



# NOBLE CENTURY INVESTMENT HOLDINGS LIMITED

仁瑞投資控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 2322)

## INTERIM REPORT 2013/14



## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### Executive Directors

Ms. ZHENG Juhua (*Chairman*)  
Mr. CHAN Chi Yuen (*Chief Executive Officer*)  
Mr. CHEN Shaohua

#### Independent Non-executive Directors

Mr. MAN Kwok Leung  
Mr. YU Pak Yan, Peter  
Mr. CHI Chi Hung, Kenneth

### COMPANY SECRETARY

Mr. CHAN Chi Yuen

### AUDIT COMMITTEE

Mr. CHI Chi Hung, Kenneth (*Chairman*)  
Mr. MAN Kwok Leung  
Mr. YU Pak Yan, Peter

### REMUNERATION COMMITTEE

Mr. YU Pak Yan, Peter (*Chairman*)  
Mr. MAN Kwok Leung  
Mr. CHI Chi Hung, Kenneth

### NOMINATION COMMITTEE

Mr. MAN Kwok Leung (*Chairman*)  
Mr. YU Pak Yan, Peter  
Mr. CHI Chi Hung, Kenneth  
Ms. ZHENG Juhua

### AUDITOR

Lau & Au Yeung C.P.A. Limited

### PRINCIPAL BANKERS

The Bank of East Asia Limited  
The Hongkong and Shanghai Banking  
Corporation Limited

### REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 5803, 58/F, Central Plaza  
18 Harbour Road  
Wanchai, Hong Kong

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited  
Rosebank Centre  
26 Burnaby Street  
Hamilton HM11  
Bermuda

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited  
26th Floor  
Tesbury Centre  
28 Queen's Road East  
Wanchai  
Hong Kong

### STOCK CODE

2322

### WEBSITE

<http://www.noblecentury.hk>

The board of directors (the “Board”) of Noble Century Investment Holdings Limited (the “Company”) is pleased to present the unaudited condensed consolidated financial statements of the Company and its subsidiaries (together, the “Group”) for the six months ended 30 September 2013 together with the comparative figures for the corresponding period in 2012. The unaudited condensed consolidated financial statements have been reviewed by the Company’s audit committee.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Financial Review

The Group did not have any turnover during the six months ended 30 September 2013 and 2012. The profit before taxation for the period was approximately HK\$90,000 whilst a loss of approximately HK\$13.8 million was recorded for the last corresponding period. The significant improvement of the results of the Group for the period was mainly attributable to the recognition of a gain on disposal of a subsidiary of approximately HK\$15.2 million.

As at 30 September 2013, the unaudited total assets and net assets of the Group were approximately HK\$71.8 million (31 March 2013: HK\$82.3 million) and approximately HK\$63.8 million (31 March 2013: HK\$31 million) respectively. The Board does not recommend the payment of any interim dividend for the period.

### Business Review and Outlook

As disclosed in the annual report of the Group for the year ended 31 March 2013, due to the break down and out of control of the control system of the Group’s only vessel, i.e. Vessel Asian Atlas, which was compounded by its severe corrosion and was not recommended to be used for semi-submersible purpose, Vessel Asian Atlas was not in services during the period and no turnover has been recorded by the Group accordingly.

Since the notification of the situation of Vessel Asian Atlas, 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 cargos, 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.

## Business Review and Outlook (Continued)

As such, the Group entered into a disposal agreement in July 2013 with a company beneficially owned by an ex-director of the Company who is also a director of Asian Atlas Limited (“Asian Atlas”), a subsidiary 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. The Board 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. After the completion of the acquisition of Vessel Bao Xin on 30 September 2013, it has contributed a turnover of approximately HK\$3.8 million to the Group up to the date of this report. The Board is optimistic to have further growth in the Group’s vessel chartering business in the years to come.

In order to strengthen the capital base and financial resources of the Group, the Company has 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 23 September 2013.

With the strengthen financial position, the Group will deploy more resources and take appropriate strategy to expand the sources of income from the vessel chartering business. The Group would also actively identify and explore other investment and business opportunities to broaden its assets and revenue and base. 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 and Gearing

As at 30 September 2013, the Group had cash and bank balances of approximately HK\$36.7 million (31 March 2013: HK\$12.1 million) and total borrowings of approximately HK\$2.4 million (31 March 2013: HK\$41.7 million). The Group’s gearing ratio, calculated by dividing total borrowings by total equity, was 3.8% as at the end of the period (31 March 2013: 134.4%). The liquidity ratio, being the ratio of current assets over current liabilities as at 30 September 2013 was 4.6 (31 March 2013: 2.13).

