Louis XIII Holdings Limited
路易十三集團有限公司*

(Incorporated in Bermuda with limited liability)
(Stock code: 577)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 MARCH 2013

Financial Highlights

• Turnover	HK$6,820 million	+ 58%
• Gross profit	HK$199 million	+ 7%
• Profit attributable to owners of the Company	HK$18 million	– 42%
• Earnings per share		
– Basic	16.8 HK cents	– 66%
– Diluted	13.4 HK cents	N/A
• NAV per share	HK$8.596	– 18%

RESULTS

The board of directors (the "Board") of Louis XIII Holdings Limited ("Louis XIII" or the "Company") is pleased to announce the consolidated results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 March 2013 together with the comparative figures for 2012, as follows:

Consolidated Income Statement

		For the year ended 31 March	
		2013	2012
	Notes	***HK$'000***	*HK$'000*
Turnover			
The Company and its subsidiaries		**6,819,504**	4,304,247
Share of associates and jointly controlled entities		**961,898**	409,932
		7,781,402	4,714,179
Group turnover	*2*	**6,819,504**	4,304,247
Cost of sales		**(6,620,183)**	(4,117,543)
Gross profit		**199,321**	186,704
Other income	*3*	**3,975**	12,125
Administrative expenses		**(199,528)**	(167,582)
Finance costs		**(13,331)**	(13,254)
Share of results of associates		**6,245**	3,474
Share of results of jointly controlled entities		**31,512**	13,056
Profit before tax		**28,194**	34,523
Income tax expense	*4*	**(6,019)**	(1,527)
Profit for the year	*5*	**22,175**	32,996
Profit for the year attributable to:			
Owners of the Company		**17,632**	30,303
Non-controlling interests		**4,543**	2,693
		22,175	32,996
			(Restated)
Earnings per share	*7*		
Basic		**HK$0.168**	HK$0.499
Diluted		**HK$0.134**	N/A

Consolidated Statement of Comprehensive Income

	For the year ended 31 March	
	2013	2012
	HK$'000	*HK$'000*
Profit for the year	**22,175**	32,996
Other comprehensive income for the year:		
Exchange difference arising on translation of foreign operations	**2,767**	7,581
Share of translation reserve of jointly controlled entities/associates	**872**	2,223
	3,639	9,804
Total comprehensive income for the year	**25,814**	42,800
Total comprehensive income attributable to:		
Owners of the Company	**20,757**	40,107
Non-controlling interests	**5,057**	2,693
	25,814	42,800

Consolidated Statement of Financial Position

	Notes	2013 HK$'000	2012 HK$'000
NON-CURRENT ASSETS			
Hotel under development		**33,933**	–
Property, plant and equipment		**201,950**	175,080
Prepaid land lease payments		**1,926,076**	19,686
Goodwill		**61,646**	61,646
Other intangible assets		**7,570**	7,570
Interests in associates		**27,934**	90,469
Interests in jointly controlled entities		**114,016**	12,384
Other debtors – non-current portion		**187,040**	184,733
		2,560,165	551,568
CURRENT ASSETS			
Prepaid land lease payments		**104,591**	575
Amounts due from customers for contract works		**467,800**	376,446
Trade and other debtors, deposits and prepayments	*8*	**1,771,290**	1,887,185
Amounts due from associates		**39,817**	40,546
Amounts due from jointly controlled entities		**174,768**	52,921
Amounts due from subsidiaries of a shareholder/fellow subsidiaries		**72,728**	105,459
Other loans receivable		**–**	8,148
Short term bank deposits		**814,835**	173,336
Bank balances and cash		**345,647**	132,456
		3,791,476	2,777,072
CURRENT LIABILITIES			
Amounts due to customers for contract works		**756,373**	716,288
Trade and other creditors and accrued expenses	*9*	**1,432,485**	1,425,870
Amounts due to associates		**57,532**	108,027
Amounts due to jointly controlled entities		**98,413**	95,401
Amounts due to non-controlling interests		**171**	61
Taxation payable		**8,714**	2,765
Bank borrowings – due within one year		**402,048**	226,335
		2,755,736	2,574,747
NET CURRENT ASSETS		**1,035,740**	202,325
TOTAL ASSETS LESS CURRENT LIABILITIES		**3,595,905**	753,893
NON-CURRENT LIABILITIES			
Bank borrowings – due after one year		**38,041**	112,842
Convertible bonds		**168,010**	–
		206,051	112,842
		3,389,854	641,051
CAPITAL AND RESERVES			
Share capital		**709,326**	121,391
Reserves		**2,339,245**	518,039
Equity attributable to owners of the Company		**3,048,571**	639,430
Non-controlling interests			
Share option reserve of a subsidiary		**10,667**	–
Share of net assets of subsidiaries		**330,616**	1,621
		341,283	1,621
TOTAL EQUITY		**3,389,854**	641,051

