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)

INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2007

The board of directors (the "Board") of New Century Group Hong Kong Limited (the "Company") is pleased to announce the unaudited condensed consolidated interim financial statements of the Company and its subsidiaries (the "Group") for the six months ended 30 September 2007, which are prepared in accordance with the basis set out in note 1 below. These condensed consolidated financial statements have not been audited, but have been reviewed by the Company's external auditors in accordance with certain review procedures and the audit committee.

CONDENSED CONSOLIDATED INCOME STATEMENT
Period ended 30 September 2007

	Notes	**Six months ended 30 September 2007 (Unaudited) *HK$'000***	Six months ended 30 September 2006 (Unaudited) *HK$'000*
REVENUE			
Service and rental income	3	**149,759**	112,846
Cost of services		**(27,870)**	(29,645)
Gross profit		**121,889**	83,201
Other income and gains		**15,089**	5,996
Selling and distribution costs		**(2,185)**	(1,642)
Administrative expenses		**(29,824)**	(15,602)
Fair value gains on investment properties		**31,043**	–
Fair value gains on embedded derivative financial instruments		**–**	1,826
Finance costs		**(6,158)**	(7,201)
PROFIT BEFORE TAX	4	**129,854**	66,578
TAX	5	**1,472**	–
PROFIT FOR THE PERIOD		**131,326**	66,578

* *For identification only*

CONDENSED CONSOLIDATED INCOME STATEMENT *(continued)*

Period ended 30 September 2007

	Notes	**Six months ended 30 September 2007 (Unaudited)** ***HK$'000***	Six months ended 30 September 2006 (Unaudited) *HK$'000*
Attributable to:			
Equity holders of the Company		**80,710**	40,662
Minority interests		**50,616**	25,916
		131,326	66,578
DIVIDEND	7	**–**	21,152
			(Restated)
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	6		
Basic		**HK1.55 cents**	HK0.90 cent
Diluted		**HK1.52 cents**	HK0.89 cent

CONDENSED CONSOLIDATED BALANCE SHEET

30 September 2007

	30 September 2007 (Unaudited) *HK$'000*	31 March 2007 (Audited) *HK$'000*
NON-CURRENT ASSETS		
Property, plant and equipment	**374,997**	390,556
Investment properties	**686,388**	652,370
Prepaid land premiums	**16,916**	17,602
Property under development	**–**	–
Available-for-sale investments	**780**	780
Deferred tax assets	**346**	346
Pledged time deposit	**17,550**	17,550
Total non-current assets	**1,096,977**	1,079,204
CURRENT ASSETS		
Inventories	**1,217**	1,162
Prepaid land premiums	**883**	915
Trade receivables, prepayments, other receivables and deposits	**83,122**	82,683
Due from a related company	**1,163**	–
Equity investments at fair value through profit or loss	**18,262**	18,789
Cash and cash equivalents	**345,340**	149,421
Total current assets	**449,987**	252,970
CURRENT LIABILITIES		
Interest-bearing bank loans	**31,180**	33,593
Mortgage loan advanced from a fellow subsidiary	**3,197**	3,139
Trade payables, accruals, other payables and deposits received	**74,523**	78,471
Tax payable	**3,699**	2,134
Due to a related company	**–**	7,332
Total current liabilities	**112,599**	124,669
NET CURRENT ASSETS	**337,388**	128,301
TOTAL ASSETS LESS CURRENT LIABILITIES	**1,434,365**	1,207,505

CONDENSED CONSOLIDATED BALANCE SHEET *(continued)*
30 September 2007

	30 September 2007 (Unaudited) *HK$'000*	31 March 2007 (Audited) *HK$'000*
NON-CURRENT LIABILITIES		
Interest-bearing bank loans	**113,464**	127,453
Mortgage loan advanced from a fellow subsidiary	**58,874**	59,673
Loans advanced from minority shareholders of the Group's subsidiaries	**245,888**	243,564
Deferred tax liabilities	**33,190**	36,368
Total non-current liabilities	**451,416**	467,058
Net assets	**982,949**	740,447
EQUITY		
Equity attributable to equity holders of the Company		
Issued capital	**13,528**	12,098
Reserves	**947,391**	702,066
Proposed final dividend	**–**	27,054
	960,919	741,218
Minority interests	**22,030**	(771)
Total equity	**982,949**	740,447

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2007

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of preparation

The condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants.