The Group’s gearing ratio and liquidity ratio were significantly improved by the proceeds received from disposal of a subsidiary and the completion of the placing of 120,000,000 shares of the Company of HK\$0.05 each and the repayment of borrowings during the period.

### 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.



## Business Review and Outlook (Continued)

### Dividend

The Board does not recommend the payment of any dividend for the period.

### Capital Structure and Placing of Shares

On 30 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 23 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 approximately HK\$18 million was applied as general working capital of the Group.

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

### Significant Acquisition and Disposal of Assets

On 31 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 with a company beneficially owned by an ex-director of the Company who is also a director of Asian Atlas to dispose Vessel Asian Atlas through the disposal (the "Disposal") of Asian Atlas and the waiver of a shareholder's loan of approximately HK\$95,424,000 owned by Asian Atlas to the Company for a consideration of HK\$40 million.

The Acquisition and the Disposal were completed on 30 September 2013.

### Charges on Group Assets

As at 30 September 2013, none of the Group's assets was pledged to secure any facilities and borrowings granted to the Group.

### Commitments and Contingent Liabilities

The Group did not have any significant commitments and contingent liabilities as at 30 September 2013.

### Employees and Remuneration Policies

As at 30 September 2013, 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.

## DISCLOSURE OF INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE

At 30 September 2013, the interests or short positions of the Directors and chief executive of the Company or their respective associates (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules")) in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) (a) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or (b) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or (c) which were required, pursuant to the Code of Practice for Securities Transaction by Directors and Designated Employees adopted by the Company, to be notified to the Company and the Stock Exchange, were as follows:

### Directors' interest in the Company:

Name of director	Number of shares	Approximate percentage of shareholding	Capacity
Ms. Zheng Juhua	Long position 340,000,000 shares ( <i>Note</i> )	40.28%	Beneficial owner and interest of a controlled company

*Note:* 340,000,000 shares were held by Superb Smart Limited, a company wholly and beneficially owned by Ms. Zheng Juhua.

Save as disclosed above, as at 30 September 2013, none of the Directors nor chief executive of the Company was interested, or was deemed to be interested in the long and short positions in the shares, underlying shares and/or debentures of the Company or any of its associated corporations, which were required to be notified to the Company and the Stock Exchange or recorded in the register as aforesaid.

## ARRANGEMENT FOR DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the "Share Option Scheme" section below at no time during the period was the Company or any of its subsidiaries a party to any arrangement to enable a Director to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

## DISCLOSURE OF INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 30 September 2013, so far as it is known by or otherwise notified by any Director or the chief executive of the Company, the particulars of the corporations or persons who had 5% or more interests in the following long positions in the shares and underlying shares as recorded in the register required to be kept under Section 336 of the SFO or were entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of the Company (the "Voting Entitlements") (i.e. within the meaning of substantial shareholders of the Listing Rules) were as follows:

Name of substantial shareholder	Number of shares	Approximate percentage of shareholding	Capacity
Superb Smart Limited	Long position 340,000,000 shares ( <i>Note</i> )	40.28%	Beneficial owner
Ms. Zheng Juhua	Long position 340,000,000 shares ( <i>Note</i> )	40.28%	Interest of controlled corporations

*Note:* 340,000,000 shares were held by Superb Smart Limited, a company wholly and beneficially owned by Ms. Zheng Juhua.

Save as disclosed above, the Directors are not aware of any other corporations or person who, as at 30 September 2013, had the Voting Entitlements or any interests or short positions in the Shares or underlying shares as recorded in the register required to be kept under Section 336 of the SFO.

## SHARE OPTIONS SCHEME

Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 2 September 2013 and the Stock Exchange granting approval of the listing of and permission to deal in the shares to be issued under the share option scheme (the "New Scheme") on 3 September 2013, the Company had adopted the New Scheme in replacement of a share option scheme adopted on 25 March 2003 (the "Expired Scheme") which was expired on 24 March 2013.

### The Expired Scheme

On 25 March 2003, the Company adopted the Expired Scheme which, unless otherwise terminated, shall be valid and effective for a period of 10 years from 25 March 2003. The Expired Scheme were expired on 24 March 2013.