Consolidated Statement of Cash Flows

	For the year ended 31 March	
	2013	2012
	HK$'000	*HK$'000*
Net cash used in operating activities	**(4,397)**	(180,390)
Net cash (used in) from investing activities		
Additions to prepaid land lease payments	**(2,028,317)**	–
Additions to property, plant and equipment	**(62,544)**	(52,379)
Additions to hotel under development	**(12,486)**	–
Contribution to a jointly controlled entity	**(947)**	(2,050)
Additional contribution to an associate	**(320)**	(2,594)
Advances to an associate	**(8)**	(30,826)
Repayment from associates	**10,305**	23,796
Repayment of other loans receivable	**8,148**	10,000
Release of pledged bank deposits	**–**	75,026
Advance of other loans receivable	**–**	(10,000)
Others	**3,997**	8,866
	(2,082,172)	19,839
Net cash from financing activities		
Proceeds from issue of placing shares	**1,998,000**	–
Proceeds from issue of convertible bonds	**1,202,000**	–
New bank loans raised	**577,432**	460,097
Advance from jointly controlled entities	**59,867**	49,500
Advance from a subsidiary of a shareholder	**45,000**	–
Repayment of bank loans	**(477,603)**	(380,898)
Dividends paid	**(162,900)**	(6,070)
Transaction costs attributable to issue of placing shares	**(100,549)**	–
Transaction costs attributable to issue of convertible bonds	**(60,395)**	–
Repayment to a jointly controlled entity	**(58,500)**	–
Repayment to a subsidiary of a shareholder	**(45,000)**	–
Interest paid	**(19,879)**	(14,403)
Repayment to associates	**(16,588)**	(31)
Advance from an associate	**–**	24,661
	2,940,885	132,856
Net increase (decrease) in cash and cash equivalents	**854,316**	(27,695)
Effect of foreign exchange rate changes	**374**	1,406
Cash and cash equivalents brought forward	**305,792**	332,081
Cash and cash equivalents carried forward	**1,160,482**	305,792
Analysis of the balances of cash and cash equivalents		
Short term bank deposits	**814,835**	173,336
Bank balances and cash	**345,647**	132,456
	1,160,482	305,792

Notes:

1. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Group has applied the following amendments to standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Amendments to HKFRS 7	Financial Instruments: Disclosures – Transfers of Financial Assets
Amendments to HKAS 12	Deferred Tax – Recovery of Underlying Assets

The application of the amendments to standards in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

Amendments to HKFRSs	Annual Improvements to HKFRSs 2009 – 2011 Cycle[1]
Amendments to HKFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities[1]
Amendments to HKFRS 9 and HKFRS 7	Mandatory Effective Date of HKFRS 9 and Transition Disclosures[2]
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance[1]
Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities[4]
HKFRS 9	Financial Instruments[2]
HKFRS 10	Consolidated Financial Statements[1]
HKFRS 11	Joint Arrangements[1]
HKFRS 12	Disclosure of Interests in Other Entities[1]
HKFRS 13	Fair Value Measurement[1]
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income[3]
HKAS 19 (as revised in 2011)	Employee Benefits[1]
HKAS 27 (as revised in 2011)	Separate Financial Statements[1]
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures[1]
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities[4]
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine[1]

[1] Effective for annual periods beginning on or after 1 January 2013.
[2] Effective for annual periods beginning on or after 1 January 2015.
[3] Effective for annual periods beginning on or after 1 July 2012.
[4] Effective for annual periods beginning on or after 1 January 2014.

Annual Improvements to HKFRSs 2009 – 2011 Cycle issued in June 2012

The "*Annual Improvements to HKFRSs 2009 – 2011 Cycle"* include a number of amendments to various HKFRSs. The amendments are effective for annual periods beginning on or after 1 January 2013. Amendments to HKFRSs include the amendments to HKAS 16 *"Property, Plant and Equipment*" and the amendments to HKAS 32 "*Financial Instruments: Presentation*".

The amendments to HKAS 16 clarify that spare parts, stand-by equipment and servicing equipment should be classified as property, plant and equipment when they meet the definition of property, plant and equipment in HKAS 16 and as inventory otherwise. The directors do not anticipate that the application of the amendments will have a material effect on the Group's consolidated financial statements.

HKFRS 9 Financial Instruments

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 amended in 2010 includes the requirements for the classification and measurement of financial liabilities and for derecognition.

Key requirements of HKFRS 9 are described as follows:

All recognised financial assets that are within the scope of HKAS 39 "*Financial Instruments: Recognition and Measurement*" are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss. HKFRS 9 is effective for annual periods beginning on or after 1 January 2015, with earlier application permitted.

The directors anticipate that the adoption of HKFRS 9 in the future may not have significant impact on amounts reported in respect of the Group's financial assets and financial liabilities.

New and revised standards on consolidation, joint arrangements, associates and disclosures

A package of five standards on consolidation, joint arrangements and disclosures were issued by the HKICPA in June 2011 and are effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted provided that all of these new or revised standards are applied early at the same time. The directors of the Company anticipate that these new or revised standards will be applied in the Group's consolidated financial statements for the financial year ending 31 March 2014 and the potential impact is described below.

HKFRS 10 replaces the parts of HKAS 27 "*Consolidated and Separate Financial Statements*" that deal with consolidated financial statements and HK(SIC) – Int 12 "*Consolidation – Special Purpose Entities*". Under HKFRS 10, there is only one basis for consolidation, that is control. In addition, HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios. Overall, the application of HKFRS 10 requires a lot of judgment. The directors are of the opinion that there is no material impact from the application of HKFRS 10 on the results and the financial position of the Group.

HKFRS 11 replaces HKAS 31 "*Interests in Joint Ventures*" and HK(SIC) – Int 13 "*Jointly Controlled Entities – Non-Monetary Contributions by Ventures*". HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. Under HKFRS 11, there are two types of joint arrangements: joint ventures and joint operations. The classification in HKFRS 11 is based on the rights and obligations of the parties to the arrangements. In contrast, under HKAS 31, there are three different types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations.

In addition, joint ventures under HKFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under HKAS 31 can be accounted for using the equity method of accounting or proportionate accounting. The application of HKFRS 11 might result in changes in the classification of the Group's joint arrangements and their accounting treatments. The directors are in the process of assessing the impact from the application of HKFRS 11 on the results and the financial position of the Group.

HKFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in HKFRS 12 are more extensive than those in the current standards.

Amendments to HKAS 1 Presentation of Items of Other Comprehensive Income

The amendments to HKAS 1 "*Presentation of Items of Other Comprehensive Income"* introduce new terminology for the statement of comprehensive income and income statement. The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require items of other comprehensive income to be grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other comprehensive income either before tax or net of tax.

The amendments to HKAS 1 are effective for annual periods beginning on or after 1 July 2012. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied in future accounting periods.

