NEW CENTURY GROUP HONG KONG LIMITED

新世紀集團香港有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 234)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 MARCH 2007

The board of directors (the "Board") of New Century Group Hong Kong Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2007 together with comparative figures for the previous year as follows:

CONSOLIDATED INCOME STATEMENT

Year ended 31 March 2007

	Notes	**2007** *HK$'000*	2006 *HK$'000*
CONTINUING OPERATIONS			
REVENUE	6	**233,040**	237,533
Cost of services provided		**(53,456)**	(138,467)
Gross profit		**179,584**	99,066
Other income and gains	6	**29,029**	19,906
Selling and distribution costs		**–**	(456)
Administrative expenses		**(36,176)**	(48,326)
Other expenses		**(149)**	(223)
Fair value gains on investment properties		**36,828**	15,320
Fair value gains on embedded derivative financial instruments		**2,417**	112,468
Finance costs	8	**(12,921)**	(27,179)
Share of profits and losses of associates		**–**	37,212
PROFIT BEFORE TAX	7	**198,612**	207,788
Tax	9	**(5,536)**	(747)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		**193,076**	207,041

	Notes	2007 HK$'000	2006 HK$'000
DISCONTINUED OPERATION			
Loss for the year from a discontinued operation		**–**	(384)
Gain on disposal of a discontinued operation		**–**	3,587
PROFIT FOR THE YEAR		**193,076**	210,244
Attributable to:			
Equity holders of the Company		**124,773**	202,338
Minority interests		**68,303**	7,906
		193,076	210,244
DIVIDENDS	10		
Interim		**21,152**	16,788
Proposed final		**27,054**	22,483
		48,206	39,271
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	11		(Restated)
Basic			
– For profit for the year		**HK2.68 cents**	HK5.27 cents
– For profit from continuing operations		**HK2.68 cents**	HK5.18 cents
Diluted			
– For profit for the year		**HK2.64 cents**	HK4.91 cents
– For profit from continuing operations		**HK2.64 cents**	HK4.84 cents

CONSOLIDATED BALANCE SHEET

31 March 2007

	2007	2006
	HK$'000	*HK$'000*
NON-CURRENT ASSETS		
Property, plant and equipment	**390,556**	388,955
Investment properties	**652,370**	400,050
Prepaid land premiums	**17,602**	17,958
Property under development	**–**	–
Available-for-sale investments	**780**	780
Deferred tax assets	**346**	–
Pledged time deposit	**17,550**	–
Total non-current assets	**1,079,204**	807,743
CURRENT ASSETS		
Inventories	**1,162**	897
Prepaid land premiums	**915**	850
Trade receivables, prepayments, other receivables and deposits	**82,683**	30,769
Equity investments at fair value through profit or loss	**18,789**	34,318
Pledged time deposit	**–**	17,550
Cash and cash equivalents	**149,421**	150,602
Total current assets	**252,970**	234,986
CURRENT LIABILITIES		
Interest-bearing bank loans	**33,593**	16,918
Mortgage loan advanced from a fellow subsidiary	**3,139**	–
Trade payables, accruals, other payables and deposits received	**78,471**	64,840
Tax payable	**2,134**	135
Embedded derivative financial instruments	**–**	11,891
Due to a related company	**7,332**	192
Total current liabilities	**124,669**	93,976
NET CURRENT ASSETS	**128,301**	141,010

	2007	2006
	HK$'000	*HK$'000*
TOTAL ASSETS LESS CURRENT LIABILITIES	**1,207,505**	948,753
NON-CURRENT LIABILITIES		
Interest-bearing bank loans	**127,453**	87,392
Mortgage loan advanced from a fellow subsidiary	**59,673**	–
Loans advanced from minority shareholders of the Group's subsidiaries	**243,564**	177,843
Convertible bond	**–**	34,026
Deferred tax liabilities	**36,368**	32,361
Total non-current liabilities	**467,058**	331,622
Net assets	**740,447**	617,131
EQUITY		
Equity attributable to equity holders of the Company		
Issued capital	**12,098**	11,242
Reserves	**702,066**	575,928
Proposed final dividend	**27,054**	22,483
	741,218	609,653
Minority interests	**(771)**	7,478
Total equity	**740,447**	617,131

Notes:

1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which also include Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, cruise ships, office premises, equity investments at fair value through profit or loss and embedded derivative financial instruments, which have been measured at fair value. These financial statements are presented in Hong Kong dollars ("HK$").

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 2007. Adjustments are made to bring into line any dissimilar accounting policies that may exist. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

The acquisition of subsidiaries during the year has been accounted for using the purchase method of accounting. This method involves allocating the cost of the business combinations to the fair value of the identifiable assets acquired, and liabilities and contingent liabilities assumed at the date of acquisition. The cost of the acquisition is measured at the aggregate of the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Minority interests represent the interests of outside shareholders not held by the Group in the results and net assets or liabilities of the Company's subsidiaries.

2. IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements. Except for in certain cases, giving rise to new and revised accounting policies and additional disclosures, the adoption of these new and revised standards and interpretation has had no material effect on these financial statements.

HKAS 21 Amendment	Net Investment in a Foreign Operation
HKAS 39 & HKFRS 4 Amendments	Financial Guarantee Contracts
HKAS 39 Amendment	The Fair Value Option
HK(IFRIC)-Int 4	Determining whether an Arrangement contains a Lease

The principal changes in accounting policies are as follows:

(a) HKAS 21 *The Effects of Changes in Foreign Exchange Rates*

Upon the adoption of the HKAS 21 Amendment regarding a net investment in a foreign operation, all exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign operation are recognised in a separate component of equity in the consolidated financial statements irrespective of the currency in which the monetary item is denominated. This change has had no material impact on these financial statements as at 31 March 2007 or 31 March 2006.

