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**NOBLE CENTURY INVESTMENT HOLDINGS LIMITED**

**仁瑞投資控股有限公司**

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 2322)**

**ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31ST MARCH 2014**

The board of directors (the “Board”) of Noble Century Investment Holdings Limited (the “Company”) is pleased to announce the results of the Company and its subsidiaries (together, the “Group”) for the year ended 31st March 2014, together with comparative figures for the previous financial year, as follows:

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31ST MARCH 2014**

	<i>Note</i>	<b>2014</b> <b>HK\$'000</b>	2013 <i>HK\$'000</i>
Revenue	4	<b>12,943</b>	–
Cost of sales	5	<u>(19,308)</u>	<u>(22,030)</u>
Gross loss		<b>(6,365)</b>	(22,030)
Gain on disposal of a subsidiary	17	<b>15,242</b>	–
Administrative expenses	5	<u>(11,945)</u>	<u>(8,965)</u>
Operating loss		<b>(3,068)</b>	(30,995)
Finance costs	6	<u>(419)</u>	<u>(414)</u>
Loss before taxation		<b>(3,487)</b>	(31,409)
Taxation charge	7	<u>–</u>	<u>–</u>
Loss and total comprehensive loss for the year attributable to the equity holders of the Company		<u><b>(3,487)</b></u>	<u>(31,409)</u>
<b>Basic and diluted losses per share</b>	9	<u><b>HK(0.44) cent</b></u>	<u>HK(4.84) cent</u>
Dividends	8	<u>–</u>	<u>–</u>

**CONSOLIDATED BALANCE SHEET  
AS AT 31ST MARCH 2014**

	<i>Note</i>	<b>2014</b> <i>HK\$'000</i>	2013 <i>HK\$'000</i>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Plant and equipment		37,835	61,722
<b>Current assets</b>			
Trade receivable	10	1,385	–
Deposits, prepayments and other receivables		3,040	4,179
Inventories		2,061	4,345
Cash and bank balances		163,032	12,108
		<u>169,518</u>	<u>20,632</u>
<b>Total assets</b>		<u>207,353</u>	<u>82,354</u>
<b>EQUITY</b>			
<b>Capital and reserves</b>			
Share capital	11	8,440	36,200
Reserves		51,772	(5,196)
<b>Total equity</b>		<u>60,212</u>	<u>31,004</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Amount due to a director	13	–	14,258
Amount due to a former director	14	–	27,398
		<u>–</u>	<u>41,656</u>
<b>Current liabilities</b>			
Trade payables	12	3,600	6,001
Accruals, other payables and deposit received		1,503	3,693
Amount due to a related company	15	41	–
Amount due to a director	13	756	–
Proceeds from rights issue	16	141,241	–
		<u>147,141</u>	<u>9,694</u>
<b>Total liabilities</b>		<u>147,141</u>	<u>51,350</u>
<b>Total equity and liabilities</b>		<u>207,353</u>	<u>82,354</u>
<b>Net current assets</b>		<u>22,377</u>	<u>10,938</u>
<b>Total assets less current liabilities</b>		<u>60,212</u>	<u>72,660</u>

Notes:

## **1 GENERAL INFORMATION**

Noble Century Investment Holdings Limited (the “Company”) is a limited liability company incorporated in Bermuda and listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The Company’s registered office is located at Clarendon House, 2 Church Street, Hamilton II, Bermuda. The principal place of business in Hong Kong is situated at Room 1402, 14/F, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong.

The Company and its subsidiaries (together, the “Group”) is principally engaged in vessel chartering. The principal activity of the Company is investment holding.

These consolidated financial statements are presented in Hong Kong dollars (“HK\$”), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 26th June 2014.

## **2 CAPITAL REORGANISATION**

Pursuant to a special resolution passed by the shareholders of the Company at a special general meeting held on 4th March 2014, the capital structure of the Company had been restructured by:

- (i) the reduction of the issued share capital of the Company through a cancellation of the paid-up capital of the Company to the extent of HK\$0.04 on each of the issued shares so that the nominal value of each issued share will be reduced from HK\$0.05 to HK\$0.01 (the “Capital Reduction”);
- (ii) the subdivision of each authorised but unissued share of HK\$0.05 into five shares of HK\$0.01 each;
- (iii) the cancellation of the entire amount standing to the credit of the share premium account of the Company as at 30th September 2013 in the sum of HK\$79,028,000 (the “Share Premium Cancellation”);
- (iv) the transfer of the credit arising from the Capital Reduction and the Share Premium Cancellation to the contributed surplus account of the Company; and
- (v) the utilization of the contributed surplus account of the Company to offset the entire balance of the accumulated losses of the Company as at 28th February 2014.