Other than disclosed above, the application of the other new or revised HKFRSs will have no material impact on the results and the financial position of the Group.

2. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision makers, is organised into divisions for the purposes of resource allocation and performance assessment focusing on the types of services delivered or provided. Specifically, the Group's reportable and operating segments under HKFRS 8 "*Operating Segment*" are as follows:

Management contracting	–	building construction and civil engineering
Property development management	–	development management, project management and facilities and asset management services
Property investment	–	investment in properties through investment in a jointly controlled entity/an associate
Hotel development	–	hotel operation with ancillary retail and entertainment facilities

During the year ended 31 March 2013, the Group had newly invested a new operating segment of the hotel operation in Macau with provision of ancillary retail and entertainment facilities (including but not limited to gambling) which are under development as at 31 March 2013. The remaining segments are held under a major subsidiary of the Group, Paul Y. Engineering Group Limited (formerly known as Paul Y. Engineering (BVI) Limited) ("PYE").

The accounting policies of the reportable and operating segments are the same as the Group's accounting policies. Segment profit represents the profit earned by each reportable and operating segment without allocation of corporate income, central administrative costs and finance costs. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and performance assessment.

The assets of the Group are allocated to reportable and operating segments except for short term bank deposits, bank balances and cash and other unallocated assets.

The liabilities of the Group are allocated to reportable and operating segments except for bank borrowings and other unallocated liabilities.

Inter-segment sales are charged at prevailing market rates or at terms determined and agreed by both parties, where no market price was available.

Segment turnover and results

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

For the year ended 31 March 2013

	Management contracting HK$'000	Property development management HK$'000	Property investment HK$'000	PYE total HK$'000	Hotel development HK$'000	Segment total HK$'000	Eliminations HK$'000	Consolidated HK$'000
SEGMENT REVENUE								
External sales	**6,813,174**	**6,330**	**–**	**6,819,504**	**–**	**6,819,504**	**–**	**6,819,504**
Inter-segment sales	**–**	**538**	**–**	**538**	**–**	**538**	**(538)**	**–**
Segment revenue	**6,813,174**	**6,868**	**–**	**6,820,042**	**–**	**6,820,042**	**(538)**	**6,819,504**
Segment profit	**118,465**	**2,414**	**8,126**	**129,005**	**–**	**129,005**	**–**	**129,005**
Corporate income								**3,975**
Central administrative costs								**(91,455)**
Finance costs								**(13,331)**
Profit before tax								**28,194**

The following is an analysis of the Group's assets and liabilities by reportable and operating segments.

As at 31 March 2013

	Management contracting	Property development management	Property investment	PYE total	Hotel development	Segment total	Eliminations	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
ASSETS								
Segment assets	**2,955,458**	**47,417**	**97,962**	**3,100,837**	**2,048,053**	**5,148,890**	**(4,267)**	**5,144,623**
Short term bank deposits								**814,835**
Bank balances and cash								**345,647**
Other unallocated assets								**46,536**
Consolidated assets								**6,351,641**
LIABILITIES								
Segment liabilities	**2,315,732**	**10,761**	**447**	**2,326,940**	**179,378**	**2,506,318**	**(4,267)**	**2,502,051**
Bank borrowings								**440,089**
Other unallocated liabilities								**19,647**
Consolidated liabilities								**2,961,787**

OTHER INFORMATION

	Management contracting	Property development management	Property investment	Unallocated	PYE total	Hotel development	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Amounts included in the measure of segment profit or segment assets:							
Additions to hotel under development	–	–	–	–	–	**33,933**	**33,933**
Additions to prepaid land lease payment	–	–	–	–	–	**2,028,317**	**2,028,317**
Additions to property, plant and equipment	**59,859**	–	–	**2,685**	**62,544**	–	**62,544**
Depreciation of property, plant and equipment	**27,702**	**198**	–	**1,785**	**29,685**	–	**29,685**
Loss on disposal of property, plant and equipment	**4,389**	–	–	–	**4,389**	–	**4,389**
Release of prepaid land lease payments	**575**	–	–	–	**575**	–	**575**
Interests in associates and jointly controlled entities	**70,025**	**(1,037)**	**72,962**	–	**141,950**	–	**141,950**
Share of results of associates and jointly controlled entities	**29,935**	**(369)**	**8,191**	–	**37,757**	–	**37,757**
Amounts regularly provided to the executive directors but not included in the measure of segment profit:							
Share of turnover of associates and jointly controlled entities	**956,475**	–	**5,423**	–	**961,898**	–	**961,898**

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

For the year ended 31 March 2012

	Management contracting	Property development management	Property investment	Segment total	Elminations	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
SEGMENT REVENUE						
External sales	4,268,461	35,786	–	4,304,247	–	4,304,247
Inter-segment sales	–	977	–	977	(977)	–
Segment revenue	4,268,461	36,763	–	4,305,224	(977)	4,304,247
Segment profit	100,641	4,154	3,996	108,791	–	108,791
Corporate income						12,125
Central administrative costs						(73,139)
Finance costs						(13,254)
Profit before tax						34,523

The following is an analysis of the Group's assets and liabilities by reportable and operating segments.