(b) HKAS 39 *Financial Instruments: Recognition and Measurement*

(i) Amendment for financial guarantee contracts

This amendment has revised the scope of HKAS 39 to require financial guarantee contracts issued that are not considered insurance contracts, to be recognised initially at fair value and to be remeasured at the higher of the amount determined in accordance with HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets* and the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18 *Revenue*. The adoption of this amendment has had no material impact on these financial statements.

(ii) Amendment for the fair value option

This amendment has changed the definition of a financial instrument classified as fair value through profit or loss and has restricted the use of the option to designate any financial asset or any financial liability to be measured at fair value through the income statement. The Group had not previously used this option, and hence the amendment has had no effect on these financial statements.

(c) HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*

The Group has adopted this interpretation as of 1 April 2006, which provides guidance in determining whether arrangements contain a lease to which lease accounting must be applied. This interpretation has had no material impact on these financial statements.

3. CHANGE IN ACCOUNTING POLICY

In the prior years, the drydocking cost of cruise ships was charged directly to the consolidated income statement of the Group as incurred. With effective from 1 April 2006, the Group has adopted the new accounting policy to account for the drydocking cost by capitalising such amount as additional cost of the cruise ships and is subject to annual depreciation. In the opinion of the directors, the adoption of the new accounting policy would better reflect the economic value of the cruise ships.

The change in the accounting policy did not result in any significant impact on the operating results and financial position of the Group in the prior year and did not have any financial impact on the Group's net assets as at 31 March 2007. However, such change in accounting policy has affected the current year financial statements, where the cost of services for the year has been decreased by HK$16,992,000, the revaluation reserve has been decreased by HK$17,502,000 and the exchange reserve has been increased by HK$510,000. The profit attributable to the equity holders of the Company has been increased by HK$10,195,000. Accordingly, the basic and diluted earnings per share attributable to the equity holders of the Company of the year have been increased by HK0.22 cent and HK0.21 cent respectively.

4. IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

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

HKAS 1 Amendment	Capital Disclosures
HKAS 23	Borrowing Costs
HKFRS 7	Financial Instruments: Disclosures
HKFRS 8	Operating Segments
HK(IFRIC)-Int 8	Scope of HKFRS 2
HK(IFRIC)-Int 9	Reassessment of Embedded Derivatives
HK(IFRIC)-Int 10	Interim Financial Reporting and Impairment
HK(IFRIC)-Int 11	HKFRS 2 – Group and Treasury Share Transactions
HK(IFRIC)-Int 12	Service Concession Arrangements

The HKAS 1 Amendment shall be applied for annual periods beginning on or after 1 January 2007. The revised standard will affect the disclosures about qualitative information about the Group's objectives, policies and processes for managing capital; quantitative data about what the Company regards as capital; and compliance with any capital requirements and the consequences of any non-compliance.

HKAS 23 (Revised) shall be applied for any periods beginning on or after 1 January 2009. This revised standard requires borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of that asset.

HKFRS 7 shall be applied for annual periods beginning on or after 1 January 2007. The standard requires disclosures that enable users of the financial statements to evaluate the significance of the Group's financial instruments and the nature and extent of risks arising from those financial instruments.

HKFRS 8 shall be applied for annual periods beginning on or after 1 January 2009 and will replace the existing HKAS 14 *Segment Reporting*. HKFRS 8 requires an entity to adopt the "management approach" to report on the financial performance of its operating segments. Generally, the information to be reported would be that used internally for the purpose of evaluating segment performance and deciding resources allocation to operating segments. Such information may be different from what is used for preparing the income statement and balance sheet. HKFRS 8 therefore requires explanation of the basis on how the segment information is prepared and reconciled to the income statement and balance sheet.

HK(IFRIC)-Int 8, HK(IFRIC)-Int 9, HK(IFRIC)-Int 10, HK(IFRIC)-Int 11 and HK(IFRIC)-Int 12 shall be applied for annual periods beginning on or after 1 May 2006, 1 June 2006, 1 November 2006, 1 March 2007 and 1 January 2008, respectively.

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, it has concluded that while the adoption of the HKAS 1 Amendment, HKFRS 7 and HKFRS 8 may result in new or amended disclosures, these new and revised HKFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

5. SEGMENT INFORMATION

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

The Group's operating businesses are structured and managed separately, according to the nature of their operations and the products and services they provide. Each of the Group's business segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other business segments. Summary details of the business segments are as follows:

Continuing operations

(a) the cruise ship charter services segment engages in the provision of chartering services of cruise ships;

(b) the hotel operations segment engages in the operation of a hotel property in Indonesia;

(c) the property investments segment invests in prime office space and commercial shops for its rental income potential; and

Discontinued operation

(d) the internet services segment engages in the provision of property market research analysis and professional valuation services through the internet.

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets.

There were no intersegment sales and transfers during the year (2006: Nil).

(a) Business segments

The following tables present revenue, profit/(loss) and certain asset, liability and expenditure information for the Group's business segments for the years ended 31 March 2007 and 2006.

