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 2010

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 2010 together with comparative figures for the previous year as follows:

CONSOLIDATED INCOME STATEMENT

Year ended 31 March 2010

	Notes	**2010** *HK$'000*	2009 *HK$'000*
REVENUE	4	**329,440**	219,148
Cost of services provided		**(42,632)**	(53,631)
Gross profit		**286,808**	165,517
Other income	4	**3,612**	15,892
Selling and distribution costs		**(33,187)**	(17,420)
Administrative expenses		**(32,107)**	(38,490)
Foreign exchange differences, net		**8,474**	(27,595)
Other expenses, net	5	**(2,307)**	(5,833)
Fair value losses on cruise ships		**(64,174)**	(56,970)
Fair value gains/(losses) on investment properties		**104,740**	(102,000)
Finance costs		**(5,789)**	(7,186)
PROFIT/(LOSS) BEFORE TAX	5	**266,070**	(74,085)
Income tax expense	6	**(36,746)**	24,132
PROFIT/(LOSS) FOR THE YEAR		**229,324**	(49,953)

* *For identification only*

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CONSOLIDATED INCOME STATEMENT (continued)

Year ended 31 March 2010

	Note	**2010** *HK$'000*	2009 *HK$'000*
Attributable to:			
Owners of the Company		**191,613**	(69,704)
Minority interests		**37,711**	19,751
		229,324	(49,953)
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	8		
Basic		**HK3.32 cents**	HK(1.21) cents
Diluted		**N/A**	N/A

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 March 2010

	2010 *HK$'000*	2009 *HK$'000*
PROFIT/(LOSS) FOR THE YEAR	**229,324**	(49,953)
OTHER COMPREHENSIVE INCOME		
Loss on cruise ship revaluation	**–**	(28,901)
Exchange differences on translation of foreign operations	**828**	(3,298)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	**828**	(32,199)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**230,152**	(82,152)
Attributable to:		
Owners of the Company	**202,290**	(90,161)
Minority interests	**27,862**	8,009
	230,152	(82,152)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 March 2010

	Notes	2010 HK$'000	2009 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**190,807**	236,887
Investment properties		**733,175**	624,250
Prepaid land premiums		**14,825**	15,045
Deposit paid to acquire property under development		**–**	–
Available-for-sale investments		**780**	780
Deferred tax assets		**–**	11,193
Total non-current assets		**939,587**	888,155
CURRENT ASSETS			
Inventories		**920**	796
Prepaid land premiums		**908**	786
Trade receivables, prepayments, deposits and other receivables	9	**44,335**	52,357
Equity investments at fair value through profit or loss		**422,229**	207,395
Due from a related company		**970**	–
Bank deposits		**99,974**	–
Pledged time deposit		**–**	17,550
Cash and cash equivalents		**148,505**	276,039
Total current assets		**717,841**	554,923
CURRENT LIABILITIES			
Interest-bearing bank loans		**49,548**	26,577
Mortgage loan advanced from a fellow subsidiary		**3,780**	3,305
Trade payables, accruals, other payables and deposits received	10	**48,328**	48,566
Tax payable		**13,792**	3,747
Due to a related company		**–**	1,004
Total current liabilities		**115,448**	83,199
NET CURRENT ASSETS		**602,393**	471,724
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,541,980**	1,359,879

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
31 March 2010

	Notes	2010 HK$'000	2009 HK$'000
NON-CURRENT LIABILITIES			
Interest-bearing bank loans		**60,999**	70,544
Mortgage loan advanced from a fellow subsidiary		**53,472**	52,610
Loans advanced from minority shareholders of the Group's subsidiaries		**238,596**	222,727
Deposits received	10	**10,518**	9,064
Deferred tax liabilities		**35,162**	20,143
Total non-current liabilities		**398,747**	375,088
Net assets		**1,143,233**	984,791
EQUITY			
Equity attributable to owners of the Company			
Issued capital		**14,414**	14,414
Reserves		**1,115,724**	948,026
Proposed final dividends	7	**23,061**	20,179
		1,153,199	982,619
Minority interests		**(9,966)**	2,172
Total equity		**1,143,233**	984,791

Notes:

1. **BASIS OF PREPARATION**

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the 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 and equity investments, which have been measured at fair value. The 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 (collectively referred to as the "Group") for the year ended 31 March 2010. 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 income, expenses and unrealised gains and losses resulting from intercompany transactions and intercompany balances within the Group are eliminated on consolidation in full.