## **3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies applied in the preparation of these consolidated financial statements are set out in the annual report. These policies have been consistently applied to all the years presented, unless otherwise stated.

### **3.1 Basis of preparation**

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance. These consolidated financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies.

(a) New and amended standards adopted by the Group:

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1st April 2013 but do not have a material impact on the Group:

Annual Improvement Project HKAS 1 (Amendment)	Annual Improvements 2009–2011 Cycle 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
HKFRS 1 (Amendment)	First-time Adoption on Government Loan
HKFRS 7 (Amendment)	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)	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interest in Other Entities: Transition Guidance
HKFRS 13	Fair Value Measurement
HK(IFRIC)-Int 20	Stripping Costs in the Production Phase of a Surface Mine

(b) The following new, revised or amended standards and interpretations have been issued but are not effective for the financial year beginning 1st April 2013 and have not been early adopted.

HKFRS 9	Financial Instruments <sup>3</sup>
HKFRS 9, HKFRS 7 and HKAS 39 (Amendments)	Hedge Accounting and Amendments to HKFRS 9, HKFRS 7 and HKAS 39 <sup>3</sup>
HKFRS 10, HKFRS 12 and HKAS 27 (Amendments)	Investment Entities <sup>1</sup>
HKFRS 14	Regulatory Deferral Accounts <sup>4</sup>
HKAS 19 (2011) (Amendments)	Employee Benefits – Defined Benefit Plans: Employee Contributions <sup>2</sup>
HKAS 32 (Amendments)	Financial Instruments: Presentation — Offsetting Financial Assets and Financial Liabilities <sup>1</sup>
HKAS 36 (Amendments)	Impairment of Asset – Recoverable Amount Disclosures for Non-Financial Assets <sup>1</sup>
HKAS 39 (Amendments)	Novation of Derivatives and Continuation of Hedge Accounting <sup>1</sup>
HK(IFRIC)-Int 21	Levies <sup>1</sup>
Annual Improvements Projects	Annual Improvements 2010–2012 Cycle <sup>2</sup>
Annual Improvements Projects	Annual Improvements 2011–2013 Cycle <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1st January 2014.

<sup>2</sup> Effective for annual periods beginning on or after 1st July 2014.

<sup>3</sup> No mandatory effective date yet determined but is available for adoption.

<sup>4</sup> Effective for annual periods beginning on or after 1st January 2016

The Group has already commenced an assessment of related impact of adopting the above new, revised or amended standards and interpretations to the Group. The Group is not yet in a position to state whether substantial changes to the Group's accounting policies and presentation of the consolidated financial statements will be resulted.

#### 4 REVENUE AND SEGMENT INFORMATION

Revenue recognised during the year:

	<b>2014</b> <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Vessel chartering revenue	<u><b>12,943</b></u>	<u>–</u>

The chief operating decision-maker has been identified as the Board of Directors of the Company. The Board of Directors reviews the Group's internal reporting in order to assess performance and allocate resources. Management determined the operating segments based on these reports.

The Group's operating businesses are structured and managed separately according to nature of the operations. Each of the Group's reportable segments represents a strategic business unit that is subject to risks and returns that are different from other reportable operating segment.

The Group is principally engaged in vessel chartering and there is no separate reporting segment apart from the vessel chartering.

The Board of Directors considers all assets and operations is carried out worldwide and its revenue and assets cannot be allocated into any meaningful geographical location.

The Board of Directors assesses the performance of the operating segments based on their underlying profit, which is measured by profit before taxation.

(a) Segment information

	Year ended and as at 31st March 2014	
	Vessel chartering HK\$'000	Total HK\$'000
<b>Segment revenue and results</b>		
<b>Revenue</b>	<u>12,943</u>	<u>12,943</u>
<b>Segment results</b>	<u>(7,200)</u>	<u>(7,200)</u>
Corporate expenses		<u>(11,529)</u>
Operating loss		<u>(18,729)</u>
Gain on disposal of a subsidiary		<u>15,242</u>
Loss before taxation		<u>(3,487)</u>
Taxation		<u>–</u>
Loss for the year		<u>(3,487)</u>
<b>Segment assets and liabilities</b>		
Non-current assets		
Plant and equipment	36,254	36,254
Current assets	<u>4,313</u>	<u>4,313</u>
<b>Segment assets</b>	<u>40,567</u>	<u>40,567</u>
<b>Unallocated:</b>		
Cash and bank balances		163,032
Others		<u>3,754</u>
Total assets per balance sheet		<u>207,353</u>

