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 2016

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 2016 together with comparative figures for the previous year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
Year ended 31 March 2016

	Note	**2016** *HK$'000*	2015 *HK$'000*
CONTINUING OPERATIONS			
REVENUE	4	**32,247**	147,911
Cost of services provided		**(18,259)**	(12,517)
Gross profit		**13,988**	135,394
Other income and gains	4	**1,771**	4,925
Administrative expenses		**(27,229)**	(25,433)
Foreign exchange differences, net		**(5,415)**	(10,423)
Revaluation surplus/(deficit) on cruise ships		**720**	(39,962)
Fair value gains/(losses) on investment properties		**(4,600)**	14,700
Finance costs		**(1,046)**	(1,066)
Gain on dissolution of subsidiaries		**–**	19,467

* *For identification purpose only*

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS *(continued)*

Year ended 31 March 2016

	Notes	**2016** **HK$'000**	2015 HK$'000
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	5	**(21,811)**	97,602
Income tax expense	6	**(631)**	(1,705)
PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS		**(22,442)**	95,897
DISCONTINUED OPERATION			
Loss for the year from a discontinued operation		**–**	(3,400)
Gain on disposal of a discontinued operation		**–**	20,344
		–	16,944
PROFIT/(LOSS) FOR THE YEAR		**(22,442)**	112,841
Attributable to:			
Owners of the Company		**(32,376)**	98,830
Non-controlling interests		**9,934**	14,011
		(22,442)	112,841
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	7		
Basic			
– For profit/(loss) for the year		**(HK0.56 cent)**	HK1.71 cents
– For profit/(loss) from continuing operations		**(HK0.56 cent)**	HK1.39 cents
Diluted			
– For profit/(loss) for the year		**(HK0.56 cent)**	HK1.71 cents
– For profit/(loss) from continuing operations		**(HK0.56 cent)**	HK1.39 cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 March 2016

	2016	2015
	HK$'000	*HK$'000*
PROFIT/(LOSS) FOR THE YEAR	**(22,442)**	112,841
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:		
Release of exchange translation reserve upon dissolution of subsidiaries	**–**	(19,467)
Release of exchange translation reserve upon disposal of a discontinued operation	**–**	(7,322)
Exchange differences on translation of foreign operations	**11,237**	(8,841)
Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods	**11,237**	(35,630)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		
Surplus on cruise ship revaluation	**1,286**	–
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX	**12,523**	(35,630)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	**(9,919)**	77,211
Attributable to:		
Owners of the Company	**(23,837)**	61,378
Non-controlling interests	**13,918**	15,833
	(9,919)	77,211

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 March 2016

	Notes	**2016** *HK$'000*	2015 *HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**290,738**	91,411
Investment properties		**628,425**	630,540
Available-for-sale investment		**780**	780
Total non-current assets		**919,943**	722,731
CURRENT ASSETS			
Trade receivables	9	**63,614**	69,910
Prepayments, deposits and other receivables	10	**5,004**	5,425
Equity investments at fair value through profit or loss		**384,217**	383,579
Tax recoverable		**2,836**	–
Cash and cash equivalents		**298,219**	513,626
Total current assets		**753,890**	972,540
CURRENT LIABILITIES			
Due to a related company		**–**	12
Derivative financial instruments		**1,448**	4,408
Interest-bearing bank borrowings		**3,665**	6,578
Accruals, other payables and deposits received	11	**40,349**	54,710
Tax payable		**–**	1,184
Total current liabilities		**45,462**	66,892
NET CURRENT ASSETS		**708,428**	905,648
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,628,371**	1,628,379

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(continued)*

31 March 2016

	Notes	**2016** **HK$'000**	2015 *HK$'000*
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings		**22,874**	23,070
Loan advanced from a non-controlling shareholder of the Group's subsidiaries		**171,823**	131,823
Deposits received	11	**3,415**	2,139
Deferred tax liabilities		**2,470**	1,847
Total non-current liabilities		**200,582**	158,879
Net assets		**1,427,789**	1,469,500
EQUITY			
Equity attributable to owners of the Company			
Issued capital		**14,451**	14,451
Reserves		**1,385,717**	1,409,554
Proposed final dividend	8	**–**	31,792
		1,400,168	1,455,797
Non-controlling interests		**27,621**	13,703
Total equity		**1,427,789**	1,469,500

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 cruise ships, investment properties, equity investments at fair value through profit or loss and derivative financial instruments, which have been measured at fair value. The financial statements are presented in Hong Kong dollar ("HK$") and all values are rounded to the nearest thousand except when otherwise indicated.

