonged social incidents will continue to affect the economy and property market in Hong Kong.

The Group will be watchful of market developments and stay vigilant in monitoring its investments and seek suitable business opportunities with a view to enhancing shareholder value and sustainable long term return.

Additional Information

Interim Dividend

The Directors have resolved to declare the payment of an interim dividend of HK4 cents per share (For the six months ended 30 September 2018 – HK3 cents per share) amounting to approximately HK$19.7 million for the six months ended 30 September 2019 (For the six months ended 30 September 2018 – approximately HK$14.8 million), which will be paid on Friday, 31 January 2020 to shareholders whose names appear on the Register of Members on Friday, 10 January 2020.

Closure of Register of Members

The Register of Members of the Company will be closed from Wednesday, 8 January 2020 to Friday, 10 January 2020 (both dates inclusive) during which period no transfer of share will be registered. In order to qualify for the interim dividend for the six months ended 30 September 2019, 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 Tuesday, 7 January 2020.

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Associated Corporations

As at 30 September 2019, the interests or short positions of the Directors and chief executive of the Company in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) (the "Associated Corporations"), as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers under the Rules Governing the Listing of Securities on the Stock Exchange (the "Model Code"), were as follows:

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Associated Corporations *(Continued)*

Interests in shares and underlying shares of the Company and Associated Corporations

Name of Director	Personal interests (held as beneficial owner)	Family interests (interest of spouse)	Corporate Interests (interest of controlled corporations)	Total interests	Approximate percentage of total interests in the issued shares
Number of ordinary shares in the Company					
Stephen Riady	–	–	369,800,219 *Note (i)*	369,800,219	74.98
Jark Pui Lee	–	60	–	60	0.00
John Luen Wai Lee	1,031,250	–	–	1,031,250	0.21
Number of ordinary shares in Lippo China Resources Limited ("LCR")					
Stephen Riady	–	–	6,890,184,389 *Notes (i) and (ii)*	6,890,184,389	74.99
Number of ordinary shares of HK$1.00 each in Hongkong Chinese Limited ("HKC")					
Stephen Riady	–	–	1,477,715,492 *Notes (i) and (iii)*	1,477,715,492	73.95
Jark Pui Lee	469	469	–	938	0.00
John Luen Wai Lee	2,000,270	270	–	2,000,540	0.10
King Fai Tsui	600,000	75,000	–	675,000	0.03

Note:

(i) As at 30 September 2019, Lippo Capital Limited ("Lippo Capital"), an Associated Corporation of the Company, and through its wholly-owned subsidiary, J & S Company Limited, was directly and indirectly interested in an aggregate of 369,800,219 ordinary shares in, representing approximately 74.98% of the issued shares of, the Company. Lippo Capital was a 60% owned subsidiary of Lippo Capital Holdings Company Limited ("Lippo Capital Holdings"), an Associated Corporation of the Company, which in turn was a wholly-owned subsidiary of Lippo Capital Group Limited ("Lippo Capital Group"), an Associated Corporation of the Company. Dr. Stephen Riady ("Dr. Riady") was the beneficial owner of one ordinary share in, representing 100% of the issued share capital of, Lippo Capital Group.

(ii) As at 30 September 2019, the Company, through its 100% owned subsidiaries, was indirectly interested in 6,890,184,389 ordinary shares in, representing approximately 74.99% of the issued shares of, LCR.

(iii) As at 30 September 2019, the Company, through its 100% owned subsidiaries, was indirectly interested in 1,477,715,492 ordinary shares of HK$1.00 each in, representing approximately 73.95% of the issued shares of, HKC.

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Associated Corporations *(Continued)*

Interests in shares and underlying shares of the Company and Associated Corporations *(Continued)*

As mentioned in Note (i) above, Dr. Riady was the beneficial owner of one ordinary share in, representing 100% of the issued share capital of, Lippo Capital Group. Through his interest in Lippo Capital Group, Dr. Riady was also interested or taken to be interested (through controlled corporations) in the issued shares of the following Associated Corporations of the Company as at 30 September 2019:

Name of Associated Corporation	*Note*	Class of shares	Number of shares interested	Approximate percentage of interest in the issued shares
Auric Pacific Group Limited ("Auric")	(a)	Ordinary shares	80,618,551	65.48
Bentham Holdings Limited	(b)	Ordinary shares	1	100
Boudry Limited	(c)	Ordinary shares	10	100
	(c)	Non-voting deferred shares	1,000	100
Brimming Fortune Limited	(c)	Ordinary shares	1	100
Broadwell Overseas Holdings Limited	(c)	Ordinary shares	1	100
Greenorth Holdings Limited	(c)	Ordinary shares	1	100
HKCL Investments Limited	(c)	Ordinary shares	1	100
International Realty (Singapore) Pte. Limited	(c)	Ordinary shares	2	100
J & S Company Limited	(c)	Ordinary shares	1	100
Lippo Capital	(b)	Ordinary shares	423,414,001	60
Lippo Capital Holdings	(d)	Ordinary shares	1	100
Lippo Finance Limited	(c)	Ordinary shares	6,176,470	82.35

Note:

(a) Of these shares, 4,999,283 ordinary shares were held by Jeremiah Holdings Limited ("Jeremiah"), a 60% owned indirect subsidiary of LCR; 20,004,000 ordinary shares were held by Nine Heritage Pte Ltd, an 80% owned direct subsidiary of Jeremiah; 36,165,052 ordinary shares were held by Pantogon Holdings Pte Ltd, a 100% owned indirect subsidiary of LCR and 759,000 ordinary shares were held by Max Turbo Limited, a 100% owned indirect subsidiary of LCR. Details of Dr. Riady's interest in LCR are disclosed in Notes (i) and (ii) above. In addition, as at 30 September 2019, 18,691,216 ordinary shares were held by Silver Creek Capital Pte. Ltd. ("Silver Creek"). Dr. Riady, through companies controlled by him, is the beneficial owner of 100% of the issued shares in Silver Creek. Accordingly, Dr. Riady was taken to be interested in an aggregate of 80,618,551 ordinary shares in, representing approximately 65.48% of the issued shares of, Auric.

(b) Such share(s) was/were held directly by Lippo Capital Holdings which in turn was a direct wholly-owned subsidiary of Lippo Capital Group.

(c) Such share(s) was/were 100% held directly or indirectly by Lippo Capital, a 60% owned indirect subsidiary of Lippo Capital Group.

(d) Such share was 100% held directly by Lippo Capital Group.

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Associated Corporations *(Continued)*

Interests in shares and underlying shares of the Company and Associated Corporations *(Continued)*

As at 30 September 2019, none of the Directors or chief executive of the Company had any interests in the underlying shares in respect of physically settled, cash settled or other equity derivatives of the Company or any of its Associated Corporations.

All the interests stated above represent long positions. Save as disclosed herein, as at 30 September 2019, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its Associated Corporations which were required to be recorded in the register kept by the Company under Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

As at 30 September 2019, none of the Directors or chief executive of the Company nor their spouses or minor children (natural or adopted) were granted or had exercised any rights to subscribe for any equity or debt securities of the Company or any of its Associated Corporations.

Share Option Scheme

Details of the share option scheme of a subsidiary of the Company are disclosed in Note 18 to the interim financial statements.

Purchase, Sale or Redemption of the Company's Listed Securities

During the six months ended 30 September 2019, there was no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries.

Interests and Short Positions of Shareholders Discloseable under the Securities and Futures Ordinance

As at 30 September 2019, so far as is known to the Directors of the Company, the following persons (other than the Directors or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the Securities and Futures Ordinance (the "SFO") as follows:

Interests of substantial shareholders in shares of the Company

Name of substantial shareholder	Number of ordinary shares	Approximate percentage of the issued shares
Lippo Capital Limited ("Lippo Capital")	369,800,219	74.98
Lippo Capital Holdings Company Limited ("Lippo Capital Holdings")	369,800,219	74.98
Lippo Capital Group Limited ("Lippo Capital Group")	369,800,219	74.98
Madam Shincee Leonardi	369,800,219	74.98
PT Trijaya Utama Mandiri ("PT TUM")	369.800,219	74.98
Mr. James Tjahaja Riady	369,800,219	74.98
Madam Aileen Hambali	369,800,219	74.98

Note:

1. Lippo Capital, through its wholly-owned subsidiary, J & S Company Limited, was indirectly interested in 14,699,997 ordinary shares of the Company. Together with 355,100,222 ordinary shares of the Company owned by Lippo Capital directly as beneficial owner, Lippo Capital was interested in an aggregate of 369,800,219 ordinary shares in, representing approximately 74.98% of the issued shares of, the Company.