As at 31 March 2012

	Management contracting	Property development management	Property investment	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
ASSETS				
Segment assets	2,802,449	62,007	99,191	2,963,647
Short term bank deposits				173,336
Bank balances and cash				132,456
Other unallocated assets				59,201
Consolidated assets				3,328,640
LIABILITIES				
Segment liabilities	2,305,321	27,472	451	2,333,244
Bank borrowings				339,177
Other unallocated liabilities				15,168
Consolidated liabilities				2,687,589

OTHER INFORMATION

	Management contracting	Property development management	Property investment	Unallocated	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Amounts included in the measure of segment profit or segment assets:					
Additions to property, plant and equipment	51,382	9	–	988	52,379
Depreciation of property, plant and equipment	21,396	280	–	1,901	23,577
Gain on disposal of property, plant and equipment	(11)	–	–	–	(11)
Release of prepaid land lease payments	575	–	–	–	575
Interests in associates and jointly controlled entities	39,622	(656)	63,887	–	102,853
Share of results of associates and jointly controlled entities	13,432	(924)	4,022	–	16,530
Amounts regularly provided to the executive directors but not included in the measure of segment profit:					
Share of turnover of associates and jointly controlled entities	394,986	10,141	4,805	–	409,932

Geographical information

The Group's operations are mainly located in Hong Kong, Macau, the People's Republic of China (the "PRC") (excluding Hong Kong and Macau) and Singapore.

The following table provides an analysis of the Group's turnover based on geographical location where construction works or other services are provided:

	2013	2012
	HK$'000	*HK$'000*
Hong Kong	**3,942,490**	3,346,314
Macau	**2,494,118**	555,883
PRC	**381,692**	402,050
Singapore	**1,204**	–
	6,819,504	4,304,247

The following is an analysis of the carrying amounts of non-current assets excluding other debtors (non-current portion), analysed by the geographical area in which the assets are located:

	Carrying amounts of non-current assets	
	2013	2012
	HK$'000	*HK$'000*
Hong Kong	**327,942**	272,116
Macau	**1,943,845**	2,350
PRC	**99,748**	91,851
Singapore	**1,590**	518
	2,373,125	366,835

Information about major customers

Revenue from the three (2012: two) largest customers in respect of construction contracts amounted to approximately HK$1,467,149,000 (2012: HK$782,716,000), HK$1,193,087,000 (2012: less than 10% of total turnover of the Group) and HK$948,332,000 (2012: less than 10% of total turnover of the Group), respectively, which individually contributed more than 10% of total turnover of the Group. Revenue from the remaining largest customer in 2012 in respect of construction contracts amounted to HK$644,788,000 individually contributed more than 10% of total turnover the Group during the year ended 31 March 2012. All these customers are under the management contracting segment.

3. OTHER INCOME

	2013	2012
	HK$'000	*HK$'000*
Bank interest income	**593**	548
Interest income on amount due from a fellow subsidiary	**–**	9,468
Interest income on amount due from a subsidiary of a shareholder	**2,607**	–
Interest income on other loans receivable	**692**	857
Others	**258**	1,252
	4,150	12,125
Less: Amount capitalised in respect of hotel under development	**(175)**	–
	3,975	12,125

4. INCOME TAX EXPENSE

	2013	2012
	HK$'000	*HK$'000*
Macau and the PRC tax		
Current tax	**7,367**	1,422
(Over) underprovision in prior years	**(1,348)**	105
	6,019	1,527

No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the assessable profits were wholly absorbed by tax losses brought forward for both years.

Pursuant to tax incentive approved under Section 19 of Decree Law No. 12/2011 and Decree Law No. 17/2012, Macau Complementary Tax is levied at a fixed rate of 9% on the taxable income above Macau Pataca ("MOP") 200,000 but below MOP300,000, and thereafter at a fixed rate of 12%.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate is 25% for the Group's subsidiaries in the PRC from 1 January 2008 onwards.

5. PROFIT FOR THE YEAR

	2013	2012
	HK$'000	*HK$'000*
Profit for the year has been arrived at after charging (crediting):		
Depreciation of property, plant and equipment	**31,281**	26,332
Less: Amount capitalised in respect of contracts in progress	**(1,596)**	(2,755)
	29,685	23,577
Loss (gain) on disposal of property, plant and equipment	**4,389**	(11)
Release of prepaid land lease payments	**17,911**	575
Less: Amount capitalised in respect of hotel under development	**(17,336)**	–
	575	575

6. DISTRIBUTIONS

	2013	2012
	HK$'000	*HK$'000*
Dividends recognised as distributions during the current year:		
Final dividend for 2012 – 1.0 HK cent (2012: 1.0 HK cent for 2011) per share	**6,070**	6,070
Special dividend for 2012 – 26.0 HK cents (2012: Nil) per share	**157,808**	–
	163,878	6,070
Distribution in specie	**324,048**	–
Dividends proposed:		
Final dividend proposed for 2013 – Nil (2012: 1.0 HK cent for 2012) per share	**–**	6,070

The directors do not recommend the payment of a dividend and propose that the profit for the year be retained.

On 5 February 2013, a distribution of specie of 606,954,322 shares representing 49% of issued shares of PYE has been distributed. The distribution amount of HK$324,048,000 is derived from 49% of the net assets value of PYE and its subsidiaries on the effective date of the distribution in specie. Following the distribution in specie, the Company continued to hold 51% equity interest in PYE. Thus, PYE continued to be a subsidiary of the Company and the results of PYE continued to be consolidated in the consolidated financial statements of the Group.

The amount of the final dividend proposed for the year ended 31 March 2012 had been calculated by reference to 606,954,322 issued shares as at 22 June 2012.

7. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

Earnings

	2013	2012
	HK$'000	*HK$'000*
Earnings for the purposes of basic and diluted earnings per share:		
Profit for the year attributable to owners of the Company	**17,632**	30,303

Number of shares

	Number of shares	Number of shares
Weighted average number of ordinary shares for the purpose of basic earnings per share *(Note)*	**104,978,101**	60,695,432
Effect of dilutive potential ordinary shares:		
Convertible bonds	**26,635,778**	–
Exchange rights granted to option holders under a subsidiary's share option scheme	**28,289**	–
Weighted average number of ordinary shares for the purpose of diluted earnings per share *(Note)*	**131,642,168**	60,695,432

Note: The weighted average number of ordinary shares adopted in the calculation of the basic and diluted earnings per share for both years has been adjusted retrospectively to reflect the impact of share consolidation effected on 27 May 2013.