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. **CHANGES IN ACCOUNTING POLICY AND DISCLOSURES**

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

HKFRS 1 and HKAS 27 Amendments	Amendments to HKFRS 1 *First-time Adoption of HKFRSs* and HKAS 27 *Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*
HKFRS 2 Amendments	Amendments to HKFRS 2 *Share-based Payment – Vesting Conditions and Cancellations*
HKFRS 7 Amendments	Amendments to HKFRS 7 *Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments*
HKFRS 8	*Operating Segments*
HKFRS 8 Amendment*	Amendment to HKFRS 8 *Operating Segments – Disclosure of information about segment assets (early adopted)*

HKAS 1 (Revised)	*Presentation of Financial Statements*
HKAS 18 Amendment*	Amendment to Appendix to HKAS 18 *Revenue – Determining whether an entity is acting as a principal or as an agent*
HKAS 23 (Revised)	*Borrowing Costs*
HKAS 32 and HKAS 1 Amendments	Amendments to HKAS 32 *Financial Instruments: Presentation* and HKAS 1 *Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation*
HK(IFRIC)-Int 9 and HKAS 39 Amendments	Amendments to HK(IFRIC)-Int 9 *Reassessment of Embedded Derivatives* and HKAS 39 *Financial Instruments: Recognition and Measurement – Embedded Derivatives*
HK(IFRIC)-Int 13	*Customer Loyalty Programmes*
HK(IFRIC)-Int 15	*Agreements for the Construction of Real Estate*
HK(IFRIC)-Int 16	*Hedges of a Net Investment in a Foreign Operation*
HK(IFRIC)-Int 18	*Transfers of Assets from Customers (adopted from 1 July 2009)*
Improvements to HKFRSs (October 2008) **	Amendments to a number of HKFRSs

* Included in *Improvements to HKFRSs 2009* (as issued in May 2009).

** The Group adopted all the improvements to HKFRSs issued in October 2008 except for the amendments to HKFRS 5 *Non-current assets Held for Sale and Discontinued Operations – Plan to sell the controlling interest in a subsidiary,* which is effective for annual periods beginning on or after 1 July 2009.

Other than as further explained below regarding the impact of HKAS 1 (Revised), HKFRS 7 and HKFRS 8, the adoption of these new and revised HKFRSs has had no significant financial effect on these financial statements and there have been no significant changes to the accounting policies applied in the financial statements.

(a) HKAS 1 (Revised) *Presentation of Financial Statements*

HKAS 1 (Revised) introduces changes in the presentation and disclosures of financial statements. The revised standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented as a single line. In addition, this standard introduces the statement of comprehensive income, with all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group has elected to present two statements.

(b) Amendments to HKFRS 7 *Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments*

The HKFRS 7 Amendments require additional disclosures about fair value measurement and liquidity risk. Fair value measurements related to items recorded at fair value are to be disclosed by sources of inputs using a three-level fair value hierarchy, by class, for all financial instruments recognised at fair value. In addition, a reconciliation between the beginning and ending balance is now required for level 3 fair value measurements, as well as significant transfers between levels in the fair value hierarchy. The amendments also clarify the requirements for liquidity risk disclosures with respect to derivative transactions and assets used for liquidity management.