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 2016. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current liability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described in the accounting policy for subsidiaries below. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

Amendments to HKAS 19	*Defined Benefit Plans: Employee Contributions*
Annual Improvements 2010-2012 Cycle	Amendments to a number of HKFRSs
Annual Improvements 2011-2013 Cycle	Amendments to a number of HKFRSs

The nature and the impact of each amendment is described below:

(a) Amendments to HKAS 19 apply to contributions from employees or third parties to defined benefit plans. The amendments simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. If the amount of the contributions is independent of the number of years of service, an entity is permitted to recognise such contributions as a reduction of service cost in the period in which the related service is rendered. The amendments have had no impact on the Group as the Group does not have defined benefit plans.

(b) The *Annual Improvements to HKFRSs 2010-2012 Cycle* issued in January 2014 sets out amendments to a number of HKFRSs. Details of the amendments that are effective for the current year are as follows:

- HKFRS 8 *Operating Segments*: Clarifies that an entity must disclose the judgements made by management in applying the aggregation criteria in HKFRS 8, including a brief description of operating segments that have been aggregated and the economic characteristics used to assess whether the segments are similar. The amendments also clarify that a reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker. The amendments have had no impact on the Group.

- HKAS 16 *Property, Plant and Equipment* and HKAS 38 *Intangible Assets*: Clarifies the treatment of the gross carrying amount and accumulated depreciation or amortisation of revalued items of property, plant and equipment and intangible assets. The amendments have had no significant impact on the Group's financial statements.

(c) The *Annual Improvements to HKFRSs 2011-2013 Cycle* issued in January 2014 sets out amendments to a number of HKFRSs. Details of the amendments that are effective for the current year are as follows:

- HKFRS 3 *Business Combinations*: Clarifies that joint arrangements but not joint ventures are outside the scope of HKFRS 3 and the scope exception applies only to the accounting in the financial statements of the joint arrangement itself. The amendment is applied prospectively. The amendment has had no impact on the Group as the Company is not a joint arrangement and the Group did not form any joint arrangement during the year.

- HKFRS 13 *Fair Value Measurement*: Clarifies that the portfolio exception in HKFRS 13 can be applied not only to financial assets and financial liabilities, but also to other contracts within the scope of HKFRS 9 or HKAS 39 as applicable. The amendment is applied prospectively from the beginning of the annual period in which HKFRS 13 was initially applied. The amendment has had no impact on the Group as the Group does not apply the portfolio exception in HKFRS 13.

- HKAS 40 *Investment Property*: Clarifies that HKFRS 3, instead of the description of ancillary services in HKAS 40 which differentiates between investment property and owner-occupied property, is used to determine if the transaction is a purchase of an asset or a business combination. The amendment is applied prospectively for acquisitions of investment properties. The amendment has had no impact on the Group as there were no acquisition of investment properties during the year.

In addition, the Company has adopted the amendments to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") issued by the Stock Exchange relating to the disclosure of financial information with reference to the Hong Kong Companies Ordinance (Cap. 622) during the current financial year. The main impact to the financial statements is on the presentation and disclosure of certain information in the financial statements.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their businesses and services and has three reportable operating segments as follows:

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

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

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

Management monitors the results of the Group's 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, as well as head office and corporate expenses are excluded from such measurement.

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

Segment liabilities exclude interest-bearing bank borrowings, loan advanced from a non-controlling shareholder of the Group's subsidiaries, 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 (2015: Nil).