2. Lippo Capital Holdings owned 60% of the issued shares in Lippo Capital. Lippo Capital Group owned 100% of the issued share capital of Lippo Capital Holdings. Dr. Stephen Riady was the beneficial owner of 100% of the issued share capital of Lippo Capital Group. Madam Shincee Leonardi is the spouse of Dr. Stephen Riady.

3. PT TUM owned the remaining 40% of the issued shares in Lippo Capital. PT TUM was wholly owned by Mr. James Tjahaja Riady who is a brother of Dr. Stephen Riady. Madam Aileen Hambali is the spouse of Mr. James Tjahaja Riady.

4. Lippo Capital's interests in the ordinary shares of the Company were recorded as the interests of Lippo Capital Holdings, Lippo Capital Group, Madam Shincee Leonardi, PT TUM, Mr. James Tjahaja Riady and Madam Aileen Hambali. The above 369,800,219 ordinary shares of the Company related to the same block of shares that Dr. Stephen Riady was interested, details of which are disclosed in the above section headed "Directors' and chief executive's interests and short positions in shares, underlying shares and debentures of the Company and associated corporations".

All the interests stated above represent long positions. Save as disclosed herein, as at 30 September 2019, none of the substantial shareholders or other persons (other than the Directors or chief executive of the Company) had any interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

Disclosure Pursuant to Rule 13.20 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

The Group had granted financial assistance to Fortune Crane Limited ("FCL", formerly known as Fortune Code Limited), a subsidiary of Lippo ASM Asia Property Limited which in turn is a principal joint venture of the Company. The relevant advances disclosed pursuant to Rule 13.13 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and remained outstanding as at 30 September 2019 were granted under the following loan agreements:

(i) a loan agreement dated 29 May 2015 between FCL and Pacific Landmark Holdings Limited ("PLH"), a subsidiary of the Company, pursuant to which PLH agreed to advance a loan of S$53,920,839.43 (the "Loan") to FCL;

(ii) a loan agreement dated 28 August 2015 between FCL and PLH pursuant to which PLH agreed to make available a loan facility of S$7,000,000 (the "Interim Loan") to FCL;

(iii) a loan agreement dated 28 August 2015 between FCL and PLH pursuant to which PLH agreed to advance a further loan of S$100,000,000 (the "Further Loan") to FCL;

(iv) a loan agreement dated 12 October 2015 between FCL and PLH pursuant to which PLH agreed to make available a loan facility of S$2,000,000 (the "Second Interim Loan") to FCL;

(v) a loan agreement dated 30 November 2015 between FCL and PLH pursuant to which PLH agreed to make available a new loan facility of S$38,000,000 (the "New Loan") to FCL;

(vi) a loan agreement dated 19 July 2016 between FCL and PLH pursuant to which PLH agreed to make available a loan facility of approximately S$14,959,000 (the "July 2016 Loan") to FCL; and

(vii) a loan agreement dated 20 October 2016 between FCL and Polar Step Limited ("PSL"), a subsidiary of the Company, pursuant to which PSL agreed to make available a loan facility in the maximum principal amount of S$155,000,000 (the "October 2016 Facility") to FCL. The October 2016 Facility was first drawn on 4 January 2017 (the "October 2016 Facility Drawdown Date") and is unsecured, subject to an interest rate of 2.25% per annum and repayable on demand.

Disclosure Pursuant to Rule 13.20 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited *(Continued)*

In addition, an unsecured loan of approximately S$10,314,000 (the "June 2013 Loan") was advanced by PLH to FCL on 20 June 2013.

On 20 October 2016, PLH assigned all of its rights, interests, benefits and title in the June 2013 Loan, the Loan, the Further Loan and the July 2016 Loan to PSL. Pursuant to an amended and restated loan agreement dated 20 October 2016 between, inter alia, PSL and FCL, with effect from the October 2016 Facility Drawdown Date, the interest rate of each of the June 2013 Loan, the Loan, the Further Loan and the July 2016 Loan was amended from 6.5% per annum to 2.25% per annum and the repayment date was amended to repayable on demand.

On 4 January 2017, PLH assigned all of its rights, interests, benefits and title in the Interim Loan, the Second Interim Loan and the New Loan to PSL. Pursuant to an amended and restated loan agreement dated 4 January 2017 between, inter alia, PSL and FCL, with effect from 4 January 2017, the interest rate of each of the Interim Loan, the Second Interim Loan and the New Loan was amended from 6.5% per annum to 2.25% per annum and such loans will be repayable on demand.