	Year ended and as at 31st March 2014	
	Vessel chartering HK\$'000	Total HK\$'000
<b>Segment liabilities</b>	<u><u>4,067</u></u>	4,067
<b>Unallocated:</b>		
Amount due to a related company		41
Amount due to a director		756
Proceeds from rights issue		141,241
Others		<u>1,036</u>
Total liabilities per balance sheet		<u><u>147,141</u></u>
<b>Other segment information</b>		
Capital expenditure	<u><u>36,676</u></u>	36,676
Unallocated capital expenditure		<u>1,709</u>
		<u><u>38,385</u></u>
Depreciation	<u><u>933</u></u>	933
Unallocated depreciation		<u>128</u>
		<u><u>1,061</u></u>



	Year ended and as at 31st March 2013	
	Vessel chartering HK\$'000	Total HK\$'000
<b>Segment revenue and results</b>		
<b>Revenue</b>	<u>–</u>	<u>–</u>
<b>Segment results</b>	<u>(23,086)</u>	(23,086)
Corporate expenses		<u>(8,323)</u>
Operating loss		<u>(31,409)</u>
Loss before taxation		(31,409)
Taxation		<u>–</u>
Loss for the year		<u>(31,409)</u>
<b>Segment assets and liabilities</b>		
Non-current assets		
Plant and equipment	61,722	61,722
Current assets	<u>8,357</u>	<u>8,357</u>
<b>Segment assets</b>	<u>70,079</u>	70,079
<b>Unallocated:</b>		
Cash and bank balances		12,108
Others		<u>167</u>
Total assets per balance sheet		<u>82,354</u>
<b>Segment liabilities</b>	<u>8,821</u>	8,821
<b>Unallocated:</b>		
Amount due to a former director		27,398
Amount due to a director		14,258
Others		<u>873</u>
Total liabilities per balance sheet		<u>51,350</u>
<b>Other segment information</b>		
Depreciation	<u>1,022</u>	<u>1,022</u>

(b) Revenue are derived from the following major customers:

	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Customer A	5,229	–
Customer B	2,992	–
Customer C	2,934	–
Customer D	1,788	–
	<u>12,943</u>	<u>–</u>

**5 EXPENSES BY NATURE**

	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Fuel costs	8,867	9,205
Staff costs, including directors' emoluments	5,987	8,014
Auditor's remuneration	300	250
Depreciation	1,061	1,022
Operating lease charges in respect of property rental	2,626	2,476
Professional fees	2,767	713
Repair and maintenance	60	1,223
Vessel management fee	2,687	936
Others	6,898	7,156
	<u>31,253</u>	<u>30,995</u>
Total cost of sales and administrative expenses	<u>31,253</u>	<u>30,995</u>

**6 FINANCE COSTS**

	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Finance costs		
— other finance charges	<u>419</u>	<u>414</u>

## 7 TAXATION

No Hong Kong profits tax has been provided as there is no estimated assessable profit arising from Hong Kong during the year (2013: Nil). Taxes on profits in respect of the Group companies operating elsewhere have not been provided as the profits therefrom are not subject to taxation of any jurisdictions (2013: Nil).

No provision for deferred taxation has been made as there is no significant timing difference in tax provision or tax loss which is expected to be crystallized in the foreseeable future (2013: Nil).

The tax on the Group's loss before taxation differs from the theoretical amount that would arise using the tax rate in Hong Kong as follows:

	<b>2014</b> <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Loss before taxation	<u>(3,487)</u>	<u>(31,409)</u>
Calculated at tax rate of 16.5% (2013: 16.5%)	(575)	(5,183)
Tax effect of:		
Income not subject to taxation	(4,651)	–
Expenses not deductible for taxation purposes	3,716	3,837
Tax losses for which no deferred income tax was recognised	<u>1,510</u>	<u>1,346</u>
Tax charge	<u>–</u>	<u>–</u>

## 8 DIVIDEND

The directors do not recommend the payment of any dividend for the year ended 31st March 2014 (2013: Nil).

## 9 LOSSES PER SHARE

	<b>2014</b> <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Loss attributable to shareholders	<u>(3,487)</u>	<u>(31,409)</u>
Weighted average number of ordinary shares, for the purposes of calculating basic losses per share (shares in thousands) ( <i>note</i> )	<u>786,466</u>	<u>648,384</u>
Basic losses per share	<u>HK(0.44) cent</u>	<u>HK(4.84) cent</u>

*Note:* The weighted average number of ordinary shares for the purpose of calculating basic loss per share for both years has not been adjusted for the Rights Issue and Bonus Issue completed on 3rd April 2014 as the increase of ordinary shares has corresponding change in resources flowing into the Company. Further details of the Rights Issue and Bonus Issue are set out in note 20.