	Cruise ship charter services		**Property investments**		**Securities trading**		**Total**	
	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue:								
Income from external customers	**71,113**	65,950	**20,161**	20,214	**(59,027)**	61,747	**32,247**	147,911
Other income and gains	**–**	689	**2**	298	**–**	–	**2**	987
Total revenue and other income from continuing operations	**71,113**	66,639	**20,163**	20,512	**(59,027)**	61,747	**32,249**	148,898
Segment results	**54,500**	9,650	**8,162**	30,646	**(58,277)**	61,714	**4,385**	102,010
Reconciliation:								
Interest income							**1,750**	3,822
Unallocated income							**19**	116
Gain on dissolution of subsidiaries							**–**	19,467
Corporate and other unallocated expenses							**(26,919)**	(26,747)
Finance costs							**(1,046)**	(1,066)
Profit/(loss) before tax from continuing operations							**(21,811)**	97,602

	Cruise ship charter services		Property investments		Securities trading		Total	
	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment assets	**277,707**	116,181	**630,027**	653,300	**442,526**	383,579	**1,350,260**	1,153,060
Reconciliation:								
Corporate and other unallocated assets							**323,573**	542,211
Total assets							**1,673,833**	1,695,271
Segment liabilities	**37,602**	51,298	**4,545**	4,056	**1,448**	4,408	**43,595**	59,762
Reconciliation:								
Corporate and other unallocated liabilities							**202,449**	166,009
Total liabilities							**246,044**	225,771
Other segment information:								
Depreciation and amortisation	**18,259**	12,517	**–**	516	**–**	–	**18,259**	13,033
Fair value losses/(gains) on investment properties	**–**	–	**4,600**	(14,700)	**–**	–	**4,600**	(14,700)
Revaluation deficit/(surplus) on cruise ships	**(2,006)**	39,962	**–**	–	**–**	–	**(2,006)**	39,962
Fair value losses/(gains) on equity investments at fair value through profit or loss, net	**–**	–	**–**	–	**78,231**	(46,046)	**78,231**	(46,046)
Fair value losses/(gains) on derivative financial instruments, net	**–**	–	**–**	–	**(2,960)**	860	**(2,960)**	860
Capital expenditure*	**215,794**	40,779	**–**	6,538	**–**	–	**215,794**	47,317

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

Geographical information

(a) *Revenue, other income and gains from external customers*

	2016	2015
	HK$'000	*HK$'000*
Hong Kong	**(22,885)**	59,253
Southeast Asia except Hong Kong	**55,134**	89,645
	32,249	148,898

The revenue information of continuing operations above is based on the locations of the customers.

(b) *Non-current assets*

	2016	2015
	HK$'000	*HK$'000*
Hong Kong	**525,658**	548,191
Southeast Asia except Hong Kong	**393,505**	173,760
	919,163	721,951

The non-current asset information of continuing operations above is based on the locations of the assets and excludes financial instruments.

Information about major customers

Revenue from customers contributing over 10% of the total revenue of the Group of the corresponding years is as follows:

	2016	2015
	HK$'000	*HK$'000*
Customer A[1]	**47,293**	65,950
Customer B[1]	**23,820**	–
Customer C[2]	**5,065**	2,108

1 Revenue from the provision of cruise ship charter services

2 Revenue from rental income from investment properties

4. REVENUE, OTHER INCOME AND GAINS

Revenue represents cruise ship charter service income, gross rental income received and receivables from investment properties, dividend income and gain/loss from securities trading during the year.

An analysis of revenue and other income and gains from continuing operations is as follows:

	2016	2015
	HK$'000	*HK$'000*
Revenue		
Cruise ship charter service income	**71,113**	65,950
Gross rental income from investment properties	**20,161**	20,214
Fair value gains/(losses) on equity investments at fair value through profit or loss – held for trading, net	**(78,231)**	46,046
Fair value gains/(losses) on derivative financial instruments – transactions not qualifying as hedges, net	**2,960**	(860)
Dividend income from equity investments at fair value through profit or loss – held for trading	**16,244**	16,561
	32,247	147,911
Other income and gains		
Bank interest income	**1,750**	3,822
Others	**21**	1,103
	1,771	4,925

5. PROFIT/(LOSS) BEFORE TAX

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

	2016	2015
	HK$'000	*HK$'000*
Depreciation	**19,504**	13,385
Auditors' remuneration	**1,318**	1,218
Employee benefit expense (including directors' remuneration):		
Wages and salaries	**13,556**	14,770
Pension scheme contributions	**652**	712
Total staff costs	**14,208**	15,482
Minimum lease payments under operating leases	**184**	246
Foreign exchange differences, net	**5,415**	10,423
Direct operating expenses (including repairs and maintenance) arising on rental-earning investment properties	**3,326**	1,845
Fair value losses/(gains) on investment properties	**4,600**	(14,700)

6. INCOME TAX

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits in Hong Kong during the year. In the prior year, Hong Kong profits tax was provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during that year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates.