Group

	Continuing operations								Discontinued operation			
	Cruise ship charter services		Hotel operations		Property investments		Sub-total		Internet services		Consolidated	
	2007	2006	**2007**	2006	**2007**	2006	**2007**	2006	**2007**	2006	**2007**	2006
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue:												
Income from external customers	**185,606**	204,718	**23,224**	15,880	**24,210**	16,935	**233,040**	237,533	**–**	958	**233,040**	238,491
Other income and gains	**–**	–	**2,725**	3,173	**12**	62	**2,737**	3,235	**–**	18	**2,737**	3,253
Total	**185,606**	204,718	**25,949**	19,053	**24,222**	16,997	**235,777**	240,768	**–**	976	**235,777**	241,744
Segment results	**152,188**	81,387	**(1,646)**	(13,877)	**46,017**	13,541	**196,559**	81,051	**–**	(399)	**196,559**	80,652
Interest income and unallocated revenue and gains							**22,818**	16,653	**–**	18	**22,818**	16,671
Fair value gains on embedded derivative financial instruments							**2,417**	112,468	**–**	–	**2,417**	112,468
Gain on disposal of a discontinued operation	**–**	–	**–**	–	**–**	–	**–**	–	**–**	3,587	**–**	3,587
Corporate and other unallocated expenses							**(10,261)**	(11,552)	**–**	(883)	**(10,261)**	(12,435)
Finance costs							**(12,921)**	(27,179)	**–**	–	**(12,921)**	(27,179)
Share of profits and losses of associates	**–**	37,212	**–**	–	**–**	–	**–**	37,212	**–**	15	**–**	37,227
Profit before tax											**198,612**	210,991
Tax											**(5,536)**	(747)
Profit for the year											**193,076**	210,244

(a) Business segments (continued)

	Continuing operations								Discontinued operation			
	Cruise ship charter services		Hotel operations		Property investments		Sub-total		Internet services		Consolidated	
	2007	2006	**2007**	2006	**2007**	2006	**2007**	2006	**2007**	2006	**2007**	2006
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Assets and liabilities												
Segment assets	**408,907**	371,186	**45,191**	30,797	**674,237**	419,966	**1,128,335**	821,949	**–**	–	**1,128,335**	821,949
Corporate and other unallocated assets							**203,839**	220,780	**–**	–	**203,839**	220,780
Total assets											**1,332,174**	1,042,729
Segment liabilities	**44,516**	38,862	**22,719**	20,239	**9,449**	3,923	**76,684**	63,024	**–**	–	**76,684**	63,024
Corporate and other unallocated liabilities							**515,043**	362,574	**–**	–	**515,043**	362,574
Total liabilities											**591,727**	425,598
Other segment information:												
Depreciation and amortisation	**31,741**	6,820	**3,399**	2,996	**668**	840	**35,808**	10,656	**–**	17	**35,808**	10,673
Corporate and other unallocated amounts											**532**	228
											36,340	10,901
Fair value gains on investment properties	**–**	–	**–**	–	**36,828**	15,320	**36,828**	15,320	**–**	–	**36,828**	15,320
Revaluation deficit of office premises	**–**	–	**–**	–	**149**	223	**149**	223	**–**	–	**149**	223
Fair value (loss)/gain on equity investments at fair value through profit or loss, net											**(898)**	485
Capital expenditure	**21,911**	355,953	**13,295**	8,415	**217,256**	39,525	**252,462**	403,893	**–**	9	**252,462**	403,902
Corporate and other unallocated amounts											**72**	1,400
											252,534	405,302

(b) Geographical segments

The following table present revenue and certain asset and expenditure information for the Group's geographical segments for the years ended 31 March 2007 and 2006.

Group	Southeast Asia except Hong Kong		Hong Kong		Consolidated	
	2007	2006	**2007**	2006	**2007**	2006
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue:						
Income from external customers	**213,294**	220,598	**19,746**	17,893	**233,040**	238,491
Other income and gains	**2,725**	3,173	**12**	80	**2,737**	3,253
	216,019	223,771	**19,758**	17,973	**235,777**	241,744
Attributable to a discontinued operation	**–**	–	**–**	(976)	**–**	(976)
Revenue from continuing operations	**216,019**	223,771	**19,758**	16,997	**235,777**	240,768
Other segment information:						
Segment assets	**764,180**	503,441	**567,994**	539,288	**1,332,174**	1,042,729
Capital expenditure	**209,044**	364,368	**43,490**	40,934	**252,534**	405,302

6. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents cruise ship charter service income, slot machine income, income from hotel operations, and gross rental income received and receivable from investment properties during the year.

An analysis of revenue, other income and gains is as follows:

	Group	
	2007	2006
	HK$'000	*HK$'000*
Revenue		
Continuing operations:		
Cruise ship charter service income	**126,473**	193,394
Slot machine income	**59,133**	11,324
Income from hotel operations	**23,224**	15,880
Gross rental income	**24,210**	16,935
	233,040	237,533
Discontinued operation:		
Service and subscription income from the provision of property information and professional valuation services through the Internet	**–**	958
	233,040	238,491
Other income		
Bank interest income	**4,825**	2,672
Dividend income from listed investments	**950**	1,605
Others	**2,855**	3,235
	8,630	7,512
Gains		
Gain on trading of equity investments at fair value through profit or loss	**14,237**	11,909
Foreign exchange differences, net	**6,162**	–
Fair value gain on equity investments at fair value through profit or loss, net	**–**	485
	20,399	12,394
	29,029	19,906

7. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2007	2006
	HK$'000	*HK$'000*
Depreciation	**35,428**	10,051
Auditors' remuneration	**1,400**	1,400
Employee benefits expense (including directors' remuneration, but excluding benefits in kind):		
Wages and salaries	**16,754**	17,727
Equity-settled share option expense	**–**	7,058
Pension scheme contributions	**631**	548
Less: Forfeited contributions*	**–**	–
Net pension scheme contributions	**631**	548
Total staff costs	**17,385**	25,333
Minimum lease payments under operating leases on land and buildings	**138**	214
Loss on disposal of items of property, plant and equipment	**4**	349
Fair value loss/(gain) on equity investments at fair value through profit or loss, net	**898**	(485)
Write-off of goodwill	**78**	–
Gross rental income	**(24,210)**	(16,935)
Less: Direct operating expenses	**1,689**	1,622
Net rental income	**(22,521)**	(15,313)
Other expenses:		
Revaluation deficit of office premises in Hong Kong	**149**	223

* *At 31 March 2007, the Group had no forfeited contributions available to reduce its contributions to the pension schemes in future years (2006: Nil).*

8. FINANCE COSTS

	Group 2007 HK$'000	2006 HK$'000
Interest on bank loans wholly repayable:		
within five years by instalments	**4,762**	1,530
after five years by instalments	**2,419**	3,232
Interest on a mortgage loan advanced from a fellow subsidiary repayable after five years by instalments	**1,375**	–
Interest on convertible bond	**4,286**	22,327
Interest on securities margin facilities	**79**	90
	12,921	27,179

9. TAX

Hong Kong profits tax has been provided at the rate of 17.5% on the estimated assessable profits arising in Hong Kong during the year. In the prior year, no provision for Hong Kong profits tax had been made for that year as the Group did not generate any assessable profits in Hong Kong. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

	2007 HK$'000	2006 HK$'000
Group:		
Current – Hong Kong		
Charge for the year	**1,802**	–
Overprovision in prior years	**(135)**	(3)
Current – Elsewhere	**323**	–
Deferred	**3,546**	750
Total tax charge for the year	**5,536**	747

9. TAX (continued)

A reconciliation of the tax expense applicable to profit before tax using the statutory rates for the countries in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates, and a reconciliation of the applicable rates (i.e., the statutory tax rates) to the effective tax rates, are as follows:

Group – 2007

	Hong Kong		Elsewhere		Total	
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000*	*%*
Profit before tax	**23,384**		**175,228**		**198,612**	
Tax at the statutory tax rate	**4,092**	**17.5**	**31,673**	**18.1**	**35,765**	**18.0**
Income not subject to tax	**(3,449)**	**(14.8)**	**(27,612)**	**(15.8)**	**(31,061)**	**(15.6)**
Expenses not deductible for tax	**1,411**	**6.0**	**57**	**–**	**1,468**	**0.7**
Tax losses utilised from previous periods	**(1,118)**	**(4.7)**	**(54)**	**–**	**(1,172)**	**(0.6)**
Overprovision in prior years	**(135)**	**(0.5)**	**–**	**–**	**(135)**	**–**
Unrecognised deferred tax assets	**592**	**2.5**	**79**	**–**	**671**	**0.3**
Tax charge at the Group's effective rate	**1,393**	**6.0**	**4,143**	**2.3**	**5,536**	**2.8**

Group – 2006

	Hong Kong		Elsewhere		Total	
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000*	*%*
Profit before tax (including profit from a discontinued operation)	105,797		105,194		210,991	
Tax at the statutory tax rate	18,514	17.5	22,426	21.3	40,940	19.4
Income not subject to tax	(3,576)	(3.4)	(23,814)	(22.6)	(27,390)	(13.0)
Expenses not deductible for tax	6,156	5.8	–	–	6,156	2.9
Tax losses utilised from previous periods	(20,347)	(19.2)	–	–	(20,347)	(9.6)
Overprovision in prior years	(3)	–	–	–	(3)	–
Unrecognised deferred tax assets	3	–	1,388	1.3	1,391	0.7
Tax charge at the Group's effective rate	747	0.7	–	–	747	0.4
Represented by:						
Tax charge attributable to continuing operations reported in the consolidated income statement						747

10. DIVIDENDS

	2007	2006
	HK$'000	*HK$'000*
Interim paid – HK0.4375 cent* (2006: HK0.375 cent*) per ordinary share	**21,152**	16,788
Proposed final – HK0.5 cent (2006: HK0.5 cent*) per ordinary share	**27,054**	22,483
	48,206	39,271

* *The amount of dividend per ordinary share has been adjusted to include the effect of share subdivision subsequent to the balance sheet date. Pursuant to an ordinary resolution passed at a special general meeting of the Company held on 12 July 2007, each of the then existing issued and unissued share of HK$0.01 each in the share capital of the Company has been subdivided into 4 shares of HK$0.0025 each with effect from 13 July 2007.*

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

11. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of basic earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares in issue during the year, as adjusted to reflect the share subdivision of the Company after the balance sheet date.

The calculation of diluted earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the Company, adjusted to reflect the interest on the convertible bond, where applicable (see below), the weighted average number of ordinary shares during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

11. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (continued)

The calculations of basic and diluted earnings per share amounts are based on:

	2007	2006
	HK$'000	*HK$'000*
		(Restated)
Earnings		
Profit attributable to ordinary equity holders of the Company, used in the basic earnings per share calculation		
From continuing operations	**124,773**	199,054
From a discontinued operation	**–**	3,284
	124,773	202,338
Interest on convertible bond *(note 8)*	**4,286**	22,327
Profit attributable to ordinary equity holders of the Company before interest on convertible bond	**129,059**	224,665
Attributable to:		
Continuing operations	**129,059**	221,381
Discontinued operation	**–**	3,284
	129,059	224,665
Shares*		
Weighted average number of ordinary shares in issue during the year, used in the basic earnings per share calculation	**4,655,616,973**	3,841,079,900
Effect of dilution – weighted average number of ordinary shares:		
Share options	**61,968,996**	60,915,548
Convertible bond	**164,240,588**	669,968,148
	4,881,826,557	4,571,963,596