Diluted earnings per share has not been calculated for the year ended 31 March 2012 as no potential ordinary shares were outstanding for the year.

8. TRADE AND OTHER DEBTORS, DEPOSITS AND PREPAYMENTS

Included in trade and other debtors, deposits and prepayments are trade debtors, net of allowance for doubtful debts, of HK$650,897,000 (2012: HK$696,740,000) and their aged analysis presented based on the invoice date at the end of the reporting period is as follows:

	2013	2012
	HK$'000	*HK$'000*
Within 90 days	**611,711**	650,910
More than 90 days and within 180 days	**543**	62
More than 180 days	**38,643**	45,768
	650,897	696,740

Trade debtors mainly arise from management contracting business. The Group's credit terms for its management contracting business are negotiated at terms determined and agreed with its trade customers. The credit periods are ranging from 60 to 90 days.

At 31 March 2013, retentions held by customers for contract works amounting to HK$563,892,000 (2012: HK$478,541,000) were included in trade and other debtors, deposits and prepayments of which HK$258,591,000 (2012: HK$196,254,000) are expected to be recovered or settled in more than twelve months from the end of the reporting period.

Included in trade and other debtors, deposits and prepayments in the consolidated statement of financial position is an amount of HK$73,644,000 (2012: HK$291,741,000) which represents the prepayment made to independent sub-contractors for undertaking construction projects. The amounts are then utilised throughout the construction period of the contracts.

At 31 March 2013, construction and material purchase costs incurred and paid on behalf of sub-contractors for the construction works amounting to HK$209,744,000 (2012: HK$163,089,000) were included in trade and other debtors, deposits and prepayments in the consolidated statement of financial position.

Included in trade and other debtors, deposits and prepayments as at 31 March 2012 was another amount of HK$7,000,000 which represents a deferred consideration receivable from a third party in relation to disposal of two subsidiaries, namely Unicon Concrete Products (HK) Limited and Hamker Concrete Products Limited, during the year ended 31 March 2006. The consideration for the disposal was HK$19,000,000 which shall be settled in cash by the purchaser on or before October 2009. Accumulated settlement of HK$12,000,000 had been made up to 31 March 2012 and remaining balance of HK$7,000,000 has been settled during the year ended 31 March 2013. The fair value of the deferred consideration at date of initial recognition was determined based on the estimated future cash flows discounted at 3% per annum. The amount was unsecured, interest free and repaid during the year.

Included in trade and other debtors, deposits and prepayments in the consolidated statement of financial position is an aggregate sum of HK$266,138,000 (2012: HK$262,865,000) which mainly represents amounts recoverable (together with interest thereon) from an independent third party which is a property developer, in respect of amounts paid by the Group in previous years for financing a property development project in Beijing, the PRC (the "Project"). The principal amount was HK$187,040,000 (2012: HK$184,733,000) and recoverable with interest calculated at the benchmark lending interest rate as announced by the People's Bank of China plus 8% per annum.

Included in trade and other debtors, deposits and prepayments is also an aggregate sum of HK$16,394,000 (2012: HK$16,394,000) which represents an advance (together with interest thereon) made to a related company of the above independent third party in Hong Kong in previous years. The principal amount of HK$10,000,000 (2012: HK$10,000,000) carries interest at the best lending rate plus 8% per annum and was due on 25 February 2006.

To protect the Group's interest, the Group has entered into presale contracts with the property developer for certain property units in this Project. The Group is in the course of negotiation with an asset management company in the PRC, which has certain interests in the above Project, for the purpose of realising the properties under these presale contracts held for full recovery of the amounts of HK$266,138,000 and HK$16,394,000 outstanding as at 31 March 2013. On the basis that the fair value of the properties under presale contracts (according to a valuation report issued by an independent property valuer) is higher than the advances and accrued interest, the directors are of the view that the amounts will be recovered in full and as such no impairment loss on these has been recognised. The estimated portion of such amounts which is expected to be recovered after twelve months from the end of the reporting period, amounting to approximately HK$187,040,000 (2012: HK$184,733,000), has been classified as a non-current asset.

A writ of summons was served on 28 July 2011 upon the Company and two of its subsidiaries claiming for, amongst others, damages in a sum of approximately RMB780,000,000 (equivalent to approximately HK$974,000,000) related to the Project. It is stated in the writ of summons that the Company and two of its subsidiaries were alleged to be in breach of certain terms contained in an alleged oral master agreement (which is denied by the Company and two subsidiaries). Taken into consideration of a legal opinion, the Company is of the view that the Company and the above two subsidiaries would have a reasonably good chance in defending the alleged claim and that it is probable there would not be material adverse impact on the financial position of the Group.

9. TRADE AND OTHER CREDITORS AND ACCRUED EXPENSES

Included in trade and other creditors and accrued expenses are trade creditors of HK$680,935,000 (2012: HK$500,143,000) and their aged analysis presented based on the invoice date is as follows:

	2013	2012
	HK$'000	*HK$'000*
Within 90 days	**665,997**	485,473
More than 90 days and within 180 days	**369**	501
More than 180 days	**14,569**	14,169
	680,935	500,143

The average credit period on trade creditors is 90 days. The Group has financial risk management policies in place to ensure that all payables are within the credit timeframe.

At 31 March 2013, retentions held by the Group for contract works amounting to HK$383,644,000 (2012: HK$343,882,000) were included in other creditors, of which HK$96,905,000 (2012: HK$83,481,000) are expected to be paid or settled after more than twelve months from the end of the reporting period.

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF FINANCIAL PERFORMANCE AND POSITIONS

During the year, the Company completed its acquisition of the entire equity interest in Falloncroft Investments Limited ("Falloncroft") from an independent third party for a cash consideration of HK$2,000 million after which Falloncroft becomes a wholly owned subsidiary of the Company. The transaction is considered an acquisition of an asset – an interest in a parcel of land situated in Macau.