During the term of the Expired Scheme, a total of 4,500,000 options were granted, of which, 2,000,000 options had been exercised. The remaining 2,500,000 options were lapsed, and no share options are currently outstanding. No further options were granted under the Expired Scheme since its expiry.

## The New Scheme

At the annual general meeting of the Company held on 2 September 2013, the shareholders of the Company approved the adoption of the New Scheme. The New Scheme shall be valid and effective for a period of 10 years from 2 September 2013, unless otherwise terminated. The purpose of the New Scheme is to provide the Company with a flexible and effective means of incentivizing, rewarding, remunerating, compensating and/or providing benefits to the directors, employees and other participants of the Company and the Group.

The exercise price, vesting period, the exercisable period and the number of shares subject to each option will be determined by the Board at the time of grant. No option has been granted by the Company under the New Scheme since its adoption to the date of this report.

## CORPORATE GOVERNANCE

The Company endeavors in maintaining good corporate governance for the enhancement of shareholders' value. The Company has adopted the code provisions in the Code on Corporate Governance Practices (the "Code") set out in Appendix 14 to the Listing Rules. The Company has complied with all the applicable code provisions in the Code throughout the six months ended 30 September 2013.

## PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares during the six months ended 30 September 2013.

## DIRECTORS' INTERESTS IN A COMPETING BUSINESS

During the period and up to the date of this report, no Directors of the Company are considered to have an interest in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, pursuant to the Listing Rules, other than those businesses for which the Directors of the Company were appointed as directors to represent the interest of the Company and/or the Group.

## MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Securities Dealing Code") set out in Appendix 10 of the Listing Rules as its own code of conduct regarding Directors' securities transactions.

Having made specific enquiry of all Directors, the Directors have confirmed that they have complied with the Securities Dealing Code throughout the six months ended 30 September 2013.

## AUDIT COMMITTEE

The Audit Committee currently comprises three independent non-executive Directors, namely Mr. Chi Chi Hung, Kenneth (Chairman), Mr. Yu Pak Yan, Peter and Mr. Man Kwok Leung. The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed the internal control and financial reporting matters including the review of the unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 September 2013.

## DISCLOSURE OF DIRECTORS' INFORMATION UNDER RULE 13.51B(1) OF THE LISTING RULES

Name of Director	Details of Change
Mr. Chan Chi Yuen	— resigned as an executive director of Kong Sun Holdings Limited (stock code: 295), the shares of which are listed on the Stock Exchange, on 30 September 2013.

## SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available and within the knowledge of the Directors, it is confirmed that there is sufficient public float of more than 25 per cent of the Company's issued shares at the latest practicable date (27 November 2013) prior to the issue of this report.

## BOARD OF DIRECTORS

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

## APPRECIATION

On behalf of the Board, I would like to thank all of our shareholders, employees, customers and suppliers for their continued support.

By order of the Board  
**NOBLE CENTURY INVESTMENT HOLDINGS LIMITED**  
**Zheng Juhua**  
*Chairman*

Hong Kong, 28 November 2013

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2013

	Notes	Six months ended 30 September	
		2013 HK\$'000 Unaudited	2012 HK\$'000 Unaudited
Revenue	3	–	–
Cost of sales	4	<u>(9,606)</u>	<u>(9,968)</u>
Gross loss		<b>(9,606)</b>	(9,968)
Gain on disposal of a subsidiary	15	<b>15,240</b>	–
Administrative expenses	4	<u>(5,123)</u>	<u>(3,806)</u>
Operating profit/(loss)		<b>511</b>	(13,774)
Finance costs	5	<u>(419)</u>	<u>(71)</u>
Profit/(loss) before taxation		<b>92</b>	(13,845)
Taxation	6	<u>–</u>	<u>–</u>
Profit/(loss) and total comprehensive income/(loss) attributable to equity holders of the Company		<u><b>92</b></u>	<u>(13,845)</u>
		<b>Unaudited</b>	Unaudited
Basic and diluted earnings/(losses) per share	8	<u><b>HK0.01 cent</b></u>	<u>(HK2.29 cent)</u>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2013