* *The weighted average numbers of ordinary shares in issue for both years have been adjusted to reflect the share subdivision after the balance sheet date. Pursuant to an ordinary resolution passed at a special general meeting of the Company held on 12 July 2007, each of the then existing issued and unissued share of HK$0.01 each in the share capital of the Company has been subdivided into 4 shares of HK$0.0025 each with effect from 13 July 2007.*

CHAIRMAN'S STATEMENT

2007 marked another year of solid progress for the Group. A number of significant investment and expansion initiatives in the previous years achieved strong results, with the Group well position of our tourism-related business and property investments to generate continued long-term growth and better value for shareholders. The Group's consolidated profit attributable to equity holders of the Company for the year was HK$124,773,000, representing a decrease of 38.3% as compared to 2006. However, excluding revaluation gains on investment properties and fair value gains on embedded derivative financial instruments, the Group recognized net profit of approximately HK$94,018,000 attributable to equity holders of the Company, an increase of 26.1% over 2006 comparable profit of HK$74,550,000. Our net assets as at 31 March 2007 were amounted to approximately HK$740,447,000.

Tourism-related Business

For the year under review, we saw exciting growth in our core business areas in charter services for two cruise ships namely "Leisure World" and "Amusement World" (the "Cruise Ships") and hotel operations in Indonesia. The core business of cruise ship charter services performed very well and remained as the principal income contributor of the Group. In view of the progressing economic situation in Asia Pacific Region, the Group and the charterer of the Cruise Ships entered into new charter agreements from which, with effect from 1 January 2007, the fixed daily charges for the Cruise Ships increase from S$80,000 to S$82,500 and the floating charges, equivalent to certain percentage of net win of the slot machines onboard the Cruise Ships to be shared, increase from 30% to 40%.

Property Investments

With the rebound on the property market since 2003, the Group has acquired several quality investment properties in Hong Kong. During the year, we continued to add value to our rental portfolio by acquiring another superior retail shop at Dundas Street, Mongkok, Kowloon at a consideration of HK$39,500,000. In addition, we took an important step to expand overseas activities by subscribing for a 60% equity interest in an investment holding company which acquired a whole block of commercial building in Singapore at a consideration of about HK$162,500,000. Except for stable rental income sources yielding 4.4% per annum in both Hong Kong and Singapore properties, in the meantime, we have already seem the positive effects of our ongoing strategy in acquiring, especially overseas, quality properties, in total, which brought about HK$36,828,000 significant appreciation in the year.

Strong Financial Position

The Group kept on having strong cashflow in 2007, with cash and cash equivalents of HK$149,421,000 as at balance sheet date. In June 2007, the Group completed the top up subscription which brought an additional net fund of HK$134,000,000. This sufficient cash backing enables the Group to position at very solid foundations and to explore for investment when suitable opportunities arise.

Dividend

In view of the satisfactory progress achieved, the Board recommends a final dividend of HK0.5 cent per share. Together with the interim dividend of HK0.4375 cent per share (as adjusted for the effect of the share subdivision from which, pursuant to an ordinary resolution passed at a special general meeting of the Company held on 12 July 2007, each of the then existing issued and unissued share of HK$0.01 each in the share capital of the Company has been subdivided into 4 shares of HK$0.0025 each with effect from 13 July 2007) paid on 31 January 2007, total dividend for the year stands at HK0.9375 cent per share, which is higher than HK0.875 cent per share (as adjusted for the effect of the share subdivision stated herein) in the previous year.

The final dividend will be payable to equity holders whose names appear on the register of members of the Company on 9 August 2007. Subject to the approval by the shareholders at the annual general meeting to be held on 29 August 2007, it is expected that the final dividend will be paid on 12 September 2007.

Closure of Register of Members

The register of members of the Company will be closed from Friday, 3 August 2007 to Thursday, 9 August 2007, both days inclusive, during which period no transfer of Company's shares will be registered. In order to qualify for the proposed final dividend, all share certificates with duly completed transfer forms must be lodged with the Company's branch registrar in Hong Kong, Tengis Limited at 26 Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:00 p.m. on Thursday, 2 August 2007.

Prospects

With the support of our Board and our management team, we have been able to realize the objective with a consistent strategy in our focus on tourism-related business and property investments over the past few years and I believe that it is this focus which has helped to generate the pleasing trend of results which the Group has achieved. Taking into consideration of current business environment and our business strategies, we are cautiously optimistic about the business future of the Group.

Appreciation

On behalf of the Board, I wish to express our heartfelt thanks to all our staff for their dedication and contributions and our shareholders for their continual support during the year.

MANAGEMENT DISCUSSION AND ANALYSIS

Results

The Group's activities are focused on three core business divisions – cruise ship charter services, hotel operations and property investments. The Group would also seek for business opportunities which benefit from the growing economy in the region.

The Group reported total revenue of HK$233,040,000 and consolidated profit attributable to equity holders of the Company of HK$124,773,000, representing a decrease of 2.3% and 38.3% respectively as compared to last year. Excluding revaluation gains on investment properties and fair value gains on embedded derivative financial instruments, consolidated profit attributable to equity holders of the Company in current year was HK$94,018,000, an increase of 26.1% as compared to HK$74,550,000 in last year.

Basic earnings per share was HK2.68 cents (2006: HK5.27 cents, as adjusted for the effect of the share subdivision from which, pursuant to an ordinary resolution passed at a special general meeting of the Company held on 12 July 2007, each of the then existing issued and unissued share of HK$0.01 each in the share capital of the Company has been subdivided into 4 shares of HK$0.0025 each with effect from 13 July 2007). Our net assets value has significantly increased to HK$740,447,000 (2006: HK$617,131,000).