	2016	2015
	HK$'000	*HK$'000*
Current – Hong Kong		
Charge for the year	**–**	1,105
Overprovision in prior years	**–**	(6)
Current – Elsewhere		
Charge for the year	**7**	80
Underprovision/(overprovision) in prior years	**1**	(22)
Deferred	**623**	548
Total tax charge for the year	**631**	1,705

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

The calculation of the 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 5,780,368,705 (2015: 5,771,553,910) in issue during the year.

The calculation of the diluted earnings/(loss) per share amount is based on the profit/(loss) for the year 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 year, as used in the basic earnings/(loss) 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.

No adjustment has been made to the basic earnings/(loss) per share amounts presented for the years ended 31 March 2016 and 2015 in respect of a dilution as the impact of the share options outstanding had an anti-dilutive effect on the basic earnings/(loss) per share amounts presented.

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

	2016	2015
	HK$'000	*HK$'000*
Earnings/(loss)		
Profit/(loss) attributable to ordinary equity holders of the Company, used in the basic earnings/(loss) per share calculation:		
From continuing operations	**(32,376)**	80,176
From a discontinued operation	**–**	18,654
	(32,376)	98,830

	2016	2015
Shares		
Weighted average number of ordinary shares in issue during the year, used in the basic earnings/(loss) per share calculation	**5,780,368,705**	5,771,553,910
Effect of dilution – weighted average number of ordinary shares:		
Share options	**–**	–
	5,780,368,705	5,771,553,910

8. DIVIDENDS

	2016	2015
	HK$'000	*HK$'000*
Interim – Nil (2015: HK0.20 cent per ordinary share)	**–**	11,541
Proposed final – Nil (2015: HK0.55 cent per ordinary share)	**–**	31,792
	–	43,333

The directors do not recommend the payment of a final dividend for the year ended 31 March 2016 (2015: HK0.55 cent).

9. TRADE RECEIVABLES

	2016	2015
	HK$'000	*HK$'000*
Trade receivables	**63,614**	69,910

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 their outstanding receivables. Overdue balances are regularly reviewed by senior management. The main type of collateral held by the Group as security is deposits received from tenants and charterers with an aggregate fair value of HK$12,189,000 (2015: HK$15,128,000). Except trade receivables of HK$58,310,000 are interest-bearing at fixed rates, the 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.

	2016	2015
	HK$'000	*HK$'000*
Within 1 month	**63,544**	31,924
1 to 2 months	**70**	5,212
2 to 3 months	**–**	3,020
Over 3 months	**–**	29,754
	63,614	69,910

10. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2016	2015
	HK$'000	*HK$'000*
Prepayments	**1,019**	988
Deposits and other receivables	**3,985**	4,437
	5,004	5,425

None of the above assets is either past due or impaired and there was no recent history of default.

11. ACCRUALS, OTHER PAYABLES AND DEPOSITS RECEIVED

	2016	2015
	HK$'000	*HK$'000*
Accruals	**1,859**	1,574
Other payables and deposits received	**41,905**	55,275
	43,764	56,849
Portion classified as non-current liabilities	**(3,415)**	(2,139)
Current portion	**40,349**	54,710

The other payables are non-interest-bearing and are normally settled on 90-day terms.

CHAIRMAN'S STATEMENT

On behalf of the board of directors of New Century Group Hong Kong Limited (the "Board"), I am pleased to present to you the annual results for the financial year ended 31 March 2016 (the "Year").

Business Review

The world economy stumbled in the Year, amid weak aggregate demand, falling commodity prices and increasing financial market volatility in major economies. Asian countries registered tepid growth due to the persistant weak recovery in major industrial economies and softer growth prospects for the People's Republic of China.