The Company is building an exclusive luxury hotel and entertainment complex, expected to be completed in early 2016, on a site of some 65,000 square feet located on the Cotai Strip in Macau. The directors believe that the acquisition followed by a fully operational hotel in Macau with provision of ancillary retail and entertainment facilities (including but not limited to gambling) will, in due course, generate strong cash flows for the benefit of all shareholders.

For the year ended 31 March 2013, the Group recorded HK$2,048 million assets and HK$179 million liabilities under this new segment, hotel development, which mainly represent cost of land and hotel under development in Macau and the liability portion of convertible bonds issued for such acquisition transaction. There was no segment profit from the hotel development for the year ended 31 March 2013.

In February 2013, the Company also completed a placing of 2,938,236,000 shares at HK$0.68/share ("Placing Shares") which raised gross proceeds of HK$1,998 million and an aggregate HK$1,202 million from the placement of convertible bonds. Gross proceeds of $3,200 million from the placings are being used primarily to fund the development of the hotel and entertainment complex in Macau. In March, 2013, the Company completed its distribution in specie to existing shareholders of the Company of 49% of the shares of its wholly-owned subsidiary Paul Y. Engineering Group Limited (formerly known as Paul Y. Engineering (BVI) Limited) ("PYE"), a company holding substantially all of the Company's businesses other than hotel operations. The Company has retained a 51% interest in PYE.

During the year under review, the demand for engineering and construction services remained strong in both Hong Kong and Macau as a result of a significant increase in capital investment by governments and investors. As one of the major participants in this market, the Group successfully secured new contracts of approximately HK$13,225 million for the year ended 31 March 2013.

For the year ended 31 March 2013, the Group recorded a consolidated turnover of approximately HK$6,820 million (2012: HK$4,304 million), representing an increase of approximately 58% from that of the last year as a result of the strong order book in hand. Taking into account the Company's share of turnover of associates and jointly controlled entities, turnover would be approximately HK$7,781 million (2012: HK$4,714 million), representing an increase of approximately 65%. Gross Profit increased by approximately 7% to approximately HK$199 million (2012: HK$187 million). However, the gross margin dropped slightly to 2.9% (2012: 4.3%) as a result of the rise in manpower and other construction costs. Profit attributable to owners of the Company for the year was approximately HK$18 million (2012: HK$30 million). Basic earnings per share was 16.8 HK cents.

The Group does not propose to pay a dividend for the year ended 31 March 2013 as profits will be retained to fund capital expenditures and pre-opening expenses related to hotel development.

The Group has maintained a strong financial position with total assets increasing by approximately 91% to HK$6,352 million. Current assets were approximately HK$3,791 million, representing approximately 1.4 times the current liabilities. The equity attributable to owners of the Company has increased to approximately HK$3,049 million or 377% due primarily to the equity and convertible bond placings completed in February 2013.

Net cash flow used in operating activities was about HK$4 million and net cash inflow in respect of investing and financing activities was approximately HK$859 million, resulting in a net increase in cash and cash equivalents of about HK$855 million for the year.

REVIEW OF OPERATIONS

HOTEL DEVELOPMENT

Following the acquisition of Falloncroft in February 2013, the Company is building an exclusive luxury hotel and entertainment complex (the "Property"), expected to complete in early 2016, on a site of some 65,000 square feet located on the Cotai Strip in Macau. The Property is expected to have a gross floor area of approximately 945,000 square feet and feature approximately 230 duplex suites with an average size of about 2,000 square feet. In addition, the Property will have a retail area devoted to only limited edition, bespoke and couture luxury products. In March, 2013, the Company entered into a memorandum of understanding with Graff Diamonds to create an invitation-only boutique featuring only Graff's high-end limited edition products. In addition, the Company has partnered with Michelin 3-star L'Ambroisie in Paris to open its only other restaurant in the world in the Property. Subject to government approval, the Property will also have a casino.

ENGINEERING BUSINESS – PYE (51% owned)

The Management Contracting division remained the major contributor of revenue this year. Turnover of this division amounted to HK$6,813 million (2012: HK$4,268 million), increased by about 60%. Taking into account the Company's share of turnover of associates and jointly controlled entities, the turnover would be approximately HK$7,770 million (2012: HK$4,663 million), representing an increase of approximately 67%. Operating profit increased by approximately 17% to HK$118 million (2012: HK$101 million). As at 31 March 2013, the value of contracts on hand was approximately HK$23,503 million (2012: HK$15,102 million), while the value of work remaining was approximately HK$16,755 million.

During the year under review, the Management Contracting division secured new construction contracts with an aggregate value of approximately HK$13,222 million, representing an increase of approximately 49% as compared to HK$8,891 million in the prior year. Set out below are some of the new contracts secured during the year:

Hong Kong projects

- Hong Kong International Airport Contract P535 – West Hall modification works
- Shatin to Central Link Contract No. 1117 – Pat Heung Depot modification works
- Shatin to Central Link Contract No. 1114 – Tsz Wan Shan pedestrian links
- Foundation works at 109-135 Kadoorie Avenue, Homantin
- Foundation works for the proposed residential redevelopment at nos. 23 & 25 Robinson Road
- Main contract works for proposed redevelopment at 19-21 Shelter Street, Causeway Bay
- Foundation works for proposed residential development at 21, 23 & 25 Borrett Road

Macau projects

- Main contract works for Studio City, Macau *
- Main contract works (Lot 4 & 5) for the Concordia Development at Coloane, Macau *
- Piling works for Studio City, Macau
- Main contract works (Lot 6) for the Concordia Development at Coloane, Macau *

Singapore project

- Proposed residential development at Upper Thomson Road, Singapore *

* Projects being carried out through joint ventures

The Property Development Management division reported a profit of approximately HK$2 million for the year under review. The value of contracts on hand for Property Development Management division at year-end was approximately HK$3 million.