Operations

Cruise Ship Charter Services

During the year, the Group's cruise ship charter services recorded significant progress and achieved strong results. It has contributed excellent return for the year under review and accounted for 79.6% of the Group's turnover. For the year ended 31 March 2007, this business segment recorded turnover of HK$185,606,000 and operating profit of HK$152,188,000 to the Group, as compared with turnover of HK$204,718,000 and operating profit of HK$81,387,000 in the last corresponding year. There was a decrease of 9.3% in turnover and an increase of 87.0% in operating profit.

The decrease in turnover was mainly due to the termination of time sub-charter and management arrangement for the cruise ships in December 2005. Immediately preceding the termination, the Group chartered two cruise ships namely "Leisure World" and "Amusement World" (the "Cruise Ships") from two companies (the "Cruise Ship Owners"), which are wholly owned by New Century Maritime Limited ("NCML") and then sub-chartered the Cruise Ships to Evervalue Profits Limited (the "Charterer"), an independent third party for providing cruise services in Asia Pacific Region. In return for the fixed time sub-charter hires received from the Charterer, the Group was responsible for paying the fixed bareboat charter hires to the Cruise Ship Owners and providing or procuring provision of services including crewing, technical management, fuel supply, insurance arrangement, management services and accounting in respect of the operation of the Cruise Ships. With effect from 1 December 2005, such time sub-charter and management arrangement has been terminated and the Group is no longer entitled to receive the time sub-charter hires.

Instead, the Charterer directly charters the Cruise Ships from the Cruise Ship Owners on bareboat charter arrangement. The Charterer pays the Cruise Ship Owners the bareboat charter hires which comprise fixed daily charges and floating charges equivalent to certain percentage of net win (gross bet net of payment of loss) of the slot machines onboard the Cruise Ships. The Cruise Ship Owners are not responsible for any operational expenses for the Cruise Ships.

Before 3 January 2006, the Group only held 45% equity interest in NCML whilst attributable results were accounted for by the Group under the equity method. For details, please refer to the following paragraph under the heading of "Associated Company – New Century Maritime Limited". Given that (1) the Group would no longer receive the time sub-charter hires as a result of the termination of the time sub-charter and management agreements on 1 December 2005; (2) the bareboat charter arrangement provides the Cruise Ship Owners to earn not only a recurrent charter hires but also upside earning potential by sharing net win of the slot machines onboard the Cruise Ships; and (3) both the economy and tourism industry in Asia Pacific Region, the major markets of the Cruise Ships, are showing signs of stable growth, the Group acquired a further 15% equity interest in NCML on 3 January 2006. Since then, the Group holds a 60% equity interest in NCML, which then becomes a subsidiary of the Company, and its results are being consolidated into the financial statements of the Group. As a result, there was an increase in the operating profit recorded for the year under review.

In order to comply with the requirements of classification society, it is necessary for the Cruise Ship Owners to arrange for the Cruise Ships to go for drydock at regular intervals. During the year under review, "Leisure World" went for drydock for 44 days and "Amusement World" went for drydock for 22 days to perform normal works such as cleaning and painting the underwater parts as well as specific pipes and steelworks renewal. These processes were longer than normal drydock period of 15 days. During this period, the Cruise Ships stopped all its operations and no bareboat charter hires were received. As a consequence, the segment results were affected by losing the fixed daily charges in an aggregate sum of S$2,893,000 (equivalent to approximately HK$14,465,000) and floating charges equivalent to 30% (40% commencing from 1 January 2007) of net win of the slot machines onboard the Cruise Ships supposed to be received during that period. For the year under review, the actual average share of net win of the slot machines onboard the Cruise Ships was approximately S$37,000 (equivalent to approximately HK$185,000) per day.

In the prior years, the drydocking cost of the Cruise Ships was charged directly to the consolidated income statement of the Group as incurred. With effective from 1 April 2006, the Group has adopted the new accounting policy to account for the drydocking cost by capitalising such amount as additional cost of the Cruise Ships and is subject to annual depreciation. In the opinion of the directors, the adoption of the new accounting policy would better reflect the economic value of the Cruise Ships. Such change in accounting policy has affected the current year income statement, where the cost of services for the year has been decreased by HK$16,992,000.

On 15 December 2006, the Group entered into new bareboat charter agreements with the Charterer to extend their charter terms and to increase the bareboat charter hires. The new bareboat charter agreements commenced on 1 January 2007 and be effective until 31 December 2009. Pursuant to the new bareboat charter agreements, the fixed daily charges for the Cruise Ships payable by the Charterer will increase from S$80,000 (equivalent to approximately HK$400,000) to S$82,500 (equivalent to approximately HK$413,000) and for the floating charges, the percentage of net win of the slot machines onboard the Cruise Ships to be shared by the Cruise Ship Owners will increase from 30% to 40%. For details, please refer to the announcement of the Company dated 15 December 2006.