2015 was a turbulent year for the global economy during which both challenges and opportunities existed. The Group recorded a fall in revenue from HK$147,911,000 last year to HK$32,247,000 this Year, mainly attributable to net realized and unrealized losses of equity investments at fair value through profit or loss of HK$78,231,000 (2015: net realized and unrealized gains of HK$46,046,000). For securities trading, there was a segment loss of HK$58,277,000. The Group will continue to review its investment portfolio prudently to ride out market fluctuations with an aim to maximize returns.

As Singapore's cruise industry catches the wind in its sails, passenger throughput in Singapore expanded over the Year. During the Year, the Group acquired a new vessel named "Aegean Paradise" for long-term investment to add value to its cruise ship charter services segment. Cruise ship charter services recorded an 7.8% increase in revenue to HK$71,113,000.

The property market in Hong Kong and Singapore, remained resilient for the year despite the Governments' measures in place. The revenue of our property investments remained encouraging at HK$20,161,000. Rental income from Hong Kong's investment properties registered a 4.5% increase to HK$18,811,000 contributed by the growth in new lettings and tenancy renewals in Hong Kong during the year under review. In general, the Group's investment properties in both Hong Kong and Singapore achieved a satisfactory overall occupancy rate of 96% with an average annual rental yield of 3.2%.

Prospects

Britain's vote to leave the European Union has sparked panic and increased repercussions in global financial markets. World stocks cratered in Europe, the United States and Asia in the wake of the referendum in June 2016. Looking ahead, with uncertainties abound, we expect the global economic growth to be further subdued. The Group remains cautious in the business environment and will closely monitor the market trends and press ahead steadily with a broad vision in order to react swiftly and adjust to changes.

While strategic investment planning is a significant element of the Group's operation, maintaining a strong and healthy financial position is equally important. The coming year will continue to be challenging, and our management team will not waver from our focus on liquidity, cost control and revenue maximization. We will stay proactive in positioning our Group not only to respond to short-term challenges, but also to generate long-term returns in an ever-changing business environment.

On behalf of the Board, I wish to express my sincere gratitude to our shareholders, customers and other business partners for their long-term support. I would also like to thank our directors, management team and all staff members, whose talents and efforts are our most valuable resources, for their contribution to the continuous growth of the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

Results

For the year ended 31 March 2016, the Group recorded a decrease in revenue from HK$147,911,000 last year to HK$32,247,000 this year, mainly due to net realized and unrealized losses of equity investments at fair value through profit or loss of HK$78,231,000 (2015: net realized and unrealized gains of HK$46,046,000). Together with fair value losses on investment properties of HK$4,600,000 (2015: fair value gains of HK$14,700,000), loss attributable to owners of the Company was HK$32,376,000 (2015: profit of HK$98,830,000). Basic loss per share was HK0.56 cent (2015: earnings of HK1.71 cents per share).

Closure of Register of Members

The annual general meeting of the Company is scheduled on Tuesday, 23 August 2016 (the "Annual General Meeting"). For determining the entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Thursday, 18 August 2016 to Tuesday, 23 August 2016, both days inclusive, during which period, no transfer of shares will be effected. In order to be eligible to attend and vote at the Annual General Meeting, 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 Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 17 August 2016.

Operations

Cruise Ship Charter Services

During the year under review, the Group acquired a new vessel named "Aegean Paradise" at a consideration of US$22,888,888 (equivalent to approximately HK$178,533,326) in July 2015. The acquisition was completed on 3 November 2015, which allowed the Group to further expand its cruise ship charter services and generate long-term income. "Aegean Paradise" was successfully chartered to an independent third party with a daily charter hire of S$28,000 effective from February 2016.

With the income generated from “Aegean Paradise”, revenue from charter services of the three cruise ships, “Leisure World”, “Amusement World” and “Aegean Paradise” (collectively referred to as the “Cruise Ships”), was HK$71,113,000 (2015: HK$65,950,000), representing an increase of 7.8%. During the Year, there was a reduction in charter income from “Leisure World” and “Amusement World” due to the lower daily charter hires on new and renewed charter agreements. The overall charter income was also affected by the depreciation of Singapore dollar as the charter hires were received in Singapore dollar. Without the fair value losses on the cruise ships incurred by the dry-dock arrangement, the segment profit improved to HK$54,500,000 (2015: HK$9,650,000). In the previous financial year, “Leisure World” and “Amusement World” were scheduled for dry-dock, resulting in revaluation deficit of HK$39,962,000. In the current year, there was no dry-dock arrangement, and revaluation surplus of HK$720,000 were recorded for “Leisure World” and “Amusement World”.