(c) HKFRS 8 *Operating Segments*

HKFRS 8, which replaces HKAS 14 *Segment Reporting*, specifies how an entity should report information about its operating segments, based on information about the components of the entity that is available to the chief operating decision maker for the purposes of allocating resources to the segments and assessing their performance. The standard also requires the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group's major customers. The Group concluded that the operating segments determined in accordance with HKFRS 8 are the same as the business segments previously identified under HKAS 14.

The Group has early adopted in the financial statements the Amendment to HKFRS 8 issued in *Improvements to HKFRSs 2009* which clarifies that segment assets need only to be reported when those assets are included in measures that are used by the chief operating decision maker.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their businesses and services and has four reportable operating segments 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;

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

(d) the securities trading segment engages in the trading of marketable securities for short-term investment purposes.

Management monitors the results of its operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit/(loss) before tax except that interest income, finance costs, fair value gains/(losses) from the Group's financial instruments as well as head office and corporate expenses are excluded from such measurement.

Segment assets exclude deferred tax assets, bank deposits, pledged deposits, cash and cash equivalents, and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank and other borrowings, tax payable, deferred tax liabilities and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

There were no intersegment sales and transfers during the year (2009: Nil).

Group

	Cruise ship charter services		Hotel operations		Property investments		Securities trading		Total	
	2010	2009	**2010**	2009	**2010**	2009	**2010**	2009	**2010**	2009
	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	**141,167**	221,823	**23,227**	28,089	**34,793**	29,857	**130,253**	(60,621)	**329,440**	219,148
Other income	**143**	17	**1,413**	9,884	**1,140**	1,627	**–**	–	**2,696**	11,528
Total revenue and other income	**141,310**	221,840	**24,640**	37,973	**35,933**	31,484	**130,253**	(60,621)	**332,136**	230,676
Segment results	**30,447**	101,372	**(4,985)**	(6,015)	**133,374**	(93,866)	**129,990**	(60,804)	**288,826**	(59,313)
Reconciliation:										
Interest income									**727**	4,338
Unallocated gains									**189**	30
Corporate and other unallocated expenses									**(17,883)**	(11,954)
Finance costs									**(5,789)**	(7,186)
Profit/(loss) before tax									**266,070**	(74,085)

Group

	Cruise ship charter services		Hotel operations		Property investments		Securities trading		Total	
	2010	2009	**2010**	2009	**2010**	2009	**2010**	2009	**2010**	2009
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment assets	**192,880**	234,216	**32,795**	30,950	**752,017**	644,641	**426,385**	225,398	**1,404,077**	1,135,205
Reconciliation:										
Corporate and other unallocated assets									**253,351**	307,873
Total assets									**1,657,428**	1,443,078
Segment liabilities	**19,725**	23,793	**24,719**	21,442	**12,519**	11,929	**13**	5	**56,976**	57,169
Reconciliation:										
Corporate and other unallocated liabilities									**457,219**	401,118
Total liabilities									**514,195**	458,287
Other segment information:										
Depreciation and amortisation	**19,420**	24,109	**4,192**	3,749	**1,224**	1,296	**–**	–	**24,836**	29,154
Impairment of items of property, plant and equipment	**–**	–	**2,120**	5,837	**–**	–	**–**	–	**2,120**	5,837
Fair value losses/(gains) on investment properties	**–**	–	**–**	–	**(104,740)**	102,000	**–**	–	**(104,740)**	102,000
Fair value losses on cruise ships charged to the income statement	**64,174**	56,970	**–**	–	**–**	–	**–**	–	**64,174**	56,970
Revaluation deficit/(surplus) of office premises in Hong Kong	**–**	–	**–**	–	**187**	(4)	**–**	–	**187**	(4)
Fair value losses/(gains) on equity investments at fair value through profit or loss, net	**–**	–	**–**	–	**–**	–	**(105,600)**	43,965	**(105,600)**	43,965
Capital expenditure*	**36,794**	–	**1,046**	2,449	**32**	83	**–**	–	**37,872**	2,532

* Capital expenditure consists of additions to property, plant and equipment.