Significant accounting policies

The accounting policies adopted in the preparation of the interim financial statements are the same as those used in the annual financial statements for the year ended 31 March 2007, except for the adoption of the following Hong Kong Financial Reporting Standards ("HKFRSs"), which are adopted for the first time in the current period's financial statements.

HKAS 1 Amendment	Capital Disclosures
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC)-Int 7	Applying the Restatement Approach under HKAS 29 *Financial Reporting in Hyperinflationary Economies*
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

The adoption of the abovementioned accounting standards has had no material impact on the accounting policies of the Group and the methods of computation of the Group's condensed consolidated financial statements.

The Group has not applied the following new and revised HKFRSs relevant to the condensed consolidated financial statements that have been issued but are not yet effective.

HKFRS 8	Operating Segments
HK (IFRIC) – Int 11	HKFRS 2 – Group and Treasury Share Transactions
HK (IFRIC) – Int 12	Service Concession Arrangements
HK (IFRIC) – Int 14	HKAS 19 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
HKAS 23 (revised)	Borrowing Costs

2. SEGMENT INFORMATION

Segment information is presented by business segment, which is the primary reporting segment of the Group.

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:

(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; and

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

There were no intersegment sales and transfers during the period.

Business segments

The following table presents revenue and profit/(loss) for the Group's business segments.

Group

	Cruise ship charter services Six months ended 30 September		Hotel operations Six months ended 30 September		Property investments Six months ended 30 September		Consolidated Six months ended 30 September	
	2007	2006	**2007**	2006	**2007**	2006	**2007**	2006
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue	**121,567**	91,651	**14,944**	11,319	**13,248**	9,876	**149,759**	112,846
Segment results	**102,961**	69,272	**(4,034)**	(4,151)	**40,997**	8,669	**139,924**	73,790
Interest income and unallocated revenue and gains							**15,089**	5,996
Fair value gains on embedded derivative financial instruments							**–**	1,826
Unallocated expenses							**(19,001)**	(7,833)
Finance costs							**(6,158)**	(7,201)
Profit before tax							**129,854**	66,578
Tax							**1,472**	–
Profit for the period							**131,326**	66,578

3. REVENUE

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 period.

4. PROFIT BEFORE TAX

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

	Six months ended 30 September 2007 (Unaudited) *HK$'000*	Six months ended 30 September 2006 (Unaudited) *HK$'000*
Depreciation	**19,960**	15,295
Amortisation of prepaid land premiums	**442**	394
Staff costs	**8,425**	7,644
Share-based payments to directors and employees	**10,504**	–
Write-back of deficit on revaluation of office premises in Hong Kong	**(14)**	–
(Gain)/loss on trading of equity investments at fair value through profit or loss	**(6,874)**	860
Fair value gain on equity investments at fair value through profit or loss, net	**(2,776)**	(3,544)

5. 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 period. In the prior period, no provision for Hong Kong profits tax had been made for that period 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.

	Six months ended 30 September 2007 (Unaudited) *HK$'000*	Six months ended 30 September 2006 (Unaudited) *HK$'000*
Current – Hong Kong	**1,706**	–
Deferred	**(3,178)**	–
Total tax credit for the period	**(1,472)**	–

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

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

	Six months ended 30 September 2007	Six months ended 30 September 2006
	(Unaudited)	(Unaudited and restated)
	HK$'000	*HK$'000*
Earnings		
Profit attributable to ordinary equity holders of the Company, used in the basic earnings per share calculation	**80,710**	40,662
Interest on convertible bonds	**–**	4,087
Profit attributable to ordinary equity holders of the Company before interest on convertible bonds	**80,710**	44,749
Shares*		
Weighted average number of ordinary shares in issue during the period, used in the basic earnings per share calculation	**5,210,381,749**	4,496,688,248
Effect of dilution – weighted average number of ordinary shares:		
Share options	**89,577,771**	56,617,688
Convertible bonds	**–**	313,862,900
	5,299,959,520	4,867,168,836**

* The weighted average numbers of ordinary shares in issue for both periods have been adjusted to reflect the share subdivision taken place during the period. Pursuant to an ordinary resolution passed on 12 July 2007, each of the then existing issued and unissued shares 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 "Share Subdivision").

** Because the diluted earnings per share amount is increased when taking convertible bonds into account, the convertible bonds had an anti-dilutive effect on the basic earnings per share for the six months ended 30 September 2006 and was ignored in the calculation of diluted earnings per share. Therefore, the diluted earnings per share amount is based on the net profit for that period of HK$40,662,000 and the weighted average of 4,553,305,936 ordinary shares in issue during that period.