In general, the tourism industry remained solid in Singapore, and the Group is confident that the charter services of the Cruise Ships will receive positive feedback in the coming future.

Property Investments

During the Year, the Group’s property investments income remained stable at HK$20,161,000 (2015: HK$20,214,000), including rental income of HK$18,811,000 from Hong Kong properties and HK$1,350,000 from Singapore property. Due to the increase in rental rate for new and renewed tenancies in Hong Kong, the Group achieved a 4.5% increase to HK$18,811,000 (2015: HK$17,994,000) in rental income from investment properties in Hong Kong. However, due to the vacancy in certain retail units in Singapore’s property, rental income from investment property in Singapore slid 39.2% to HK$1,350,000 (2015: HK$2,220,000). Moreover, investment properties in Hong Kong and Singapore achieved a satisfactory occupancy rate of 96% (2015: 100%) in general with an average annual rental yield of 3.2% (2015: 3.2%). On the other hand, fair value losses of investment properties amounted to HK$4,600,000 (2015: fair value gains of HK$14,700,000), resulting from fair value losses of HK$21,400,000 on Hong Kong properties netted off with the fair value gains of HK$16,800,000 on the Singapore property. As a result, the segment profit decreased to HK$8,162,000 during the Year (2015: HK$30,646,000).

Securities Trading

The Group’s securities portfolio mainly consists of blue chips in the Hong Kong and Singapore stock markets. During the Year, the segment recorded negative revenue of HK$59,027,000 (2015: revenue of HK$61,747,000) under the volatile stock market environment. This represented (i) net realized losses on disposal of equity investments of HK$33,891,000 (2015: net realized gains of HK$41,549,000); (ii) net unrealized losses of equity investments at fair value through profit or loss of HK$44,340,000 (2015: net unrealized gains of HK$4,497,000); (iii) dividend income from equity investments at fair value through profit or loss of HK$16,244,000 (2015: HK$16,561,000); and (iv) fair value gains on derivative financial instruments of HK$2,960,000 (2015: fair value losses of HK$860,000). The Group recorded a segment loss of HK$58,277,000 (2015: profit of HK$61,714,000), mainly due to net realized and unrealized losses of equity investments at fair value through profit or loss.

The Group's equity investments at fair value through profit or loss amounted to HK$384,217,000 as at 31 March 2016. There was no equity investments held by the Group which value was more than 5% of the net assets of the Group. Information on the Group's equity investments at fair value through profit or loss is as below:

Name of stock listed on the stock exchange of Hong Kong (Stock Code)	Number of shares held as at 31 March 2016	Percentage of shareholding held as at 31 March 2016	Investment cost as at 31 March 2016	Market value as at 31 March 2016	Percentage to net assets value of the Group as at 31 March 2016
			HK$'000	*HK$'000*	
HSBC Holdings plc (0005)	68,280	0.0003	4,212	3,305	0.23
Henderson Land Development Company Limited (0012)	60,000	0.0018	2,401	2,859	0.20
Sun Hung Kai Properties Limited (0016)	32,000	0.0011	2,627	3,035	0.21
Hong Kong Exchanges and Clearing Limited (0388)	36,460	0.0030	5,901	6,811	0.48
Li & Fung Limited (0494)	3,169,112	0.0377	24,305	14,546	1.02
PetroChina Company Limited (0857)	11,134,400	0.0528	64,863	57,454	4.02
China Construction Bank Corporation (0939)	7,218,400	0.0030	42,341	35,731	2.50
China Mobile Limited (0941)	282,984	0.0014	26,347	24,464	1.71
Industrial and Commercial Bank of China Limited (1398)	8,510,000	0.0098	40,627	36,933	2.59