Geographical information

(a) Revenue and other income from external customers

	2010	2009
	HK$'000	*HK$'000*
Hong Kong	**144,652**	(40,116)
Southeast Asia except Hong Kong	**187,484**	270,792
	332,136	230,676

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

(b) Non-current assets

	2010	2009
	HK$'000	*HK$'000*
Hong Kong	**505,829**	421,663
Southeast Asia except Hong Kong	**432,978**	454,519
	938,807	876,182

The non-current asset information above is based on the location of assets and excludes financial instruments and deferred tax assets.

Information about a major customer

Revenue of approximately HK$107,068,000 (2009: HK$161,009,000) was derived from provision of cruise ship charter services to a single customer. In the prior year, revenue of approximately HK$44,891,000 was derived from provision of cruise ship charter services to another customer.

4. **REVENUE AND OTHER INCOME**

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

An analysis of revenue and other income is as follows:

	Group	
	2010	2009
	HK$'000	*HK$'000*
Revenue		
Cruise ship charter service income	**63,229**	124,375
Slot machine income	**77,938**	97,448
Income from hotel operations	**23,227**	28,089
Gross rental income	**34,793**	29,857
Gains/(losses) on trading of equity investments at fair value through profit or loss held for trading	**17,379**	(19,681)
Fair value gains/(losses) on equity investments at fair value through profit or loss, net	**105,600**	(43,965)
Dividend income from equity investments at fair value through profit or loss held for trading	**7,274**	3,025
	329,440	219,148
Other income		
Bank interest income	**727**	4,338
Waiver from creditors and a related company on long outstanding trade payables	**–**	7,437
Others	**2,885**	4,117
	3,612	15,892

5. PROFIT/(LOSS) BEFORE TAX

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

	Group	
	2010	2009
	HK$'000	*HK$'000*
Depreciation	**24,429**	28,743
Auditors' remuneration	**1,300**	1,300
Employee benefit expense (including directors' remuneration):		
Wages and salaries	**16,209**	19,591
Pension scheme contributions	**609**	670
Total staff costs	**16,818**	20,261
Minimum lease payments under operating leases on land and buildings	**233**	170
Foreign exchange differences, net	**(8,474)**	27,595
Rental income on investment properties less direct operating expenses of HK$1,773,000 (2009: HK$1,813,000)	**(33,020)**	(28,044)
Loss on disposal of items of property, plant and equipment	**45**	–
Other expenses, net:		
Revaluation deficit/(surplus) of leasehold office premises in Hong Kong	**187**	(4)
Impairment of items of property, plant and equipment	**2,120**	5,837
	2,307	5,833

6. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2009: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates.

	2010	2009
	HK$'000	*HK$'000*
Group:		
Current – Hong Kong		
Charge for the year	**9,236**	127
Overprovision in prior years	**–**	(25)
Current – Elsewhere		
Charge for the year	**1,616**	889
Overprovision in prior years	**(318)**	–
Deferred	**26,212**	(25,123)
Total tax charge/(credit) for the year	**36,746**	(24,132)

A reconciliation of the tax expense/(credit) applicable to profit/(loss) before tax at 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 – 2010

	Hong Kong		Elsewhere*		Total	
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000*	*%*
Profit before tax	**229,704**		**36,366**		**266,070**	
Tax at the statutory tax rate	**37,901**	**16.5**	**6,531**	**18.0**	**44,432**	**16.7**
Adjustments in respect of current tax of previous periods	**–**	**–**	**(318)**	**(0.9)**	**(318)**	**(0.1)**
Income not subject to tax	**(3,307)**	**(1.4)**	**(5,225)**	**(14.4)**	**(8,532)**	**(3.2)**
Expenses not deductible for tax	**75**	**–**	**33**	**0.1**	**108**	**–**
Tax losses utilised from previous periods	**(110)**	**–**	**(5)**	**–**	**(115)**	**–**
Tax losses not recognised	**1,291**	**0.5**	**1**	**–**	**1,292**	**0.5**
Others	**(402)**	**(0.2)**	**281**	**0.8**	**(121)**	**(0.1)**
Tax charge at the Group's effective rate	**35,448**	**15.4**	**1,298**	**3.6**	**36,746**	**13.8**