	Notes	<b>30 September 2013 HK\$'000 Unaudited</b>	31 March 2013 HK\$'000 Audited
<b>ASSETS</b>			
<b>Non-current assets</b>			
Plant and equipment		34,951	61,722
<b>Current assets</b>			
Deposits, prepayments and other receivables		196	4,179
Inventories	9	–	4,345
Cash and bank balances		36,665	12,108
		36,861	20,632
Total assets		71,812	82,354
<b>EQUITY</b>			
<b>Capital and reserves</b>			
Share capital	11	42,200	36,200
Reserves		21,591	(5,196)
Total equity		63,791	31,004



## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 SEPTEMBER 2013

	Notes	<b>30 September 2013 HK\$'000 Unaudited</b>	31 March 2013 HK\$'000 Audited
<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
		–	41,656
<b>Current liabilities</b>			
Amount due to a director	13	<b>2,434</b>	–
Trade payables	12	–	6,001
Accruals, other payables and deposit received		<b>5,587</b>	3,693
		<b>8,021</b>	9,694
<b>Total liabilities</b>		<b>8,021</b>	51,350
<b>Total equity and liabilities</b>		<b>71,812</b>	82,354
<b>Net current assets</b>		<b>28,840</b>	10,938
<b>Total assets less current liabilities</b>		<b>63,791</b>	72,660

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2013

	Share capital	Share premium and merger reserve	Accumulated loss	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	Unaudited	Unaudited	Unaudited	Unaudited
At 1 April 2012	30,200	29,093	(26,120)	33,173
<b>Comprehensive loss</b>				
Loss for the period	–	–	(13,845)	(13,845)
At 30 September 2012	<u>30,200</u>	<u>29,093</u>	<u>(39,965)</u>	<u>19,328</u>
At 1 April 2013	<b>36,200</b>	<b>52,333</b>	<b>(57,529)</b>	<b>31,004</b>
<b>Comprehensive income</b>				
Profit for the period	–	–	92	92
<b>Transactions with owners</b>				
Placing of shares	<b>6,000</b>	<b>27,600</b>	–	<b>33,600</b>
Transaction costs attributable to issue of new shares	–	<b>(905)</b>	–	<b>(905)</b>
At 30 September 2013	<u><b>42,200</b></u>	<u><b>79,028</b></u>	<u><b>(57,437)</b></u>	<u><b>63,791</b></u>

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2013

	<i>Notes</i>	<b>Six months ended 30 September</b>	
		<b>2013</b>	2012
		<b>HK\$'000</b>	HK\$'000
		<b>Unaudited</b>	Unaudited
Net cash used in operating activities		<b>(8,873)</b>	(9,751)
Net cash generated from investing activities		<b>3,838</b>	–
Net cash generated from financing activities		<b>29,592</b>	7,340
Increase/(decrease) in cash and cash equivalents		<b>24,557</b>	(2,411)
Cash and cash equivalents at beginning of period		<b>12,108</b>	2,995
Cash and cash equivalents at end of period	10	<b>36,665</b>	584

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### 1 General information

Noble Century Investment Holdings Limited (the “Company”) is a limited liability company incorporated in Bermuda with its shares listed on the Main Board of the Stock Exchange. The Company’s registered office is located at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The principal place of the Company’s business in Hong Kong is situated at Suite 5803, 58/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong.

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

The unaudited condensed consolidated financial statements have been reviewed by the Audit Committee and approved for issue by the Board of the Company on 28 November 2013.

### 2 Basis of preparation and impact of new and revised Hong Kong Financial Reporting Standard

These unaudited condensed consolidated financial statements have been prepared under the historical cost convention and in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of Appendix 16 of the Listing Rules.

These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 March 2013.

The accounting policies adopted for preparation of these condensed consolidated financial statements are consistent with those applied in the preparation of the Group’s consolidated financial statements for the year ended 31 March 2013 except for the adoption of the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) (which in collective term includes all applicable HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the HKICPA as disclosed below.

## 2 Basis of preparation and impact of new and revised Hong Kong Financial Reporting Standard (Continued)

During the period, the Group has applied, for the first time, the following new and revised standards, amendments and interpretations issued by the HKICPA, which are effective for the Group's financial year beginning on 1 April 2013.

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

The adoption of these amendments to standards has no material effect on the amounts reported and disclosures set out in the condensed consolidated interim financial statements of the Group for the current or prior accounting periods.

The Group has not early applied the following new or revised standards and amendments that have been issued but are not yet effective.