7. **DIVIDEND**

	Six months ended 30 September 2007 (Unaudited)	Six months ended 30 September 2006 (Unaudited)
	HK$'000	*HK$'000*
Interim dividend	**–**	21,152

The directors did not recommend any payment of interim dividend for the six months ended 30 September 2007. In the prior period, the directors declared an interim dividend of HK0.4375 cent per share (as adjusted for the Share Subdivision) paid to the shareholders of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

Results

The Group's consolidated turnover for the six months ended 30 September 2007 amounted to HK$149,759,000, a 32.7% increase over the same period in 2006. The net profit attributable to equity holders of the Company amounted to HK$80,710,000, a significant growth of 98.5% when comparing with that of last year. Basic earnings per share was HK1.55 cents (2006: HK0.90 cent, restated and adjusted for the Share Subdivision).

Operations

Cruise Ship Charter Services

During the period under review, the cruise ship charter services continued to be the principal contributor to the Group's revenue and made a remarkable contribution to the Group. Turnover from our cruise ship charter services was increased by 32.6% from HK$91,651,000 to HK$121,567,000. Segment profit from this business recorded a significant growth of 48.6% from HK$69,272,000 to HK$102,961,000. The growth was mainly due to the entering into the existing charter agreements in mid December 2006 for our two cruise ships namely "Leisure World" and "Amusement World" (the "Cruise Ships"). With effect from 1 January 2007, the fixed daily charges for the Cruise Ships have been increased 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, has also been increased from 30% to 40%. This resulted in both significant increase in turnover and profit for the period.

Hotel Operations

With prosperity and strong economic growth, there is a sustainable growth in tourism in Asia Pacific Region. For the period under review, our hotel operations of Batam View Beach Resort on Batam Island in Indonesia achieved a promising improvement in its results. Hotel operations recorded an improved turnover of HK$14,944,000 for the six months ended 30 September 2007, as compared to HK$11,319,000 for the same period last year, and its segment loss was decreased from HK$4,151,000 to HK$4,034,000. If excluding exchange loss of HK$3,979,000 from its results (30 September 2006: HK$1,765,000), Batam View Beach Resort closely operated at break-even this year as compared to loss of HK$2,386,000 for the corresponding period last year. The improvement was mainly due to the completion of hotel renovation and refurbishment program, successful marketing activities for organizing conference events and Singaporean business activities over there.

Property Investments

Driven by stockmarket gains, negative real interest rates and continual rate-cuts of the local banks, momentum in investment markets in Hong Kong is sustained presently. Property investors are active in seeking for new investment opportunities especially those Grade 'A' strata-title office in Hong Kong. With the satisfactory performance and appreciation in value from our Singapore property, which was acquired in September 2006, collaterally proved that our investment strategy in maximizing quality portfolio in Hong Kong and overseas property market was successful. The average annual rental yield derived from all investment properties in Hong Kong and Singapore was 3.9% (31 March 2007: 4.4%).

During the period under review, the Group's property investments segment recorded an increase in turnover by 34.1% from HK$9,876,000 to HK$13,248,000 and its operating profit was increased by 372.9% from HK$8,669,000 to HK$40,997,000. The Group's quality portfolio for investment properties was supported by the solid performance in Hong Kong's properties and strengthened by the strong progress of Singapore properties.

Capital Commitment

As at 30 September 2007, the Group had no capital commitment.

Contingent Liabilities

As at 30 September 2007, the Company had outstanding guarantees of approximately HK$210,340,000 given to banks to secure general credit facilities granted to certain subsidiaries of the Group. Credit facilities in an aggregate amount of HK$91,994,000 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 30 September 2007, certain of the Group's prepaid land premiums, leasehold office premises and investment properties with aggregate carrying value of approximately HK$658,671,000 and a cruise ship with carrying value of HK$205,602,000, together with a fixed deposit of US$2,250,000 (equivalent to HK$17,550,000) were pledged either to banks or a fellow subsidiary for loan facilities in aggregate of approximately HK$344,322,000 granted to the Group. As at 30 September 2007, HK$206,715,000 of the loan facilities had been utilized by the Group.

Liquidity and Financial Resources

As at 30 September 2007, the Group had net current assets of approximately HK$337,388,000 and equity attributable to equity holders of the Company of approximately HK$960,919,000.

