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)

PROFIT WARNING

This announcement is made by New Century Group Hong Kong Limited (the "Company" together with its subsidiaries, the "Group") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO").

The board of directors of the Company (the "Board") wishes to inform the shareholders of the Company (the "Shareholders") and potential investors that based on information currently available to the Board and the preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 September 2020 (the "Period"), the Group is expected to record a loss attributable to owners of the Company of approximately HK$60 million for the Period, as compared to a profit attributable to owners of the Company of approximately HK$12 million for the corresponding period of last year. Such turnaround from profit to loss was mainly attributable to the significant adverse impacts of the global outbreak of the novel coronavirus ("COVID-19") on the business of cruise ship charter services. Due to the border closure in Singapore and Malaysia since mid-March 2020, the cruise ship operation of the Group's charterer has been completely suspended. Consequently, (i) there was no charter service income received by the Group for the Period (2019: approximately HK$37 million); (ii) special subsidies of approximately HK$15 million (2019: Nil) were paid by the Group to the charterer for the maintenance of the Group's two cruise ships in safe, hygienic and operational conditions during the suspension of operations for the Period; and (iii) significant deficit on revaluation of cruise ships of approximately HK$57 million (2019: Nil) was recognised in the condensed consolidated statement of profit or loss for the Period. Furthermore, the business of property investments was also adversely affected by COVID-19 as well as the local social incidents. The Group has granted rental relief to the tenants of its Hong Kong and Singapore investment properties since September 2019 and March 2020 respectively. As a result of that, rental income for the Period has dropped and the fair value losses on investment properties of approximately HK$21 million (2019: HK$16 million) was recorded for the Period.

* *For identification purpose only*

The information contained in this announcement is only the preliminary assessment based on the unaudited consolidated management accounts of the Group for the Period, which have not been audited or reviewed by the auditor and the audit committee of the Company. The Company is in the process of finalising the unaudited interim results of the Group for the Period which is expected to be published by the end of November 2020.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

On behalf of the Board
Ng Wee Keat
Chairman

Hong Kong, 17 November 2020

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.