As there are no dilutive potential ordinary shares outstanding as at 31st March 2014 and 2013, the diluted losses per share are equal to the basic losses per share.

## 10 TRADE RECEIVABLE

	<b>Group</b>	
	<b>2014</b>	2013
	<b>HK\$'000</b>	<b>HK\$'000</b>
Trade receivable	<u>1,385</u>	<u>–</u>

The Group's credit terms for its vessel chartering are individually negotiated with its trade customers.

An aged analysis of the trade receivable as at the end of the reporting period, based on the date of invoice, is as follows:

	<b>Group</b>	
	<b>2014</b>	2013
	<b>HK\$'000</b>	<b>HK\$'000</b>
Within 1 month	<u>1,385</u>	<u>–</u>

The aged analysis of the trade receivable that is not considered to be impaired is as follows:

	<b>Group</b>	
	<b>2014</b>	2013
	<b>HK\$'000</b>	<b>HK\$'000</b>
Neither past due nor impaired	<u>1,385</u>	<u>–</u>

Trade receivable represented an amount due from a single customer and the Group has a high concentration of credit risk accordingly. The trade receivable is non-interest bearing.

The carrying amount of trade receivable is denominated at United States dollars.

## 11 SHARE CAPITAL

### (a) Authorised capital

	<b>Number of shares</b>	<b>Nominal Value HK\$'000</b>
At 1st April 2012, ordinary shares of HK\$0.01 each	10,000,000,000	100,000
Share consolidation ( <i>note (i)</i> )	<u>(8,000,000,000)</u>	<u>–</u>
As at 31st March 2013, ordinary shares of HK\$0.05 each	2,000,000,000	100,000
Capital reduction ( <i>note (iv)</i> )	<u>8,000,000,000</u>	<u>–</u>
As at 31st March 2014, ordinary shares of HK\$0.01 each	<u>10,000,000,000</u>	<u>100,000</u>

**(b) Issued and fully paid capital**

	<b>Number of shares</b>	<b>Nominal Value HK\$'000</b>
At 1st April 2012, ordinary shares of HK\$0.01 each	3,020,000,000	30,200
Share consolidation ( <i>note (i)</i> )	(2,416,000,000)	–
Placing of new shares ( <i>note (ii)</i> )	120,000,000	6,000
As at 31st March 2013, ordinary shares of HK\$0.05 each	724,000,000	36,200
Placing of new shares ( <i>note (iii)</i> )	120,000,000	6,000
Capital reduction ( <i>note (iv)</i> )	–	(33,760)
As at 31st March 2014, ordinary shares of HK\$0.01 each	<u>844,000,000</u>	<u>8,440</u>

*Notes:*

- (i) Pursuant to an ordinary resolution passed by the shareholders of the Company at a special general meeting on 14th September 2012, every five shares of the Company of HK\$0.01 each were consolidated into one consolidated share of HK\$0.05 each (the “Share Consolidation”).
- (ii) On 14th August 2012, the Company entered into a placing agreement with a placing agent to place shares comprising up to 600,000,000 shares of HK\$0.01 each (equivalents to 120,000,000 consolidated shares of HK\$0.05 each upon completion of Share Consolidation) at a placing price of HK\$0.05 per placing share (equivalents to HK\$0.25 per placing consolidated share). The placing was completed on 16th November 2012. Accordingly, the Company increased its issued share capital by nominal value of HK\$6,000,000 and raised capital of HK\$30,000,000, before expenses, of which HK\$15 million has been applied for the partial repayment of the Group’s borrowings and the remaining of approximately HK\$14 million was applied as general working capital of the Group.
- (iii) On 30th August 2013, the Company entered into a placing agreement with a placing agent to place shares comprising up to 120,000,000 shares of HK\$0.05 each at a placing price of HK\$0.28 per placing share. The placing was completed on 23rd September 2013. Accordingly, the Company increased its issued share capital by nominal value of HK\$6,000,000 and raised capital of HK\$33,600,000, before expenses, of which HK\$15 million has been applied for the partial repayment of the Group’s borrowings and the remaining approximately HK\$18 million was applied as general working capital of the Group.
- (iv) Pursuant to a special resolution passed by the shareholders of the Company at a special general meeting on 4th March 2014, the nominal value of the shares of the Company was reduced from HK\$0.05 to HK\$0.01 each. The authorised but unissued shares of HK\$0.05 each was subdivided into five shares of HK\$0.01 each.

All the shares issued during the year rank pari passu with the existing shares of the Company in all aspects.

