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 2013

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 2013, which are prepared in accordance with the basis set out in note 1 below. The 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

For the six months ended 30 September 2013

	Note	**Six months ended 30 September 2013 (Unaudited)** ***HK$'000***	Six months ended 30 September 2012 (Unaudited) *HK$'000*
REVENUE	4	**40,783**	83,301
Cost of services provided		**(15,192)**	(16,378)
Gross profit		**25,591**	66,923
Other income		**2,210**	2,042
Selling and distribution expenses		**(125)**	(102)
Administrative expenses		**(22,329)**	(15,866)
Foreign exchange differences, net		**(3,555)**	7,256
Fair value gains on investment properties		**13,027**	10,000
Fair value gains on cruise ships		**506**	68
Other operating expenses		**(635)**	–
Finance costs		**(430)**	(1,305)

* *For identification purpose only*

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CONDENSED CONSOLIDATED INCOME STATEMENT ***(continued)***
For the six months ended 30 September 2013

	Notes	**Six months ended 30 September 2013 (Unaudited)** ***HK$'000***	Six months ended 30 September 2012 (Unaudited) *HK$'000*
PROFIT BEFORE TAX	5	**14,260**	69,016
Income tax expense	6	**(289)**	–
PROFIT FOR THE PERIOD		**13,971**	69,016
Attributable to:			
Owners of the Company		**7,607**	51,970
Non-controlling interests		**6,364**	17,046
		13,971	69,016
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	7		
Basic		**HK0.13 cent**	HK0.90 cent
Diluted		**HK0.13 cent**	HK0.90 cent

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30 September 2013

	Six months ended 30 September 2013 (Unaudited) *HK$'000*	Six months ended 30 September 2012 (Unaudited) *HK$'000*
PROFIT FOR THE PERIOD	**13,971**	69,016
OTHER COMPREHENSIVE INCOME		
Item that may be reclassified subsequently to the condensed consolidated income statement – Exchange differences on translation of foreign operations	**10,210**	2,722
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**24,181**	71,738
Attributable to:		
Owners of the Company	**7,110**	51,767
Non-controlling interests	**17,071**	19,971
	24,181	71,738

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 September 2013

	Notes	**30 September 2013 (Unaudited) *HK$'000***	31 March 2013 (Audited) *HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**110,516**	117,685
Investment properties		**609,320**	501,000
Prepaid land premiums		**531**	906
Deposits paid for acquisition of properties		**–**	12,173
Available-for-sale investments		**780**	780
Total non-current assets		**721,147**	632,544
CURRENT ASSETS			
Inventories		**1,286**	1,109
Prepaid land premiums		**455**	543
Trade receivables, prepayments, deposits and other receivables	9	**62,310**	56,526
Equity investments at fair value through profit or loss		**385,557**	489,817
Bank deposits		**156,106**	55,308
Cash and cash equivalents		**345,820**	424,937
Total current assets		**951,534**	1,028,240
CURRENT LIABILITIES			
Interest-bearing bank borrowings		**18,243**	19,303
Trade payables, accruals, other payables and deposits received	10	**36,697**	37,340
Due to a related company		**122**	91
Tax payable		**2,394**	2,404
Total current liabilities		**57,456**	59,138
NET CURRENT ASSETS		**894,078**	969,102
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,615,225**	1,601,646

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(continued)
30 September 2013

	Note	**30 September 2013 (Unaudited)** *HK$'000*	31 March 2013 (Audited) *HK$'000*
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,615,225**	1,601,646
NON-CURRENT LIABILITIES			
Loans advanced from non-controlling shareholders of the Group's subsidiaries		**182,997**	192,926
Interest-bearing bank borrowings		**26,513**	–
Deposits received	10	**2,557**	1,999
Deferred tax liabilities		**1,327**	1,038
Total non-current liabilities		**213,394**	195,963
Net assets		**1,401,831**	1,405,683
EQUITY			
Equity attributable to owners of the Company			
Issued capital		**14,417**	14,417
Reserves		**1,410,728**	1,397,049
Proposed final dividend		**–**	34,602
		1,425,145	1,446,068
Non-controlling interests		**(23,314)**	(40,385)
Total equity		**1,401,831**	1,405,683

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2013

1. BASIS OF PREPARATION

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

The unaudited condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 March 2013.

2. CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

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 2013, except as described below. In the current period, the Group has applied, for the first time, the following new and revised Hong Kong Financial Reporting Standards ("HKFRSs", which included all Hong Kong Financial Reporting Standards, HKASs and Interpretations) issued by the HKICPA which are effective for the Group's financial years beginning on or after 1 April 2013.