Hotel Operations
The Group holds a 50% equity interest in Batam View Beach Resort on Batam Island in Indonesia but accounts for it as subsidiary when the Group had control over it. In prior year, the Group budgeted costs of approximately S$6,596,000 (equivalent to approximately HK$32,980,000) for the hotel's upgrading and refurbishing. The renovation works are nearly completed and enabled the hotel to be positioned as a favourable destination for out-of-town visitors, as well as a new attraction for the local community. Due to the refurbishment work for guestrooms and lobby completed in the end of 2006, there was continuous improvement in operating and financial results in the hotel business. For the year ended 31 March 2007, turnover from the hotel operations increased from HK$15,880,000 to HK$23,224,000, representing an increase of 46.2% as compared with the year earlier. Segment loss from hotel

operations decreased from HK$13,877,000 to HK$1,646,000. If exchange gain of HK$1,550,000 (31 March 2006: loss HK$9,679,000) was excluded, segment loss of the hotel operations also showed an improvement from HK$4,198,000 to HK$3,196,000 as compared to last year.

Property Investments

The overall performance of Hong Kong real estate sector for the year under review posted a stronger-than-expected recovery in the market place. The general economic environment was positive in 2006 as oil prices returned to more reasonable levels, interest rate stabilised and the global economy maintained its growth momentum. Investment deals of whole-block buildings together with site transactions are continually being recorded which illustrate strong confidence of institutional investors and property developers over Hong Kong property market. Improving economic prospects, rising income and strong private consumption, resulted in increasing general price level and upward pressure on shops rental.

In order to strengthen the Group's quality portfolio of rental properties, on 11 April 2006, the Group entered into a binding preliminary sale and purchase agreement to acquire another retail shop at Dundas Street, Mongkok, Kowloon at the consideration of HK$39,500,000. The acquisition was subject to a tenancy agreement and completed on 12 June 2006.

Given the improving economy in Singapore and the recent upward trend of the property market in the region, the Group, during the year under review, took an important step in overseas property investment by subscribing for a 60% equity interest in an investment holding company which, in turn, acquired an en-bloc commercial building located in Singapore from an independent third party at a consideration of S$32,500,000 (equivalent to approximately HK$162,500,000) on 27 September 2006. The acquisition was subject to a tenancy agreement and the annual rental yield of the property was 4.4%. As at 31 March 2007, the property was valued at S$38,000,000 (equivalent to approximately HK$195,700,000), including appreciation in Singapore dollars, contributed significant gain of HK$21,225,000 to the Group.

As for our property activities in Hong Kong, it is also progressing well, with all acquisition initiatives being effectively planned and managed, the Group's investment property portfolio recorded significant progress and achieved strong results during the year. The Group recognized to about 100% occupancy rate. With segment turnover and profit increased by 43.0% and 239.8% to HK$24,210,000 and HK$46,017,000 respectively. The average annual rental yield derived from investment properties in Hong Kong was 4.4% (31 March 2006: 4.4%). Rental income is expected to rise continuously, in line with the recent acquisitions of investment properties and will provide strong recurrent income to the Group. During the year, there was an appreciation in value of HK$15,603,000 for investment properties in Hong Kong.

Associated Company – New Century Maritime Limited

Upon completion of two acquisitions of an aggregate of 45% equity interests in NCML on 20 July 2004 and 1 March 2005, NCML became an associate of the Company and its results were shared by the Group under the equity method, which amounted to approximately HK$37,212,000 for the year ended 31 March 2006. Resulting from the acquisition of a further 15% equity interest in NCML on 3 January 2006, the Group holds an aggregate of 60% equity interest in NCML. Since then, NCML has become a subsidiary of the Company and its results are consolidated into the financial statements of the Group.

Contingent Liabilities

At the balance sheet date, the Company had outstanding guarantees of HK$187,075,000 (2006: HK$177,200,000) given to banks to secure general credit facilities granted to certain subsidiaries of the Group. Credit facilities in an aggregate amount of HK$96,695,000 (2006: HK$96,510,000) had been utilized by such subsidiaries in respect of such guarantees as at the balance sheet date.

Charge on the Group's Assets

As at 31 March 2007, certain of the Group's prepaid land premiums, leasehold office premises and investment properties with aggregate carrying value of approximately HK$627,014,000 and a cruise ship with carrying value of HK$213,720,000, together with a fixed deposit of US$2,250,000 (equivalent to HK$17,550,000) were pledged to banks or a fellow subsidiary for loan facilities of approximately HK$321,465,000 granted to the Group. As at 31 March 2007, HK$223,858,000 of the loan facilities had been utilized by the Group.

Capital Commitment

As at 31 March 2007, the Group had no capital commitment.

Liquidity and Financial Resources

As at 31 March 2007, the Group had net current assets of approximately HK$128,301,000 and equity attributable to equity holders of the Company of approximately HK$741,218,000.

During the year under review, the Group was granted three new mortgage loans from banks and a fellow subsidiary in the total principal amount of approximately HK$144,450,000.

The Group's total indebtedness (representing the aggregate amounts of interest-bearing loans from banks and a fellow subsidiary) was approximately HK$223,858,000. All loans were denominated in Hong Kong dollars, US dollars or Singapore dollars and charged at fixed or floating interest rates. It was secured by: 1) mortgages over certain of the Group's properties having an aggregate net book value of approximately HK$627,014,000; 2) a cruise ship with carrying value of HK$213,720,000; and 3) a fixed deposit of US$2,250,000 (equivalent to HK$17,550,000).

For the total indebtedness, approximately HK$36,732,000 will be repayable within one year, approximately HK$117,221,000 will be repayable within the second to fifth years and the remaining balance of approximately HK$69,905,000 will be repayable after five years. The Group's gearing ratio (total indebtedness divided by equity attributable to equity holders of the Company) as at the balance sheet date was increased to 0.30 as compared to 0.23 as at 31 March 2006.

On 9 October 2006, the remaining convertible bond with principle amount of US$6,337,616 (equivalent to approximately HK$49,433,000) issued as the consideration for acquiring 15% equity interest in NCML, was converted into 78,465,725 new shares at conversion price of HK$0.63 per share. The share conversion resulted in an increase in share capital and share premium by approximately HK$785,000 and HK$46,623,000 respectively.