## 12 TRADE PAYABLES

The ageing analysis of the trade payables is as follows:

	<b>Group</b>	
	<b>2014</b>	2013
	<i>HK\$'000</i>	<i>HK\$'000</i>
0 to 90 days	<b>3,600</b>	1,269
91 to 180 days	–	2,168
181 to 365 days	–	2,564
	<u><b>3,600</b></u>	<u>6,001</u>

The carrying amounts of trade payables are denominated in the following currencies:

	<b>Group</b>	
	<b>2014</b>	2013
	<i>HK\$'000</i>	<i>HK\$'000</i>
US\$	<b>3,600</b>	5,671
Other currencies	–	330
	<u><b>3,600</b></u>	<u>6,001</u>

## 13 AMOUNT DUE TO A DIRECTOR

Amount due to a director is unsecured and interest free. The amount due to a director is repayable on 31st December 2014 and was classified as non-current liability as at 31st March 2013. During the year, certain of the amount due to a director to the extent of HK\$15 million was repaid from the proceeds from placing of shares (note 11). The carrying amount of the balances is denominated in HK\$ and is approximate to its fair values.

## 14 AMOUNT DUE TO A FORMER DIRECTOR

Amount due to a former director was unsecured and interest free. The former director is also a director of a subsidiary and a former subsidiary of the Company. The carrying amount of the balances was denominated in HK\$ and was approximate to its fair values.

## 15 AMOUNT DUE TO A RELATED COMPANY

Amount due to a related company is unsecured, interest free and repayable on demand. The carrying amount of the balance is denominated in HK\$ and is approximate to its fair value.

## 16 PROCEEDS FROM RIGHTS ISSUE

As at 31st March 2014, the amounts represent the proceeds received in advance from Rights Issue which was completed on 3rd April 2014, details of which are set out in note 20.

## 17 GAIN ON DISPOSAL OF A SUBSIDIARY

On 31st July 2013, the Company entered into a disposal agreement (the “Disposal”) with a company beneficially owned by a former director of the Company, who is also a director of a subsidiary and a former subsidiary, Asian Atlas Limited (“Asian Atlas”), of the Company. Pursuant to the disposal agreement, the Company (i) disposed of its 100% equity interest in Asian Atlas and (ii) assigned the shareholder’s loan of approximately HK\$95,424,000 in full owing from Asian Atlas to the Company for a cash consideration of HK\$40 million.

The Disposal was completed on 30th September 2013. The major classes of assets and liabilities of Asian Atlas as at the completion date of the Disposal were as follows:

	<i>Note</i>	<i>HK\$’000</i>
Net assets disposed of:		
Plant and equipment		61,211
Deposits, prepayments and other receivables		2,508
Inventories		4,246
Cash and bank balances		1,162
Trade payables		(6,504)
Accruals and other payables		(1,746)
Amount due to a former director	<i>14</i>	(36,119)
Amount due to the Company		<u>(95,424)</u>
		(70,666)
Assignment of amount due to the Company		<u>95,424</u>
Net asset value		24,758
Gain on disposal of a subsidiary		<u>15,242</u>
Total consideration		<u><u>40,000</u></u>
Satisfied by:		
Cash		<u><u>40,000</u></u>
Net cash inflow arising on disposal of a subsidiary		
Cash consideration		40,000
Cash and bank balances disposed of		<u>(1,162)</u>
		<u><u>38,838</u></u>

## 18 COMMITMENT

### (a) Capital commitments

The Group had the following capital commitments as at the end of the reporting period:

	<b>Group and Company</b>	
	<b>2014</b>	<b>2013</b>
	<b>HK\$’000</b>	<b>HK\$’000</b>
Contracted but not provided for:		
— Leasehold improvement	<u><u>309</u></u>	<u><u>—</u></u>

**(b) Operating lease commitments**

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	<b>Group and Company</b>	
	<b>2014</b>	<b>2013</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Not later than 1 year	<b>2,224</b>	–
Later than 1 year but not later than 5 years	<b>4,650</b>	–
	<b>6,874</b>	–

None of the leases include contingent rentals.

**19 RELATED PARTY TRANSACTIONS**

(a) During the year, apart from those disclosed elsewhere in the consolidated financial statements, the following significant transactions were carried with related parties:

	<b>2014</b>	<b>2013</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Proceeds from disposal of a subsidiary ( <i>note (i)</i> )	<b>40,000</b>	–
Purchase of a vehicle registration mark ( <i>note (ii)</i> )	<b>41</b>	–

*Notes:*

- (i) The Company disposed of a subsidiary to a company beneficially owned by Mr. Lau Chun Ming, a former director of the Company who is also a director of a subsidiary and a former subsidiary of the Company (note 17).
- (ii) The Company purchased a vehicle registration mark from a related company of which the director, Mr. Chen Shaohua, has beneficial interest.