Group – 2009	Hong Kong		Elsewhere*		Total	
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000*	*%*
Profit/(loss) before tax	(161,745)		87,660		(74,085)	
Tax at the statutory tax rate	(26,688)	16.5	16,260	18.5	(10,428)	14.1
Effect on opening deferred tax of decrease in rate	(1,947)	1.2	–	–	(1,947)	2.6
Adjustments in respect of current tax of previous periods	(25)	–	–	–	(25)	–
Income not subject to tax	(863)	0.5	(20,543)	(23.4)	(21,406)	28.9
Expenses not deductible for tax	3,588	(2.2)	4,443	5.1	8,031	(10.8)
Tax losses utilised from previous periods	(162)	0.1	(320)	(0.4)	(482)	0.7
Tax losses not recognised	552	(0.3)	1	–	553	(0.8)
Others	524	(0.3)	1,048	1.2	1,572	(2.1)
Tax charge/(credit) at the Group's effective rate	(25,021)	15.5	889	1.0	(24,132)	32.6

* Elsewhere comprised of Singapore and Indonesia with statutory tax rates of 17% (2009: 18%) and 10% (2009: 10%), respectively.

7. DIVIDENDS

	2010	2009
	HK$'000	*HK$'000*
Interim – HK0.2 cent (2009: Nil) per ordinary share	**11,531**	–
Proposed final – HK0.4 cent (2009: HK0.35 cent) per ordinary share	**23,061**	20,179
	34,592	20,179

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

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

The calculation of basic earnings/(loss) per share amount is based on the profit/(loss) for the year attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares of 5,765,288,705 (2009: 5,765,288,705) in issue during the year.

No adjustment has been made to the basic earnings/(loss) per share amounts presented for the years ended 31 March 2010 and 2009 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during those years.

The calculations of basic earnings/(loss) per share amounts are based on:

	2010	2009
	HK$'000	*HK$'000*
Earnings/(loss)		
Profit/(loss) attributable to ordinary equity holders of the Company	**191,613**	(69,704)
Shares		
Weighted average number of ordinary shares in issue during the year, used in the basic earnings/(loss) per share calculation	**5,765,288,705**	5,765,288,705*

* In the prior year, the weighted average number of ordinary shares in issue was adjusted to reflect the bonus issue which took place during that year. Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 2 September 2008, bonus shares were issued on the basis of one new share for every twenty shares held on 2 September 2008.

9. TRADE RECEIVABLES, PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	Group	
	2010	2009
	HK$'000	*HK$'000*
Trade receivables	**33,845**	46,997
Impairment	**(23)**	(18)
	33,822	46,979
Prepayments	**2,346**	2,418
Deposits and other receivables	**8,167**	2,960
	44,335	52,357

The Group's billing terms with customers are mainly on credit. Invoices are normally payable within 30 days of issuance, except for certain well-established customers, where the terms are extended to 90 days. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are regularly reviewed by senior management. Trade receivables are non-interest-bearing.

Below is an aged analysis of trade receivables, net of impairment, based on the invoice date, which is the date when the services are rendered.

	Group	
	2010	2009
	HK$'000	*HK$'000*
Within 1 month	**12,597**	35,452
1 to 2 months	**7,253**	8,355
2 to 3 months	**4,766**	886
Over 3 months	**9,206**	2,286
Trade receivables	**33,822**	46,979

10. TRADE PAYABLES, ACCRUALS, OTHER PAYABLES AND DEPOSITS RECEIVED

The aged analysis below shows the Group's trade payables, based on goods receipt date and the date when services are rendered.