Amendments to HKFRS 9 and HKFRS 7	Mandatory effective date of HKFRS 9 and transition disclosures <sup>2</sup>
Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011) Amendments	Investment entities <sup>1</sup>
HKFRS 9	Financial Instruments <sup>2</sup>
Amendments to HKAS 32	Presentation — Offsetting Financial Assets and Financial Liabilities <sup>1</sup>
Amendments to HKAS 36	Impairment of Assets — Recoverable Amount, Disclosures for Non-Financial Assets <sup>1</sup>
HK (IFRIC)-Int 21	Levies <sup>1</sup>

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

<sup>2</sup> Effective for annual periods beginning or after 1 January 2015

## 2 Basis of preparation and impact of new and revised Hong Kong Financial Reporting Standard (Continued)

The Group is in the process of making an assessment of the impact of these new standards and amendments to standards and interpretations upon initial application. So far, the Group considers that these new standards and amendments to standards and interpretations are unlikely to have a significant impact on the Group's results of operations and financial position.

## 3 Revenue and segment information

Revenue recognised during the period are as follows:

	<b>Six months ended 30 September</b>	
	<b>2013</b>	2012
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
	<b>Unaudited</b>	Unaudited
Vessel chartering revenue	—	—

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

The Group's operating businesses are structured and managed separately according to the 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 charting for the period.

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

The Board assesses the performance of the operating segments based on their underlying operating loss, which is measured by operating loss before finance income, finance costs and taxation.

**4 Expenses by nature**

	<b>Six months ended 30 September</b>	
	<b>2013</b>	2012
	<b>HK\$'000</b>	HK\$'000
	<b>Unaudited</b>	Unaudited
Fuel cost	<b>3,595</b>	3,678
Staff costs, including directors' emoluments		
— wages and salaries	<b>3,973</b>	3,765
— contributions to retirement scheme	<b>43</b>	41
Depreciation	<b>560</b>	882
Operating lease charges in respect of land and building	<b>1,250</b>	1,224
Professional fees	<b>1,093</b>	355
Repairs and maintenance	<b>48</b>	160
Vessel management fee	<b>468</b>	468
Others	<b>3,699</b>	3,201
	<hr/> <b>14,729</b>	<hr/> 13,774
Total cost of sales and administrative expenses	<b>14,729</b>	13,774

**5 Finance costs**

	<b>Six months ended 30 September</b>	
	<b>2013</b>	2012
	<b>HK\$'000</b>	HK\$'000
	<b>Unaudited</b>	Unaudited
Interest expense on borrowings wholly repayable within five years:		
— bank loans and overdrafts	<b>419</b>	71
	<hr/> <b>419</b>	<hr/> 71

**6 Taxation**

No Hong Kong profits tax has been provided as there is no estimated assessable profit arising from Hong Kong for the period ended 30 September 2013 and 2012.

**7 Dividends**

The Directors do not recommend the payment of any dividend in respect of the period (period ended 30 September 2012: Nil).



**8 Earnings/(losses) per share***(i) Basic earnings/(losses) per share*

The calculation of basic earnings/(losses) per share is based on the consolidated profit attributable to the equity holders of the Company of approximately HK\$92,000 (period ended 30 September 2012: loss of HK\$13,845,000) and on the weighted average number of 729,246,000 (period ended 30 September 2012: 604,000,000).

	<b>Six months ended 30 September</b>	
	<b>2013</b>	2012
	<b>HK\$'000</b>	HK\$'000
	<b>Unaudited</b>	Unaudited
Profit/(loss) attributable to the equity holders of the Company ( <i>HK\$'000</i> )	<b>92</b>	(13,845)
Weighted average number of ordinary shares in issue ( <i>thousands</i> )	<b>729,246</b>	604,000
Basic earnings/(losses) per share ( <i>HK cents</i> )	<b>0.01</b>	(2.29)

*(ii) Diluted earnings/(losses) per share*

Diluted earnings/(losses) per share for the six months ended 30 September 2013 and 2012 have not been disclosed, as the Group had no potentially dilutive events existed during the periods.