**(b) License to use a property granted by a related company**

The Company was licensed a right to use an office property at an zero consideration under a license agreement by a related company of which the director, Ms. Zheng Juhua has controlling interest. Pursuant to the terms of the agreement, the Company will bear the costs incurred for using the property and both the parties can terminate the license by immediate notice.

The license has been terminated subsequent to the end of the reporting period in April 2014.

**(c) Key management compensation**

The compensation of key management personnel paid or payable by the Group in respect of the year totalling HK\$2,495,000 (2013: HK\$2,395,000).



## **20 EVENTS AFTER REPORTING PERIOD**

Pursuant to an ordinary resolution passed by the shareholders of the Company at a special general meeting on 4th March 2014, the Company announced a rights issue (the “Rights Issue”) of 844,000,000 rights shares (“Rights Shares”) of HK\$0.01 each at a subscription price of HK\$0.18 per Rights Share on the basis of one Rights Share for every one share held with bonus issue (the “Bonus Issue”) on the basis of two bonus shares (“Bonus Shares”) for every one Rights Share taken up under the Rights Issue.

The Rights Issue and the Bonus Issue was completed subsequent to the end of the reporting period on 3rd April 2014, the Company allotted and issued 844,000,000 Rights Shares and 1,688,000,000 Bonus Shares, with proceeds of approximately HK\$151,920,000, before expenses, of which HK\$141,241,000 has been received before the end of the reporting period.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Financial Review**

The Group recognised a turnover of HK\$12.9 million during the year which was generated by Vessel Bao Xin for 8 voyages whereas no turnover was recorded in last year since the then only vessel of the Group was out of services as a result of the break down of the control system of Vessel Asian Atlas.

The loss before taxation for the year was HK\$3.5 million as compared to HK\$31.4 million for last year. The reduction of the loss of the Group for the year was mainly attributable to the recognition of a gain on disposal of Vessel Asian Atlas through the disposal of a subsidiary of approximately HK\$15.2 million and the improvement of the vessel chartering business.

In order to strengthen the capital base and financial resources of the Group, the Company successfully completed the placing of 120,000,000 shares of the Company of HK\$0.05 each with net proceeds of approximately HK\$33 million on 23rd September 2013. The Group also completed the Rights Issue of 844,000,000 shares of the Company of HK\$0.01 each (following the capital reduction of the issued share capital of the Company from HK\$0.05 each to HK\$0.01 each and the subdivision of each authorised but unissued share of HK\$0.05 into five shares of HK\$0.01 each) with net proceeds of approximately HK\$147.7 million subsequent to the end of the reporting period on 3rd April 2014.

As at 31st March 2014, the total assets and net assets of the Group were HK\$207.4 million (2013: HK\$82.4 million) and HK\$60.2 million (2013: HK\$31.0 million) respectively. The significant improvement of the financial position of the Group was mainly attributable to the fund raising activities as mentioned above.

### **Business Review and Outlook**

Since the notification of the break down and out of control of the control system of Vessel Asian Atlas during the year ended 31st March 2013, the Group has been considering various options to resolve the problems, such as to have it fully repaired for achieving semi-submersible purpose or to have it applied for change its usage in general voyage chartering business. Based on the management’s preliminary assessment, it is time and cost consuming to have it repaired which may not be cost-effective. Although it is possible to have Vessel Asian Atlas to apply for general voyage chartering business by carrying general cargoes, given it is a semi-submersible heavy lift ship which is principally used for transporting heavy and

infrastructure equipment, the management considers that it is not economically feasible to have it used for general cargo voyage due to its fuel consumption rate.

As such, the Group entered into a disposal agreement in July 2013 with a company beneficially owned by a former director of the Company who is also a director of a subsidiary and a former subsidiary, Asian Atlas Limited (“Asian Atlas”), of the Company. Pursuant to which, Vessel Asian Atlas was disposed through the disposal of Asian Atlas with a gain on disposal of approximately HK\$15.2 million. At the same time on the disposal of Vessel Asian Atlas, the Group acquired another vessel, namely Vessel Bao Xin, at a consideration of HK\$35 million as a replacement. Vessel Bao Xin is a general cargo ship that can be utilised in most dry bulk cargo shipments. Since the completion of the acquisition of Vessel Bao Xin in October 2013, it carried out 8 voyages during a six months period ended 31st March 2014.