Major Acquisitions

On 11 April 2006, the Group entered into a binding preliminary sale and purchase agreement to acquire another retail shop at Dundas Street, Mongkok, Kowloon at the consideration of HK$39,500,000. The acquisition was subject to tenancy and completed on 12 June 2006. During the year under review, the property was pledged to a bank to secure a mortgage loan.

On 13 July 2006, the Group entered into a subscription agreement to subscribe for the entire equity interests in Worksmart Profits Limited ("Worksmart") with connected parties. Worksmart has a wholly-owned subsidiary, ACE Properties Pte. Ltd. ("ACE Properties"), which committed to acquire from an independent third party an office building located in Singapore at a consideration of S$32,500,000 (equivalent to approximately HK$162,500,000). Pursuant to a special general meeting on 4 September 2006, the independent shareholders approved the aforesaid subscription and the relevant mortgage loan from a fellow subsidiary. Upon the completion of the subscription agreement on 20 September 2006, the Group holds 60% equity interest in Worksmart. On 27 September 2006, ACE Properties also completed the acquisition and pledged the property to a fellow subsidiary for a mortgage loan. For details, please refer to the Company's circular dated 4 August 2006.

Post Balance Sheet Events

On 27 April 2007, 31,500,000 and 5,700,000 share options were granted to certain directors and the employees of the Company, respectively, in respect of their services to the Group in the forthcoming year. These share options have an exercise price of HK$1.12 per share and exercisable period is 27 April 2007 to 26 April 2012. The price of the Company's shares at the date of grant was HK$1.12 per share. In addition, 22,000,000 and 1,000,000 share options with exercise price of HK$0.710 per share were exercised by directors and employees, respectively.

Pursuant to the placing and subscription agreement entered into between the Company, New Century Investment Pacific Limited ("New Century Investment") and Kingston Securities Limited dated 4 June 2007, 120,000,000 new shares at a price of HK$1.15 per share were issued to New Century Investments on 18 June 2007. The net proceeds from the top-up subscription of approximately HK$134,000,000 will enlarge the capital base of the Company to take up investment opportunities as and when they arise.

Pursuant to an ordinary resolution passed at a special general meeting of the Company held on 12 July 2007, each of the then existing issued and unissued share of HK$0.01 each in the share capital of the Company has been subdivided into 4 shares, being HK$0.0025 each in the share capital of the Company.

Exposure on Foreign Exchange Risk and Interest Rate Risk

The Group's cash and cash equivalents are mainly held predominately in Hong Kong dollars, US dollars and Singapore dollars. The Group's borrowings are denominated in Hong Kong dollars, US dollars or Singapore dollars at fixed or floating interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations with a floating interest rate. In the opinion of the directors, the Group's has no significant interest rate risk. The Group currently does not have a foreign currency hedging policy. However, management closely monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Human Resources

As at 31 March 2007, the Group had 283 staff. Among which, about 256 staff were based in Indonesia, 4 staff in Singapore and 23 staff in Hong Kong. The Group offers its staff competitive remuneration package. In addition, discretionary bonuses and share options are also granted to eligible staff based on both individual and the Group's performance.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

CORPORATE GOVERNANCE

In the opinion of the directors, the Company has complied with the code provisions of the Code on Corporate Governance Practices 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") for the year ended 31 March 2007, except for the following deviations:

Code Provision A.4.1

Code provision A.4.1 stipulates that non-executive directors should be appointed for a specific term, subject to re-election.

The independent non-executive directors of the Company are not appointed for a specific term but shall retire from office by rotation at least once every three years as referred to the Bye-Law 87 of the Company where provides that at each annual general meeting one-third of the directors of the Company for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation.

Code Provision E.1.2

Code provision E.1.2 stipulates that the chairman of the Board should attend the annual general meeting of the Company. The chairman of the Board did not attend the annual general meeting of the Company held on 28 August 2006 due to another business engagement.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules ("Model Code") as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by the directors of the Company. Having made specific enquiry of all directors of the Company, all of them confirmed that they have complied with the required standard set out in the Model Code during the year.

AUDIT COMMITTEE

The Company has an audit committee which was established in compliance with Rule 3.21 of the Listing Rules, for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The audit committee also reviewed the audited consolidated financial statements of the Group for the year ended 31 March 2007. As at the date of this announcement, the audit committee comprises three independent non-executive directors of the Company.

PUBLICATION OF FINAL RESULTS AND ANNUAL REPORT

This results announcement is published on the websites of The Stock Exchange of Hong Kong Limited (www.hkex.com.hk) and the Company (www.ngcrp.com.hk). The annual report of the Company for the year ended 31 March 2007 containing all the information required by the Listing Rules will be despatched to the Company's shareholders and available on the above websites in due course.

On behalf of the Board
Wilson Ng
Chairman

Hong Kong, 19 July 2007

As at the date of this announcement, the Board comprises Mr. Wilson Ng (Chairman), Ms. Sio Ion Kuan (Deputy Chairman), Mr. Ng Wee Keat (Chief Executive Officer), Ms. Ng Siew Lang, Linda (Chief Operating Officer), Ms. Lilian Ng, Mr. Lo Ming Chi, Charles, Ms. Chen Ka Chee and Mr. Yu Wai Man as executive directors and Mr. Wong Kwok Tai, Mr. Kwan Kai Kin, Kenneth and Mr. Ho Yau Ming as independent non-executive directors.

* *For identification only*