**9 Inventories**

	<b>30 September</b>	
	<b>2013</b>	31 March 2013
	<b>HK\$'000</b>	HK\$'000
	<b>Unaudited</b>	Audited
Bunkers on board	<b>–</b>	4,345

**10 Cash and cash equivalents**

	<b>Six months ended 30 September</b>	
	<b>2013</b>	2012
	<b>HK\$'000</b>	HK\$'000
	<b>Unaudited</b>	Unaudited
Cash at bank and in hand	<b>36,665</b>	584

**11 Share capital***(a) Authorised capital*

	<b>Number of shares</b>	<b>Nominal value</b> <i>HK\$'000</i>
As at 1 April 2012, ordinary shares of HK\$0.01 each	10,000,000,000	100,000
Share consolidation of 5 shares of HK\$0.01 each into 1 Consolidated Share of HK\$0.05 each ( <i>Note (i)</i> )	<u>(8,000,000,000)</u>	<u>–</u>
As at 30 September 2012 and 2013, ordinary shares of HK\$0.05 each	<u>2,000,000,000</u>	<u>100,000</u>

*(b) Issued and fully paid capital*

	<b>Number of shares</b>	<b>Nominal value</b> <i>HK\$'000</i>
As at 1 April 2012	3,020,000,000	30,200
Share consolidation of 5 existing shares of HK\$0.01 each into 1 Consolidated Share of HK\$0.05 each ( <i>Note (i)</i> )	<u>(2,416,000,000)</u>	<u>–</u>
As at 30 September 2012	604,000,000	30,200
Placing of new shares ( <i>Note (ii)</i> )	<u>120,000,000</u>	<u>6,000</u>
As at 31 March 2013 and 1 April 2013	724,000,000	36,200
Placing of new shares ( <i>Note (iii)</i> )	<u>120,000,000</u>	<u>6,000</u>
As at 30 September 2013	<u>844,000,000</u>	<u>42,200</u>

*Notes:*

- (i) Pursuant to an ordinary resolution passed by the shareholders of the Company at a special general meeting on 14 September 2012, every five shares of the Company of HK\$0.01 each were consolidated (the "Share Consolidation") into one Consolidated Share of HK\$0.05 each.

**11 Share capital (Continued)***(b) Issued and fully paid capital (Continued)**Notes: (Continued)*

- (ii) On 14 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 the 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 16 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, excluding expenses.
- (iii) On 30 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 23 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, excluding expenses.

**12 Trade payables**

The aging analysis of the trade payables is as follows:

	<b>30 September 2013 HK\$'000 Unaudited</b>	31 March 2013 HK\$'000 Audited
0 to 90 days	–	1,269
91 to 180 days	–	2,168
181 to 365 days	–	2,564
	<hr/>	<hr/>
	–	6,001
	<hr/>	<hr/>

**13 Amount due to a director**

Amount due to a director is unsecured and interest free. The amount due to a director is due for repayment on or before 31 July 2014 and was classified as non-current liability as at 31 March 2013. The carrying amount of the balances is denominated in HK\$ and is approximately their fair values.

**14 Amount due to a former director**

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

**15 Gain on disposal of a subsidiary**

On 31 July 2013, the Company entered into a disposal agreement (the “Disposal”) with a company beneficially owned by an ex-director of the Company, who is also a director of Asian Atlas Limited (“Asian Atlas”), a subsidiary of the Company. Pursuant to which, the Company (i) disposed of its 100% equity interest in Asian Atlas and (ii) waived of a 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 30 September 2013. The major classes of assets and liabilities of Asian Atlas as at the completion date of the Disposal were as follows:

	<i>Notes</i>	<i>HK\$'000</i>
Net assets disposed of:		
Property, plant and equipment		61,211
Deposits, prepayments and other receivables		2,508
Inventories		4,248
Cash and bank balances		1,162
Trade payables		(6,504)
Accruals and other payables		(1,746)
Amount due to a former director	14	(36,119)
Amount due to holding company		(95,424)
		<hr/>
		(70,664)
Waiver of the amount due to holding company		<hr/> 95,424
Net asset value		24,760
Gain on disposal of a subsidiary		<hr/> 15,240
Satisfied by:		
Cash		<hr/> <hr/> 40,000

**15 Gain on disposal of a subsidiary (Continued)**

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of a subsidiary is as follows:

	<i>HK\$'000</i>
Cash consideration	40,000
Cash and bank balances disposed of	(1,162)
	<hr/>
Net inflow of cash and cash equivalents in respect of the disposal of a subsidiary	38,838
	<hr/>

**16 Related party transaction***Key management compensation*

The compensation of key management personnel paid or payable by the Group comprised of directors' emoluments paid in the amount of approximately HK\$1,132,000 during the period (period ended 30 September 2012: HK\$1,102,000).

**17 Commitments and Contingent Liabilities**

As at 30 September 2013, the Company and the Group did not have any significant commitments and contingent liabilities.