Name of stock listed on the stock exchange of Hong Kong (Stock Code)	**Number of shares held as at 31 March 2016**	**Percentage of shareholding held as at 31 March 2016**	**Investment cost as at 31 March 2016**	**Market value as at 31 March 2016**	**Percentage to net assets value of the Group as at 31 March 2016**
			HK$'000	*HK$'000*	
Country Garden Holdings Company Limited (2007)	4,100,000	0.0183	12,027	12,628	0.88
Ping An Insurance (Group) Company of China, Ltd. (2318)	231,760	0.0031	8,373	8,598	0.60
Tracker Fund of Hong Kong (2800)	635,100	0.0183	12,260	13,369	0.94
Evergrande Real Estate Group Limited (3333)	540,000	0.0039	2,561	3,235	0.23
Agile Property Holdings Limited (3383)	940,000	0.0240	4,232	4,070	0.29
Bank of China Limited (3988)	7,970,800	0.0095	31,074	25,666	1.80
		Total for equity investments in Hong Kong	284,151	252,704	17.70

Name of stock listed on the stock exchange of Singapore (ISIN Code)	Number of shares held as at 31 March 2016	Percentage of shareholding held as at 31 March 2016	Investment cost as at 31 March 2016 *(equivalent to) HK$'000*	Market value as at 31 March 2016 *(equivalent to) HK$'000*	Percentage to net assets value of the Group as at 31 March 2016
DBS Group Holdings Ltd (SG1L01001701)	220,000	0.0088	21,688	19,456	1.36
Keppel Corporation Limited (SG1U68934629)	720,000	0.0397	33,695	24,136	1.69
Oversea-Chinese Banking Corporation Limited (SG1S04926220)	220,000	0.0054	12,231	11,183	0.78
Singapore Exchange Limited (SG1J26887955)	1,220,000	0.1139	50,069	55,769	3.91
Suntec Real Estate Investment Trust (SG1Q52922370)	600,000	0.0237	6,271	5,779	0.40
United Overseas Bank Limited (SG1M31001969)	140,000	0.0087	15,404	15,190	1.07
Total for equity investments in Singapore			139,358	131,513	9.21
Grand total for equity investments at fair value through profit or loss			423,509	384,217	26.91

Information on the performance of the Group's equity investments during the year ended 31 March 2016 as below:

	Realized losses on disposal for the year ended 31 March 2016 *HK$'000*	Unrealized fair value losses for the year ended 31 March 2016 *HK$'000*	Dividend received for the year ended 31 March 2016 *HK$'000*
Stocks listed on the stock exchange of Hong Kong	(28,866)	(25,972)	10,180
Stocks listed on the stock exchange of Singapore	(5,025)	(18,368)	6,064
Total	(33,891)	(44,340)	16,244

Discontinued Operation – Hotel Operations

In the prior year, on 23 May 2014, the Group entered into a conditional sale and purchase agreement with a connected person to dispose of its entire interest in Batam Resort. The disposal constituted a disclosable and connected transaction, which was approved by the independent shareholders in the Company's special general meeting on 4 July 2014, and the disposal was completed on 31 July 2014. Accordingly, the Hotel Operations were classified as discontinued operation in the current and prior years.

Acquisition of Vessel

On 24 July 2015, the Group entered into a memorandum of agreement for the acquisition of a vessel "Aegean Paradise", valued at US$27,000,000 (equivalent to approximately HK$210,600,000) as of 17 July 2015, at a discounted consideration of US$22,888,888 (equivalent to approximately HK$178,533,326). The acquisition was completed on 3 November 2015. For details, please refer to the Company's announcements dated 24 July 2015 and 31 July 2015.

Contingent Liabilities

As of 31 March 2016, the Company had outstanding guarantees of HK$205,600,000 (2015: HK$205,105,000) given to banks to secure general credit facilities for certain subsidiaries. Credit facilities in an aggregate amount of HK$26,539,000 (2015: HK$29,648,000) had been utilized by the subsidiaries from such guarantees at the end of the reporting period.

Charge on the Group's Assets

As of 31 March 2016, some of the Group's land and building and investment properties with an aggregate value of HK$495,798,000 (2015: HK$484,822,000), trade receivables (rental) with a carrying amount of HK$464,000 (2015: HK$365,000) and equity investments at fair value through profit or loss with a carrying value of HK$384,217,000 (2015: HK$383,579,000) were pledged to banks and securities dealers for loan facilities worth HK$343,251,000 (2015: HK$342,540,000) granted to the Group. As of 31 March 2016, HK$26,539,000 (2015: HK$29,648,000) of the loan facilities had been utilized by the Group.