The Group considers that Vessel Bao Xin has a wider potential market and shall be relatively less sensitive to the weakening worldwide economy which will provide a more stable income stream to the business of the Group. Vessel Bao Xin has been deployed in the waters around the Southeast Asia region and the PRC. The PRC remains the primary driver for growth in the world seaborne trade. Being one of the largest trading countries in the world, the PRC is actively trading within the area in the Asia Pacific region. Although the amount of PRC imports from Asia Pacific region dropped in recent years, it shows an upward trend in general. The Group is optimistic to have further growth in the Group’s vessel chartering business and is actively seeking opportunities to acquire vessels to expand its vessel chartering business in the years to come.

The Group has successfully executed a placing of shares and Rights Issue during the year. With the strengthened financial position, the Group will deploy more resources and take appropriate strategy to expand the sources of income apart from the vessel chartering business. The Group would also actively identify and explore other investment and business opportunities to broaden its assets and revenue base, including but not limited to securities investment, money lending and leasing business. The Group will cautiously search for investment opportunities so as to produce a steady growth in the Group’s long term performance.

### **Liquidity, Financial Resources, Capital Structure and Gearing**

The Group generally finances its operations with internally generated resources. On 23rd September 2013, the Group completed the placing of 120,000,000 shares of the Company of HK\$0.05 each with net proceeds of approximately HK\$33 million. The Group also received in advance of approximately HK\$141 million, being proceeds from the Rights Issue, during the year.

As at 31st March 2014, the Group had cash and bank balances of HK\$163.0 million (2013: HK\$12.1 million) and total borrowings of HK\$756,000 (2013: HK\$41.7 million). The Group’s gearing ratio, calculated by dividing total borrowings by total equity, was 1% as at the end of the reporting period (2013: 134%). The liquidity ratio, being the ratio of current assets over current liabilities was 1.15 as at 31st March 2014 (2013: 2.13).

The Group's gearing ratio was significantly improved by completion of the placing of 120,000,000 shares of the Company of HK\$0.05 each and the repayment of borrowings during the year. The liquidity ratio was lower as compared to last year as partial of the proceeds received in advance from the Rights Issue of HK\$141.2 million was included in the current liabilities as at 31st March 2014. The liquidity ratio will be improved to 30.0 upon completion of the Rights Issue on 3rd April 2014.

### **Foreign Exchange Exposure**

Operations of the Group are mainly conducted in Hong Kong dollar ("HK\$") and United States dollar ("US\$") and its revenue, expenses, assets, liabilities and borrowings are principally denominated in HK\$ and US\$, which do not pose significant foreign currency risk at present.

### **Dividend**

The Board does not recommend the payment of any dividend for the year ended 31st March 2014.

### **Capital Structure**

On 30th August 2013, the Company entered into a placing agreement with a placing agent to place (the "Placing") 120,000,000 shares of the Company of HK\$0.05 each at a placing price of HK\$0.28 each. The Placing was completed on 23rd September 2013, with net proceeds of approximately HK\$33 million, of which HK\$15 million has been applied for the partial repayment of the Group's borrowings and the remaining of approximately HK\$18 million was applied as general working capital of the Group.

Pursuant to a special resolution passed by the shareholders of the Company at a special general meeting held on 4th March 2014, the capital structure of the Company had been restructured by:

- (i) the reduction of the issued share capital of the Company through a cancellation of the paid-up capital of the Company to the extent of HK\$0.04 on each of the issued shares so that the nominal value of each issued share will be reduced from HK\$0.05 to HK\$0.01 (the "Capital Reduction");
- (ii) the subdivision of each authorised but unissued share of HK\$0.05 into five shares of HK\$0.01 each;
- (iii) the cancellation of the entire amount standing to the credit of the share premium account of the Company as at 30th September 2013 in the sum of HK\$79,028,000 (the "Share Premium Cancellation");
- (iv) the transfer of the credit arising from the Capital Reduction and the Share Premium Cancellation to the contributed surplus account of the Company; and

- (v) the utilization of the contributed surplus account of the Company to offset the entire balance of the accumulated losses of the Company as at 28th February 2014.

The shareholders of the Company also approved a rights issue (the “Rights Issue”) of 844,000,000 rights shares (“Rights Shares”) of HK\$0.01 each at a subscription price of HK\$0.18 each on the basis of one Rights Share for every one share held with bonus issue (the “Bonus Issue”) on the basis of two bonus shares (“Bonus Shares”) for every one Rights Share taken up under the Rights Issue.

The Rights Issue and the Bonus Issue was completed subsequent to the end of the reporting period on 3rd April 2014, and a total of 2,532,000,000 new shares of HK\$0.01 each, based on 844,000,000 Rights Shares and 1,688,000,000 Bonus Shares, were issued with net proceeds of approximately HK\$147.7 million, of which approximately HK\$80 million to HK\$100 million to be applied to future capital investment and business development of the Group and the remaining of approximately HK\$67.7 million to HK\$47.7 million to be applied as general working capital.