	Group	
	2010	2009
	HK$'000	*HK$'000*
Trade payables:		
Current to 180 days	**4,001**	2,269
Over 180 days	**12,150**	11,254
	16,151	13,523
Accruals	**4,611**	17,720
Other payables and deposits received	**38,084**	26,387
	58,846	57,630

Deposits received of HK$10,518,000 (2009: HK$9,064,000) were included as a non-current liability. The trade and other payables are non-interest-bearing and are normally settled on 90-day terms.

CHAIRMAN'S STATEMENT

I am pleased to present the annual report of New Century Group Hong Kong Limited ("New Century" or the "Group") for the financial year ended 31 March 2010.

Overview

2009 was a turbulent year for the global economy during which both challenges and opportunities existed. If there is one thing that this year reminded us of, it is how quickly the business environment could change and how important it is to be proactive and diligent in the management of a business enterprise such as ours.

Although major economies around the world have recovered gradually during the year, the deterrent impact of the H1N1 pandemics remained, which weakened tourists to travel and adversely affected the travel industry. The opening of Casino Hotel in Singapore in early 2010 also lured away a number of our cruise ship guests, which further affected the performance of the Group's tourism-related business. Nevertheless, the Group successfully leveraged on a prudent cash management strategy to pace its growth. Our annual results turned from a loss to significant profit growth compared with last year. The turnaround was mainly attributed to the fair value gains on securities trading and investment properties. Given the unfavorable overall economic environment and intense competition in tourism-related business in the Asia Pacific region, the Group has also streamlined its daily operations, which successfully lowered the Group's administrative expenses.

Dividend

The Board recommends the payment of a final dividend of HK0.4 cent per share, which is subject to the approval of the Company's shareholders at the forthcoming annual general meeting. This, together with the interim dividend of HK0.2 cent per share, means total dividend for the year stands at HK0.6 cent per share (2009: HK0.35 cent per share).

Outlook

Due to an uneven global economic recovery and intense competition in the tourism sector in Singapore, New Century is cautiously optimistic towards the coming year.

The coming year will continue to be challenging and our management team will not waver from its focus on liquidity, cost control and revenue maximization to help us get through these unprecedented economic times. I am excited with the business platform we have created – a well-established and diversified business model with talented management and a strong cash position. I am confident it will allow us to thrive in the long term. The Group will focus on maintaining a strong and healthy financial position and conserve sufficient cash to seek investment opportunities of high quality. We will be aggressive in positioning our company not only to respond to short-term challenges, but also generate outstanding returns in an ever-changing business environment.

Appreciation

Lastly, I would like to express my deepest thanks to our talented and hardworking employees for their contributions to our company. Their dedications make all the difference in driving our success. We will continue to work hard to justify and reward your faith in us.

MANAGEMENT DISCUSSION AND ANALYSIS

Results

For the year ended 31 March 2010, the Group achieved a consolidated profit attributable to owners of the Company of HK$191.6 million, compared with a consolidated loss of HK$69.7 million in 2009. Basic earnings per share was HK3.32 cents (2009: basic loss per share of HK1.21 cents). Revenue for the Group was HK$329.4 million (2009: HK$219.1 million).

Net asset value rose to HK$1,143.2 million compared with HK$984.8 million in the last corresponding year.

Dividend

The Board recommends the payment of a final dividend of HK0.4 cent per share, payable to owners of the Company whose names appear on the register of members of the Company on 1 September 2010. Subject to the approval of the Company's shareholders at the forthcoming annual general meeting to be held on 1 September 2010, the final dividend will be paid on 15 September 2010.

Closure of Register of Members

The register of members of the Company will be closed from Friday, 27 August 2010 to Wednesday, 1 September 2010, both days inclusive, during which period no transfer of the 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 share registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, 26 August 2010.

Operations

Cruise Ship Charter Services

During the year, as the tourism business was affected by the deterrent impact of the H1N1 pandemics and coupled with strong competition from Casino Hotel in Singapore which opened in January 2010, the cruise ship charter services of "Leisure World" and "Amusement World" (the "Cruise Ships") were adversely affected.