All the above advances to FCL are unsecured. As at 30 September 2019, the balance of the above advances amounted to approximately S$380,420,000 (equivalent to approximately HK$2,157,970,000).

Audit Committee

The Company has established an audit committee (the "Committee"). The existing members of the Committee comprise three independent non-executive Directors, namely Mr. Victor Ha Kuk Yung (Chairman), Mr. Edwin Neo and Mr. King Fai Tsui and one non-executive Director, Mr. Leon Nim Leung Chan. The Committee has reviewed with the management of the Company the accounting principles and practices adopted by the Group and financial reporting matters including the review of the unaudited consolidated interim financial statements of the Company for the six months ended 30 September 2019.

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 six months ended 30 September 2019.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as the code for securities transactions by Directors. Having made specific enquiry of all Directors, the Directors have complied with the required standard set out in the Model Code during the period under review.

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

Hong Kong, 28 November 2019

Supplementary Financial Information

Disclosure Pursuant to Rule 13.22 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

Set out below is a pro forma combined statement of financial position of the Group's affiliates as at 30 September 2019 (being the latest practicable date for determining the relevant figures) required to be disclosed under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited:

	HK$'000
Pro forma combined statement of financial position	
Intangible assets	**1,452,777**
Fixed assets	**4,379,403**
Right-of-use assets	**274,351**
Investment properties	**37,666,562**
Interests in equity-accounted investees	**5,819,347**
Properties held for sale	**6,131,761**
Property under development	**80,205**
Financial assets at fair value through other comprehensive income	**1,435,700**
Financial assets at fair value through profit or loss	**1,285,678**
Loans and advances	**5,236,309**
Debtors, prepayments and other assets	**2,749,082**
Treasury bills	**91,283**
Cash and cash equivalents	**6,410,489**
Other assets	**303,011**
Assets classified as held for sale	**1,636,063**
Bank and other borrowings	**(25,698,760)**
Lease liabilities	**(278,070)**
Creditors, accruals and other liabilities	**(7,289,493)**
Current, fixed, savings and other deposits of customers	**(9,385,191)**
Tax payable	**(468,717)**
Shareholders' advance	**(3,485,072)**
Deferred tax liabilities	**(1,332,903)**
Other financial liabilities	**(78,080)**
Non-controlling interests	**(16,486,444)**
	10,449,291
Group's attributable interest *(Note)*	**11,598,181**

Note: The Group's attributable interest represents that portion attributable to the Group before non-controlling interests included therein.

Corporate Information

HONORARY CHAIRMAN*
Dr. Mochtar Riady

BOARD OF DIRECTORS
Executive Directors
Dr. Stephen Riady *(Chairman)*
Mr. John Luen Wai Lee, BBS, JP
(Managing Director and Chief Executive Officer)

Non-executive Directors
Mr. Jark Pui Lee, SBS, OBE, JP
Mr. Leon Nim Leung Chan

Independent non-executive Directors
Mr. Edwin Neo
Mr. King Fai Tsui
Mr. Victor Ha Kuk Yung

COMMITTEES
Audit Committee
Mr. Victor Ha Kuk Yung *(Chairman)*
Mr. Leon Nim Leung Chan
Mr. Edwin Neo
Mr. King Fai Tsui

Remuneration Committee
Mr. King Fai Tsui *(Chairman)*
Mr. Leon Nim Leung Chan
Mr. Victor Ha Kuk Yung
Mr. Edwin Neo
Dr. Stephen Riady

Nomination Committee
Mr. King Fai Tsui *(Chairman)*
Mr. Leon Nim Leung Chan
Mr. Victor Ha Kuk Yung
Mr. Edwin Neo
Dr. Stephen Riady

SECRETARY
Mr. Davy Kwok Fai Lee

AUDITOR
Ernst & Young

PRINCIPAL BANKERS
Bank of China (Hong Kong) Limited
Fubon Bank (Hong Kong) Limited
China CITIC Bank International Limited
UBS AG

SOLICITORS
Howse Williams

REGISTRAR
Tricor Progressive Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

REGISTERED OFFICE
40th Floor, Tower Two
Lippo Centre
89 Queensway
Hong Kong

STOCK CODE
226

WEBSITE
www.lippoltd.com.hk

* *non-officer position*