Liquidity and Financial Resources

As of 31 March 2016, the Group had net current assets of HK$708,428,000 (2015: HK$905,648,000) and equity attributable to owners of the Company worth HK$1,400,168,000 (2015: HK$1,455,797,000).

The Group's total indebtedness (representing the aggregate amount of interest-bearing loans from banks) was HK$26,539,000 (2015: HK$29,648,000). All loans were denominated in Hong Kong dollar and Singapore dollar and charged at floating interest rates. They were secured by mortgages over some of the Group's properties with an aggregate net book value of HK$402,825,000 (2015: HK$393,240,000) and assignment of some of the Group's trade receivables (rental) with a carrying amount of HK$464,000 (2015: HK$365,000).

Regarding total indebtedness, HK$3,665,000 (2015: HK$6,578,000) will be repayable within one year or on demand, HK$3,078,000 (2015: HK$3,132,000) repayable from the second to fifth year and the remaining balance of HK$19,796,000 (2015: HK$19,938,000) 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 remained as 0.02 (2015: 0.02).

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.

At the end of the reporting period, the Group's cash and cash equivalents are held predominately in Hong Kong dollar, Singapore dollar and United States dollar. The Group's borrowings are denominated in 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 its long-term debt obligations with floating interest rates. In the opinion of the directors, the Group has no significant interest rate risk. The Group currently does not have a foreign currency hedging policy. However, management closely monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Human Resources

As of 31 March 2016, the Group had a total of 23 staff 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 scheme and discretionary bonuses. As of 31 March 2016, the Group had 386,640,000 outstanding share options granted to eligible executives and employees of the Group.

Environmental Policies and Performance

The Group is commited to building a sustainable corporate culture and a green environment by saving energy and reducing waste.

In order to reduce the Group's ecological footprint, employees are encouraged to make double-sided printing and copying. Recycling bins are set up in the office to promote the usage of recycled papers. The use of digital copies is also promoted in the office to save papers.

In addition, the Group has established energy saving practices in its office building. The Group advocates employees to switch off idle lightings, computers, office equipments and air-conditioning systems when they are not in use.

Compliance with Law and Regulations

To protect the interests and well-being of the employees, the Group complies with the requirements of the ordinances relating to disability, sex, family status and race discrimination, as well as the Employment Ordinance, the Minimum Wage Ordinance and ordinances regarding Occupational Safety of the Group's employees.

In addition, the Group continuously complies with the requirements under the relevant laws and regulations in Bermuda, the Listing Rules, the Companies Ordinance and the Securities and Futures Ordinance under the laws of Hong Kong for, among other things, the disclosure of information and corporate governance. The Group also adopts the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"). The Group is also committed to complying with the relevant laws and regulations in relation to its business activities in Hong Kong and Singapore. During the Year, the Group is not aware of any non-compliance with any relevant laws and regulations that has a significant impact on it.

Key Relationships with Stakeholders

The Group understands the importance of sustaining healthy relationships with its major stakeholders, including employees, customers and business partners, to meet all corporate goals.

As a responsible employer, we strive to maintain good relationships with our employees, who are the Group's most valuable asset, and offer competitive benefits to retain them.

As for the property investments and cruise ship charter services, the Group has been providing quality services to the customers, namely tenants and charterers, to maintain long-term business relationships.

The Group developed good relationships with its business partners to achieve long-term goals. The management maintained close communication and shared business updates with them when appropriate. During the Year, there was no material and significant dispute between the Group and its business partners.

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

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

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 Listing Rules for the year ended 31 March 2016.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

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 year.

AUDIT COMMITTEE

The Company's audit committee comprises three independent non-executive directors, namely, Mr. Cheung Chun Kwok, Mr. Kwan Kai Kin, Kenneth and Mr. Ho Yau Ming. The audit committee has reviewed the audited consolidated financial statements of the Group for the year ended 31 March 2016 including the accounting principles and practices adopted by the Group and discussed auditing, internal control, risk management and financial reporting matters.

On behalf of the Board
Ng Wee Keat
Chairman

Hong Kong, 29 June 2016

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.