The Group's total indebtedness (representing the aggregate amounts of interest-bearing loans from banks and a fellow subsidiary) was approximately HK$206,715,000. 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$658,671,000; 2) a cruise ship with carrying value of HK$205,602,000; and 3) a fixed deposit of US$2,250,000 (equivalent to HK$17,550,000).

For the total indebtedness, approximately HK$34,377,000 will be repayable within one year, approximately HK$92,021,000 will be repayable within the second to the fifth years and the remaining balance of approximately HK$80,317,000 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 reduced to 0.22 as compared to 0.30 as at 31 March 2007.

Capital Structure

During the period under review, the issued share capital of the Company has been increased due to (i) the exercise of share options granted to directors and employees; and (ii) the subscription of newly-issued shares by third party investors.

In April 2007, certain directors and employees exercised the granted options at an exercise price of HK$0.1775 and 92,000,000 new shares (adjusted for the Share Subdivision) were issued.

On 4 June 2007, the Company, New Century Investment Pacific Limited and Kingston Securities Limited entered into a placing and subscription agreement, the Company has placed 480,000,000 shares at a price of HK$0.2875 per share (adjusted for the Share Subdivision) to third party investors, raising net proceeds of approximately HK$133,566,000. For details, please refer to the announcement of the Company dated 5 June 2007.

Pursuant to an ordinary resolution passed 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. Simultaneously, the board lot size of the Company's share was changed from 4,000 shares to 8,000 shares.

As a result, the issued share capital of the Company was increased from HK$12,098,000 (represented by 4,838,751,148 shares, adjusted for the Share Subdivision) to HK$13,528,000 (represented by 5,410,751,148 shares) as at 30 September 2007.

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. As the impact from foreign exchange exposure is minimal, no hedging against foreign currency exposure is necessary.

Human Resources

As at 30 September 2007, the Group had 256 staff. Among which, about 227 staff were based in Indonesia, 6 staff in Singapore and 23 staff in Hong Kong. The remuneration policies of the Group are to ensure fairness and competitiveness of total remuneration in order to motivate and retain current employees and to attract potential ones. Besides, discretionary bonuses and share options are also granted to eligible staff based on both individual and the Group's performance. As at 30 September 2007, the Group had 228,800,000 outstanding share options granted to eligible executives and employees of the Group.

Prospects

Benefiting from the favourable economic environment of Hong Kong and Singapore and the expected continued strong demand for tourism-related business in Asia Pacific Region, the cruise ship charter services and property investments businesses are expected to provide strong recurrent earnings bases for the Group. Our hotel operations is expected to remain challenging as competition and costs are expected to remain high, our management will continue to develop its business strategy by broadening client bases and to deliver better margins for the Group.

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

During the six months ended 30 September 2007, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has adopted the principles and complied with all the applicable 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") throughout the six months ended 30 September 2007 except 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 29 August 2007 due to another business engagement.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the 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 six months ended 30 September 2007.

AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive directors, namely Mr. Wong Kwok Tai (Chairman), Mr. Kwan Kai Kin, Kenneth and Mr. Ho Yau Ming. One of the independent non-executive directors possess the appropriate professional qualifications, or accounting or related financial management expertise as required under the Listing Rules. The principal duties of the Audit Committee are to review and supervise the Group's financial reporting process and internal controls. The Audit Committee also reviewed the unaudited interim financial statements for the six months ended 30 September 2007.

REMUNERATION COMMITTEE

The Remuneration Committee was established on 12 July 2005 with specific terms of reference. It comprises five members, including two executive directors, namely Mr. Ng Wee Keat (Chairman) and Mr. Yu Wai Man, and three independent non-executive directors of the Company, namely Mr. Wong Kwok Tai, Mr. Kwan Kai Kin, Kenneth and Mr. Ho Yau Ming. The principal duties of the Remuneration Committee are to review and determine the remuneration package of the directors and senior management of the Group.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

The interim results announcement is available for viewing on the website of Hong Kong Exchanges and Clearing Limited at (www.hkex.com.hk) under "Latest Listed Company Information" and on the website of the Company at (www.ncgrp.com.hk). The interim report of the Company for the six months ended 30 September 2007 will be despatched to the shareholders of the Company and will be published on the same websites in due course.

On behalf of the Board
Wilson Ng
Chairman

Hong Kong, 21 December 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.