The Company also adopted a share option scheme pursuant to an ordinary resolution passed by the shareholders at the annual general meeting of the Company held on 2nd September 2013. A total of 72,400,000 options may be granted by the Company to the eligible participants to subscribe for shares of the Company subject to the terms and conditions of the share option scheme. As at 31 March 2014, no option has been granted under the share option scheme.

Save as the disclosure above, there was no changes in the capital structure of the Company during the year.

### **Charges on Group Assets**

As at 31st March 2014, none of the Group’s assets was pledged to secure any facilities and borrowings granted to the Group.

### **Significant Acquisition and Disposal of Assets**

On 31st July 2013, the Group entered into an acquisition agreement with an independent third party to acquire a vessel, Vessel Bao Xin (the “Acquisition”) at a consideration of HK\$35 million.

On the same day, the Company also entered into a disposal agreement (the “Disposal”) with a company beneficially owned by a former director of the Company, who is also a director of a subsidiary and a former subsidiary, Asian Atlas Limited (“Asian Atlas”), of the Company. Pursuant to the disposal agreement, the Company (i) disposed of its 100% equity interest in Asian Atlas and (ii) assigned the shareholder’s loan of approximately HK\$95,424,000 in full owing from Asian Atlas to the Company for a cash consideration of HK\$40 million.

The Acquisition and the Disposal were completed on 30th September 2013 with a gain of approximately HK\$15.2 million on the Disposal.

## **Contingent Liabilities**

The Group did not have any significant contingent liabilities as at 31st March 2014.

## **Commitments**

Details of the commitments are set-out in note 18.

## **Employees and Remuneration Policies**

As at 31st March 2014, the Group employed approximately 31 employees. The Group continues to maintain and upgrade the capabilities of its workforce by providing them with adequate and regular training. The Group remunerates its Directors and employees mainly based on industry practices and individual's performance and experience. On top of regular remuneration, discretionary bonus and share options may be granted to eligible staff by reference to the Group's performance as well as individual's performance.

## **PURCHASE, SALE OR REDEMPTION OF SECURITIES**

To the best knowledge of the Directors, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's shares during the year ended 31st March 2014.

## **CORPORATE GOVERNANCE PRACTICES**

The Board believes that good governance is essential to the maintenance of the Group's competitiveness and to its healthy growth. The Company has adopted practices which meet the requirements of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

The Company periodically reviews its corporate governance practices to ensure its continuous compliance with the CG Code. The Company has been in compliance with all code provisions set out in the CG Code for the year ended 31st March 2014, save for the deviations from code provision A.6.7 which was explained below.

Under the code provision A.6.7, independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. An independent non-executive Director did not attend a special general meeting held on 30th September 2013 due to other work commitments. The Company will strengthen its planning process, by giving all Directors sufficient time to arrange their work in advance and providing any necessary support for their presence and participation in the meetings, so as to facilitate all Directors attending the Company's future general meetings.

## **MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors set out in Appendix 10 of the Listing Rules as its own code regarding securities transactions by Directors of the Company and its subsidiaries and employees of the Group who are likely to be in possession of unpublished price-sensitive information of the Company. All the Directors have confirmed their compliance with the codes throughout the year.

## **AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS**

The audit committee, comprising three independent non-executive directors, has reviewed the financial statements of the Group for the year. The figures in respect of the preliminary announcement of the Group's results for the year have been agreed by the Company's auditors, Lau & Au Yeung C.P.A. Limited, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by Lau & Au Yeung C.P.A. Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by Lau & Au Yeung C.P.A. Limited on the preliminary announcement.

## **PUBLICATION OF FINAL RESULTS AND ANNUAL REPORT**

This annual results announcement is available for viewing on the website of Hong Kong Exchanges and Clearing Limited ("HKEx") at [www.hkex.com.hk](http://www.hkex.com.hk) under "Latest Listed Company Information" and on the Company's website at [www.noblecentury.hk](http://www.noblecentury.hk) under the section "Investor Relations". The annual report for the year containing all the information required by the Listing Rules will be published on the HKEx website and the Company's website and despatched to the Company's shareholders in due course.

For and on behalf of the Board of  
**Noble Century Investment Holdings Limited**  
**Zheng Juhua**  
*Chairman*

Hong Kong, 26th June 2014

*As at the date of this announcement, the executive directors are Ms. Zheng Juhua, Mr. Chan Chi Yuen and Mr. Chen Shaohua; the independent non-executive directors are Mr. Man Kwok Leung, Mr. Yu Pak Yan, Peter and Mr. Chi Chi Hung, Kenneth.*