In view of the lower fixed daily charge rates in new charter agreements that were signed in late 2008 and the reduction of the floating charge from 45% to 20% on net win of slot machines onboard the Cruise Ships with effect from January 2010, revenue from cruise ship charter services dropped by 36.4% to HK$141.2 million from HK$221.8 million last year. That resulted in a drop in segment profit to HK$30.4 million from HK$101.4 million last year. The increase in advertising and promotion costs to boost the cruise traveler was also one of the reasons for the drop in segment profit. However, with the aforesaid reduction of the floating charges, the Group will no longer be responsible for the advertising and promotion costs from January 2010.

Hotel Operations

In light of the impact of H1N1 flu as well as the opening of Casino Hotel in Singapore in early 2010, hotel occupancy rates have been unfavorably affected. Revenue stood at HK$23.2 million (2009: HK$28.1 million). For the year under review, the business has recorded an exchange gain of HK$3.2 million from the appreciation of the Singapore dollar to the Hong Kong dollar (2009: losses of HK$5.4 million) and a decrease in impairment of hotel premises by HK$3.7 million (2010: HK$2.1 million; 2009: HK$5.8 million). Nevertheless, the segment still recorded a loss of HK$5.0 million (2009: HK$6.0 million).

Property Investment

For the year under review, global economies started to emerge from the economic downturn. Property prices in Hong Kong soared in late 2009, driven by large fund inflows, low interest rates, and strong interest from buyers in Mainland China. In Singapore, the property market also enjoyed a rebound from the plunge in values towards the end of 2008. The Group's property investments recorded a steady 16.5% increase in revenue to HK$34.8 million for the year under review, compared with HK$29.9 million last year. Furthermore, a gradual recovery of the property market led to fair value gains on investment properties of HK$104.7 million (2009: losses of HK$102.0 million). Thus, the segment recorded a profit of HK$133.4 million compared with a loss of HK$93.9 million last year. Together with about a 100% occupancy rate and average annual rental yield of 4.7% (2009: 4.8%), rental income derived from all investment properties in Hong Kong and Singapore generated stable returns for the Group.

Securities Trading

Securities trading was the major source of the Group's revenue and profit for the year under review. The investment portfolio of the Group consists mainly of blue chips that are capable of generating strong profits in Hong Kong and Singapore. The equities markets in both cities have regained their growth momentum since April 2009. The Hang Seng Index in Hong Kong stood at 13,576 as of 31 March 2009 and rose by 56% to 21,239 on 31 March 2010. The Straits Times Index in Singapore stood at 1,700 as of 31 March 2009 and rose by 70% to 2,887 on 31 March 2010. The recovery of the securities markets resulted in a significant gain of HK$130.0 million (2009: loss of HK$60.8 million) for this segment.

Contingent Liabilities

As of 31 March 2010, the Company had outstanding guarantees of HK$210.3 million (2009: HK$210.3 million) given to banks to secure general credit facilities for certain subsidiaries of the Company. Credit facilities in an aggregate amount of HK$90.5 million (2009: HK$79.6 million) had been utilized by the subsidiaries in respect of such guarantees as at the end of the reporting period.

Charge on the Group's Assets

As of 31 March 2010, some of the Group's prepaid land premiums, leasehold office premises and investment properties with an aggregate value of HK$704.6 million and equity investments with a carrying value of HK$422.2 million were pledged to banks, a fellow subsidiary and securities dealers for loan facilities worth HK$380.2 million granted to the Group. As of 31 March 2010, HK$167.8 million of the loan facilities had been utilized by the Group.

Liquidity and Financial Resources

As of 31 March 2010, the Group had net current assets of HK$602.4 million and equity attributable to owners of the Company of HK$1,153.2 million.

The Group's total indebtedness (representing the aggregate amount of interest-bearing loans from banks, a fellow subsidiary and securities dealers) was HK$167.8 million. All loans were denominated in Hong Kong dollar or Singapore dollar and charged at floating interest rates. It was secured by mortgages over some of the Group's properties that have an aggregate net book value of HK$704.6 million and equity investments with a carrying value of HK$422.2 million.