HKFRS 1 Amendments	Amendments to HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards – Government Loans*
HKFRS 7 Amendments	Amendments to HKFRS 7 *Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities*
HKFRS 10	*Consolidated Financial Statements*
HKFRS 11	*Joint Arrangements*
HKFRS 12	*Disclosure of Interests in Other Entities*
HKFRS 10, HKFRS 11 and HKFRS 12 Amendments	Amendments to HKFRS 10, HKFRS 11 and HKFRS 12 – *Transition Guidance*
HKFRS 13	*Fair Value Measurement*
HKAS 1 Amendments	Amendments to HKAS 1 *Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income*
HKAS 19 (2011)	*Employee Benefits*
HKAS 27 (2011)	*Separate Financial Statements*
HKAS 28 (2011)	*Investments in Associates and Joint Ventures*
HK(IFRIC)-Int 20	*Stripping Costs in the Production Phase of a Surface Mine*
Annual Improvements 2009-2011 Cycle	Amendments to a number of HKFRSs issued in June 2012

Except as described below, the adoption of the new and revised HKFRSs has had no material impact on the results and financial position for the current or prior accounting periods which have been prepared and presented.

The HKAS 1 Amendments require grouping of items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently. The Group's presentation of other comprehensive income in the consolidated financial statements has been modified accordingly.

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 before tax. The adjusted profit before tax is measured consistently with the Group's profit before tax except that interest income, finance costs, as well as head office and corporate expenses are excluded from such measurement.

There were no intersegment sales and transfers during the period (2012: Nil).

Group

	Cruise ship charter services Six months ended 30 September		Hotel operations Six months ended 30 September		Property investments Six months ended 30 September		Securities trading Six months ended 30 September		Consolidated Six months ended 30 September	
	2013	2012	**2013**	2012	**2013**	2012	**2013**	2012	**2013**	2012
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue	**35,439**	35,727	**9,407**	10,402	**9,266**	7,712	**(13,329)**	29,460	**40,783**	83,301
Segment results	**29,788**	28,092	**(5,675)**	(3,288)	**19,948**	15,525	**(13,349)**	37,696	**30,712**	78,025
Reconciliation:										
Interest income and unallocated gains									**933**	1,843
Corporate and other unallocated expenses									**(16,955)**	(9,547)
Finance costs									**(430)**	(1,305)
Profit before tax									**14,260**	69,016

4. REVENUE

Revenue, which is also the Group's turnover, represents cruise ship charter service income, income from hotel operations, gross rental income received, receivables from investment properties, dividend income and gain/loss from securities trading during the period.

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

	Six months ended 30 September 2013 (Unaudited) ***HK$'000***	Six months ended 30 September 2012 (Unaudited) *HK$'000*
Depreciation	**7,251**	8,700
Amortisation of prepaid land premiums	**255**	278
Employee costs *(Note)*	**14,930**	7,230
Impairment of items of property, plant and equipment	**635**	–

Note: The amount included equity-settled share option expenses of HK$6,569,000 during the period (2012: Nil).

6. INCOME TAX

No provision for Hong Kong profits tax has been made as the Group has available tax losses brought forward from prior years to offset the assessable profits generated during the period (2012: Nil). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates.

	Six months ended 30 September 2013 (Unaudited) ***HK$'000***	Six months ended 30 September 2012 (Unaudited) *HK$'000*
Group:		
Deferred	**289**	–

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

The calculation of the basic earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares of 5,766,968,705 (2012: 5,766,968,705) in issue during the period.

The calculation of the diluted earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the Company. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, 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.

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

	Six months ended 30 September 2013 (Unaudited)	Six months ended 30 September 2012 (Unaudited)
	HK$'000	*HK$'000*
Earnings		
Profit attributable to ordinary equity holders of the Company, used in the basic earnings per share calculation	**7,607**	51,970
Shares		
Weighted average number of ordinary shares in issue during the period, used in the basic earnings per share calculation	**5,766,968,705**	5,766,968,705
Effect of dilution – weighted average number of ordinary shares:		
Share options	**697,240**	–
	5,767,665,945	5,766,968,705

8. DIVIDEND

	Six months ended 30 September 2013 (Unaudited)	Six months ended 30 September 2012 (Unaudited)
	HK$'000	*HK$'000*
Interim dividend	**17,301**	17,301

On 27 November 2013, the directors declared an interim dividend of HK0.3 cent per share for the six months ended 30 September 2013 (2012: HK0.3 cent) to be paid to the shareholders of the Company whose names appear on the register of members on 12 December 2013.