The Property Investment division also reported a profit, through its jointly controlled entity/associate, of approximately HK$8 million for the year under review. The jointly controlled entity/associate holds an investment property in Hangzhou, the Pioneer Technology Building, an office building with gross floor area of some 20,000 square meters. The building contributed rental income of about HK$11 million (2012: HK$10 million) and was almost fully occupied as at 31 March 2013.

MATERIAL ACQUISTION AND DISPOSAL

In February 2013, the Company completed its acquisition of 100% equity interests in Falloncroft for a cash consideration of HK$2,000 million. The transaction is considered an acquisition of an asset – an interest in a parcel of land situated in Macau.

At the same time, the Company disposed its 49% equity interests in PYE through a distribution in specie of HK$324 million.

Apart from the above, there is no material acquisition and disposal of subsidiaries and associates during the year.

EVENTS AFTER THE REPORTING PERIOD

Below are the significant events of the Group occurring after the end of the reporting period and up to the date of approval for issuing the consolidated financial statements on 21 June 2013:

(a) On 3 April 2013, the Company changed its name from Paul Y. Engineering Group Limited to Louis XIII Holdings Limited;

(b) On 22 May 2013, the Company issued 56,911,764 new ordinary shares at conversion price of HK$0.68 each in the Company as a result of the exercise of conversion right attached to the convertible bonds with principal amount of HK$38,700,000; and

(c) Pursuant to an ordinary resolution passed by the shareholders of the Company at the special general meeting of the Company held on 24 May 2013, every ten issued and unissued existing ordinary shares of HK$0.20 each in the share capital of the Company was consolidated into one consolidated share of HK$2.00 each (the "Consolidated Share"), and such Consolidated Shares shall rank pari passu in all respects with each other and have the rights and privileges and be subject to the restrictions contained in the memorandum and bye-laws of the Company (the"Share Consolidation"). The Share Consolidation took effect on 27 May 2013.

LIQUIDITY AND CAPITAL RESOURCES

Under its prudent funding and treasury policies, the Group maintains a variety of credit facilities to meet requirements for working capital. At 31 March 2013, cash, bank balances and deposits stood at approximately HK$1,160 million, of which approximately HK$1,125 million, HK$28 million, HK$4 million and HK$3 million were denominated in Hong Kong Dollars, Renminbi, Macau Patacas and Singapore Dollars respectively. The Group had total borrowings of approximately HK$440 million at the year-end of which approximately HK$402 million are repayable within one year. In addition, the Group also has outstanding convertible bonds with a face value of HK$1,202 million and a liability component as at 31 March 2013 of HK$168 million. The convertible bonds mature in February 2025.

All of the Group's borrowings, other than the convertible bonds, as at 31 March 2013 bear interest at floating rates and are denominated either in Hong Kong Dollars or Renminbi. The Renminbi borrowings are directly tied in with the Group's business in the Mainland China. The convertible bonds are interest free. The Group's gearing ratio, based on total borrowings of approximately HK$608 million and equity attributable to owners of the Company of around HK$3,049 million, decreased from approximately 0.53 at 31 March 2012 to about 0.20 at 31 March 2013 due to primarily the equity and convertible bond placings.

EMPLOYEES

The Group had 1,532 full-time employees, including the Directors of the Group but excluding contracted casual labour in Macau, as at 31 March 2013. The Group offers competitive remuneration packages based on overall market rates, employee performance, and the performance of the Group. A typical remuneration package consists of salary, a performance-based bonus, and other benefits including training, provident funds and medical coverage. Three share incentive schemes (namely share option scheme, share award scheme and share financing plan) are in place to motivate and reward eligible employees.

PLEDGE OF ASSETS

As at 31 March 2013, the Group pledged property, plant and equipment of approximately HK$107 million, and charged the Group's benefits over certain construction contracts to secure the general banking facilities granted to the Group.

CONTINGENT LIABILITIES

Apart from the claim described in note 8, the Group had contingent liabilities in respect of indemnities of approximately HK$331 million given to banks for performance bonds granted to an associate and jointly controlled entities as at 31 March 2013.

COMMITMENTS

As at the year-end, the Group has expenditure contracted for but not provided in the consolidated financial statements in respect of the acquisition of property, plant and equipment of approximately HK$6 million. The Group also has expenditure authorised but not contracted for in respect of hotel under development of approximately HK$3,838 million.

SECURITIES IN ISSUE

During the year, an aggregate of 2,939,674,021 shares were issued, which include 2,938,236,000 shares by way of placing and 1,438,021 shares by way of scrip dividend.

As at 31 March 2013, there were 3,546,628,343 shares in issue. Additional shares may be issued by way of: i) exchange for up to 10% of the shares in Falloncroft for up to 882,352,941 shares of the Company depending on the ultimate equity capitalization of Falloncroft and achievement of certain performance targets related to hotel development; and ii) conversion of the 2025 convertible bonds which if fully converted would result in the issuance of 1,767,647,058 shares of the Company.

Pursuant to a special resolution passed by the shareholders at a special general meeting held on 21 January 2013, the Company's authorised share capital was increased from HK$2,000,000,000 to HK$3,000,000,000 by the creation of 5,000,000,000 new ordinary shares of HK$0.20 each in the Company.

FINAL DIVIDEND

The Board does not recommend the payment of dividend for the year ended 31 March 2013 and proposes that the profit for the year be retained. (2012: 1.0 HK cent per share).

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

During the year ended 31 March 2013, there were no purchases, sales or redemptions by the Company, or any of its subsidiaries, of the Company's listed securities.