Regarding total indebtedness, HK$53.3 million will be repayable within one year, HK$65.3 million will be repayable from the second to fifth years and the remaining balance of HK$49.2 million will be repayable after five years. The Group's gearing ratio (total indebtedness divided by equity attributable to owners of the Company) as at the end of the reporting period was reduced to 0.15 compared with 0.16 as of 31 March 2009.

Exposure on Equity Price Risk, Foreign Exchange Risk and Interest Rate Risk

The Group is exposed to equity price risk arising from individual equity investments classified as trading equity investments. The Group's listed investments are listed on the stock exchange of Hong Kong and Singapore and are valued at quoted market prices at the end of the reporting period.

The Group's cash and cash equivalents are mainly held predominately in Hong Kong dollar or Singapore dollar. The Group's borrowings are denominated in Hong Kong dollar or Singapore dollar at floating interest rates. The Group's exposure to the risk of changes in 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 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 of 31 March 2010, the Group had a total of 261 staff. 233 of them were based in Indonesia, 4 in Singapore and 24 in Hong Kong. Remuneration packages for employees and directors are structured according to market terms and individual performance and experience. Benefits plans maintained by the Group include mandatory provident fund scheme, medical insurance, share option scheme and discretionary bonuses. As of 31 March 2010, the Group had 135.7 million outstanding share options granted to eligible executives and employees of the Group.

Event after the Reporting Period

On 27 April 2010, the Group entered into a provisional sale and purchase agreement with an independent third party for the disposal of an investment property with tenancy at Shop Nos. 1A, 1B, 1C, 1F, 1G and 1H of Retail Portions on the Ground Floor of Commercial Podium, New Mandarin Plaza, No. 14 Science Museum Road, Tsim Sha Tsui East, Kowloon, Hong Kong at the consideration of HK$115.0 million. The disposal is expected to be completed on or before 30 August 2010. For details, please refer to the Company's announcement dated 27 April 2010.

On 15 June 2010, the Group entered into an option agreement with an independent third party pursuant to which the independent third party was granted an option to purchase an investment property with tenancy at AIG Building, 22 Martin Road, Singapore 239058 at the consideration of SG$46.5 million (equivalent to approximately HK$259.5 million). The option was exercised by the nominee of the purchaser on 29 June 2010. It is expected the disposal will be completed within ten weeks from the date of exercise of the option. The disposal constitutes a major transaction of the Company under Chapter 14 of the Rules Governing the Listing of Securities on the Stock Exchange and is therefore subject to the shareholders' approval in the coming special general meeting of the Company on 26 July 2010. Please refer to the Company's circular dated 8 July 2010 for details.

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.

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 (the "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") for the year ended 31 March 2010, except for certain deviations as specified with considered reasons for such deviations as explained below.

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.

As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are not less exacting than those in the Code.

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 and arrange for the chairmen of the audit and remuneration committees or in the absence of the chairman of such committees, another member of the committee or failing this his duly appointed delegate, to be available to answer questions at the annual general meeting.

Owing to another business engagement, Mr. Wilson Ng, the chairman of the Board, was unable to attend the annual general meeting of the Company held on 4 September 2009. In his absence, Mr. Ng Wee Keat, the chief executive officer of the Company (who is also the chairman of the remuneration committee) attended and took the chair of the said annual general meeting and ensured that proceedings of the meeting were conducted in order, whereas the chairman of the audit committee was also present at the meeting. The Company considers that the members of the Board, the audit committee and the remuneration committee who attended the said annual general meeting were already of sufficient calibre and numbers to address shareholders' questions at the meeting.

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") 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 2010. As at the date of this announcement, the audit committee comprises three independent non-executive directors of the Company.

On behalf of the Board
Wilson Ng
Chairman

Hong Kong, 16 July 2010

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, 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.