9. TRADE RECEIVABLES, PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

The Group's billing terms with customers are mainly on credit. Invoices are normally payable within 30 days of issuance. 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. The main type of collaterals held by the Group as security are rental deposits received from tenants with a fair value of HK$15,834,000 (31 March 2013: HK$15,608,000). 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.

	30 September 2013 (Unaudited) ***HK$'000***	31 March 2013 (Audited) *HK$'000*
Within 1 month	**58,034**	49,902
1 to 2 months	**785**	705
2 to 3 months	**32**	258
Over 3 months	**667**	690
Trade receivables	**59,518**	51,555
Prepayments, deposits and other receivables	**2,792**	4,971
Deposits paid for acquisition of properties	**–**	12,173
	62,310	68,699
Less: Non-current deposits paid	**–**	(12,173)
	62,310	56,526

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.

	30 September 2013 (Unaudited) ***HK$'000***	31 March 2013 (Audited) *HK$'000*
Trade payables		
– Current to 180 days	**4,054**	4,398
Accruals, other payables and deposits received	**35,200**	34,941
	39,254	39,339

Deposits received of HK$2,557,000 (31 March 2013: HK$1,999,000) were included as non-current liabilities. The trade and other payables are non-interest-bearing and are normally settled on 90-day terms.

INTERIM DIVIDEND

The Board has declared an interim dividend of HK0.3 cent per share for the six months ended 30 September 2013 (2012: HK0.3 cent) payable to shareholders whose names appear on the register of members of the Company on 12 December 2013. The interim dividend will be paid on or around 30 December 2013.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 12 December 2013 to Monday, 16 December 2013, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the interim dividend, all transfers of shares, accompanied by the relevant share certificates, 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 for registration not later than 4:30 p.m. on Wednesday, 11 December 2013.

MANAGEMENT DISCUSSION AND ANALYSIS

After a decade of robust growth, Asia's emerging economies uncharacteristically slowed down, being caught between growth worries in China, political risks in Syria and fears of early Fed tapering. Furthermore, according to the latest report by the International Monetary Fund on the world's economic outlook, it is expected that global activity will strengthen moderately but the uncertainties, such as the badly handled debt crisis in the U.S., a slowdown in activity in large developing nations, the weaker-than-expected growth in emerging markets and other factors, remain this year and next, casting a shadow over the expansion of global economy.

While dark clouds continued to loom over the global economy, the Group's strong cash position allowed it to stick with its proactive but prudent investment strategy. Not only had it successfully acquired four adjoining units of 2-storey conservation shophouses in Singapore for long-term investment, but it also had invested in a portfolio of blue chips in the Hong Kong and Singapore markets, creating values for the Group.

Results

For the six months ended 30 September 2013 (the "Period"), the Group recorded revenue of HK$40,783,000 (2012: HK$83,301,000). The decrease was mainly attributable to unrealised loss on securities. Profit attributable to owners of the Company was HK$7,607,000 for the Period (2012: HK$51,970,000). Basic earnings per share was HK0.13 cent (2012: HK0.90 cent).

Operations

Cruise Ship Charter Services

During the Period, the charter services of the two cruise ships namely *"Leisure World"* and *"Amusement World"* (collectively referred to as the "Cruise Ships") recorded revenue of HK$35,439,000 (2012: HK$35,727,000) and profit of HK$29,788,000 (2012: HK$28,092,000), including the fair value gains of HK$506,000 (2012: HK$68,000) on the Cruise Ships.

Hotel Operations

During the Period, hotel operations in Batam Resort recorded a 9.6% drop in revenue to HK$9,407,000 (2012: HK$10,402,000), resulting from the depreciation of the Singapore dollar and Indonesian Rupiah in which room rates were charged. Moreover, increases in fuel oil price, minimum wages, salary and other related expenses put pressure on the hotel operating cost. The segment loss increased to HK$5,675,000 (2012: HK$3,288,000), including foreign exchange losses of HK$1,935,000 (2012: HK$1,370,000).

Property Investments

Following the acquisition of four adjoining retail units of 2-storey conservation shophouses in Singapore which was completed on 22 April 2013, and benefiting from the increase in rental rate of the Hong Kong properties, the segment recorded a 20.2% increase in revenue to HK$9,266,000 (2012: HK$7,712,000) and profit surged 28.5% to HK$19,948,000 (2012: HK$15,525,000). The segment profit included fair value gains on investment properties of HK$13,027,000 (2012: HK$10,000,000). The Group achieved a 100% occupancy rate with an average annual rental yield of 3.0% (31 March 2013: 3.1%) for property investments in Hong Kong and Singapore.