OUTLOOK

Looking ahead, the global economic outlook appears to be improving with the United States and developing economies leading the recovery. Despite increasing confidence, many of the old dangers still remain including, financially weak governments and banks in the Eurozone and high fiscal deficits in the United States and Japan. In China, fears of a hard landing resulting from the government's tightening of liquidity last year have receded. However, the challenges of rebalancing the Chinese economy away from investment and exports towards consumer demand will test the government's ability to maintain its steady rate of GDP growth of around 8%. Macau has continued to perform well in 2013. Macau gross gaming revenues increased by 14.8% in the first quarter of 2013 versus the same period in 2012.

While market conditions in Macau remain positive, the Company's hotel in Macau will be under development in the current year and will not generate any revenue until it is operational.

The growth in the volume of construction activity in Hong Kong is expected to continue as the HKSAR Government has committed to maintain capital works expenditures of over HK$70 billion for each of the next few years and to increase land supply for both residential and commercial uses. As one of the leading management contracting companies in Hong Kong, the Group will focus its resources on profitable opportunities in this growing market.

The Group is expanding geographically to locations such as Macau & Singapore. We expect strong demand for construction services in Macau where several large integrated resorts developments are launching within the next 2 years. Construction activities in Singapore are expected to grow steadily. Having established a strong track record in Macau and Singapore, the Group is confident of securing more contracts from these markets in the coming years.

The Group remains confident in its existing Engineering business and believes that upon completion the Property will contribute strong cash flows to the Group.

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance because it believes that is the best way to enhance shareholder value. The Company has complied with all 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 (the "Listing Rules") throughout the year ended 31 March 2013 except code provision E.1.1 (separate resolution for each substantially separate issue) and has adopted most of the recommended best practices stated therein. The reason for the exception is set out below.

Code provision E.1.1 requires that for each substantially separate issue at a general meeting, a separate resolution should be proposed, and where the resolutions are "bundled, the reasons and material implications should be given in the notice of meeting. The appointments of Mr Stephen Hung ("Mr Hung"), Mr Peter Lee Coker Jr. ("Mr Coker") and Mr Walter Craig Power ("Mr Power") as Executive Directors were proposed as a single resolution at the special general meeting (the "SGM") of the Company held on 21 January 2013, due to the fact that their appointment as a group was a condition precedent to the sale of Falloncroft, hence forming a single proposal. Shareholders were asked to approve one proposal regarding the appointments of all of Mr Hung, Mr Coker and Mr Power as Executive Directors, rather than approving the separate appointment of each of them as Executive Directors. This matter was explained in the circular of the Company dated 5 January 2013 (the "Circular"), instead of the notice of meeting because their appointments were subject to the fulfilment of a number of conditions precedent set out in the Circular. A Director's briefing regarding, inter alia, the said appointments was also given to shareholders before such resolution was put forward at the SGM.

AUDIT COMMITTEE

The principal duties of the audit committee of the Company (the "Audit Committee") include oversight of the Group's financial reporting system and internal control procedures, review of the Group's financial information, and review of the relationship with the external auditor of the Company.

The Audit Committee comprises four independent non-executive directors of the Company, namely:

– Ir James Chiu, *OBE, JP (Chairman of the Audit Committee)*
– Professor Lee Chack Fan, *SBS, JP*
– Mr Iain Ferguson Bruce
– Mr Francis Goutenmacher

The Group's results for the year ended 31 March 2013 have been reviewed by the Audit Committee.

The figures in respect of the Group's consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of cash flows and the related notes thereto for the year ended 31 March 2013 as set out in this preliminary results announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on this preliminary results announcement.

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") set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by the directors of the Company.

All directors of the Company have confirmed, following specific enquiry by the Company, that they complied with the required standard set out in the Model Code during the year ended 31 March 2013.

ANNUAL GENERAL MEETING

The 2013 Annual General Meeting of the Company will be held on 30 August 2013. Notice of the 2013 Annual General Meeting will be published on the Company's website at www.LXIII.com and the Stock Exchange's website, and despatched to shareholders in due course.

PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME AND OPTIONS GRANTED PURSUANT THERETO

The Board proposes to seek approval of shareholders at the 2013 Annual General Meeting to amend its share option scheme (the "Share Option Scheme") which was adopted on 7 September 2005, so as to permit any new options granted pursuant to it to be exercised over a period of not more than 10 years from the date of grant of the relevant option (as compared to the current term of the Share Option Scheme which prescribes that all options must expire on 7 September 2015 (being the last date of the 10 year period after the adoption date of the scheme)). The Board will also seek the approval of shareholders for a mandate affording the Board the discretion to amend the option period applicable to any or all of the options already granted pursuant to the Share Option Scheme (and which remain outstanding) such that the relevant option could, subject to all relevant vesting conditions, be exercised over a period of not more than 10 years from the date of grant of the relevant option.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This results announcement is published on the Company's website at www.LXIII.com and the Stock Exchange's website. The 2013 Annual Report will be despatched to shareholders and will also be published on the websites of both the Stock Exchange and the Company in due course.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to thank our shareholders, customers, and business partners for their continuous support and contributions. I would also like to express my gratitude to my fellow directors for their guidance, and thank all our staff for their dedication and hard work.

On behalf of the Board
Stephen Hung & Peter Lee Coker Jr.
Joint Chairmen

Hong Kong, 21 June 2013

As at the date of this announcement, the directors of the Company are:

Mr Stephen Hung	:	Joint Chairman (Executive Director)
Mr Peter Lee Coker Jr.	:	Joint Chairman (Executive Director)
Mr Lau Ko Yuen, Tom	:	Deputy Chairman (Executive Director)
Mr Walter Craig Power	:	Executive Director & Chief Executive Officer
Ir James Chiu, *OBE, JP*	:	Independent Non-Executive Director
Professor Lee Chack Fan, *SBS, JP*	:	Independent Non-Executive Director
Mr Iain Ferguson Bruce	:	Independent Non-Executive Director
Mr Francis Goutenmacher	:	Independent Non-Executive Director

* *For identification purpose only*