Securities Trading

With the stock markets in both Hong Kong and Singapore picking up gradually, growth was uneven as share prices fluctuated among different segments. In view of this, the Group sold part of its securities at high prices while holding onto the others and waiting for the right time to realise the trading gains. As a result, even though the Group recorded a segment loss of HK$13,349,000 (2012: profit of HK$37,696,000) due to unrealized loss on securities, its "buy low, sell high" strategy led to a realized gain of HK$18,257,000 on securities trading.

Contingent Liabilities

As of 30 September 2013, the Company had outstanding guarantees of HK$177,490,000 (31 March 2013: HK$149,725,000) given to banks to secure general credit facilities for certain subsidiaries of the Company. Credit facilities in an aggregate amount of HK$44,756,000 (31 March 2013: HK$19,303,000) had been utilized by the subsidiaries from such guarantees at the end of the reporting period.

Charge on the Group's Assets

As of 30 September 2013, some of the Group's land and building and investment properties with an aggregate value of HK$468,227,000 (31 March 2013: HK$363,114,000) and equity investments with a carrying value of HK$381,866,000 (31 March 2013: HK$485,948,000) were pledged to banks and securities dealers for loan facilities worth HK$243,937,000 (31 March 2013: HK$260,603,000) granted to the Group. As of 30 September 2013, HK$44,756,000 (31 March 2013: HK$19,303,000) of the loan facilities had been utilized by the Group.

Liquidity and Financial Resources

As of 30 September 2013, the Group had net current assets of HK$894,078,000 (31 March 2013: HK$969,102,000) and equity attributable to owners of the Company of HK$1,425,145,000 (31 March 2013: HK$1,446,068,000).

The Group's total indebtedness (representing the aggregate amount of interest-bearing loans from banks) was HK$44,756,000 (31 March 2013: HK$19,303,000). All loans were denominated in the Hong Kong dollar and 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$468,227,000 (31 March 2013: HK$363,114,000).

Regarding total indebtedness, HK$18,243,000 (31 March 2013: HK$19,303,000) will be repayable within one year or on demand, HK$3,374,000 (31 March 2013: Nil) will be repayable from the second to fifth years and the remaining balance of HK$23,139,000 (31 March 2013: Nil) will be repayable after five years.

The Group's gearing ratio (total indebtedness divided by equity attributable to owners of the Company) at the end of the reporting period increased to 0.03, compared with 0.01 as of 31 March 2013 but the financial position of the Group still remained healthy.

Exposure to Equity Prices, Foreign Exchange and Interest Rate Risks

The Group is exposed to risks arising from individual equity investments classified as trading equity investments. The Group's investments are listed on the stock exchanges 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 the Hong Kong dollar and Singapore dollar. The Group's borrowings are denominated in the Hong Kong dollar and 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 floating interest rates. 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 30 September 2013, the Group had a total of 222 staff. 192 of them were based in Indonesia, 5 in Singapore and 25 in Hong Kong. Remuneration packages for employees and directors are structured according to market terms as well as individual performance and experience. Benefits plans maintained by the Group include mandatory provident fund scheme, medical insurance, share option schemes and discretionary bonuses. As of 30 September 2013, the Group had 406,128,000 outstanding share options granted to eligible executives and employees of the Group.

Prospects

Looking forward, the Group is optimistic that the global market will regain some stronger growth momentum; however, it will also pass through speed bumps that delay a full economic recovery. The Group will stay positive but cautious on managing its diversified businesses and look for potential investment opportunities in both properties and securities, bringing greater value for its shareholders.

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

During the six months ended 30 September 2013, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

CORPORATE GOVERNANCE

The Company has adopted the principles and complied with all the applicable provisions of the Corporate Governance Code as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the six months ended 30 September 2013.

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 six months ended 30 September 2013.

REVIEW OF INTERIM RESULTS

The unaudited interim results for the six months ended 30 September 2013 have been reviewed by the auditors of the Company, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. The Board, through the audit committee, has also conducted a review of the internal control and the interim report for the six months ended 30 September 2013.

On behalf of the Board
Ng Wee Keat
Chairman

Hong Kong, 27 November 2013

As at the date of this announcement, the Board comprises Mr. Ng Wee Keat (Chairman), Ms. Sio Ion Kuan (Deputy Chairman), 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. Cheung Chun Kwok, Mr. Kwan Kai Kin, Kenneth and Mr. Ho Yau Ming as independent non-executive directors.