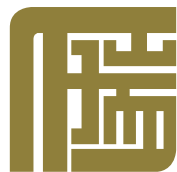


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**NOBLE CENTURY INVESTMENT HOLDINGS LIMITED**

**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 31 MARCH 2017**

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 31 March 2017, 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 31 MARCH 2017*

	<i>Note</i>	<b>2017</b> <b>HK\$'000</b>	2016 <i>HK\$'000</i>
Revenue	3	<b>2,137,192</b>	1,373,585
Cost of sales	6	<b>(2,091,279)</b>	<u>(1,354,488)</u>
Gross profit		<b>45,913</b>	19,097
Other income	5	<b>1,669</b>	516
Gain on disposal of a subsidiary		–	835
Gain on bargain purchase		<b>6,263</b>	–
(Loss)/gain on changes in fair value of held-for-trading investments		<b>(10,860)</b>	5,540
Loss on changes in fair value of other financial asset		<b>(2,598)</b>	–
Impairment loss on property, plant and equipment		–	(9,652)
Impairment loss on other receivable		<b>(9,229)</b>	(1,216)
Impairment loss on goodwill		<b>(1,074)</b>	–
Administrative expenses	6	<b>(40,850)</b>	<u>(30,292)</u>
Operating loss		<b>(10,766)</b>	(15,172)
Finance costs	7	<b>(1,412)</b>	<u>(720)</u>
Loss before taxation		<b>(12,178)</b>	(15,892)
Taxation charge	8	<b>(6,880)</b>	<u>(2,680)</u>
Loss for the year		<b>(19,058)</b>	<u>(18,572)</u>

	<i>Note</i>	<b>2017</b> <b>HK\$'000</b>	2016 <i>HK\$'000</i>
Other comprehensive income:			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
— Exchange differences arising on translation		<u>(31,736)</u>	<u>(14,186)</u>
Total comprehensive loss for the year		<u><u>(50,794)</u></u>	<u><u>(32,758)</u></u>
(Loss)/Profit for the year attributable to:			
Owners of the Company		<u>(17,693)</u>	<u>(18,754)</u>
Non-controlling interests		<u>(1,365)</u>	<u>182</u>
Loss for the year		<u><u>(19,058)</u></u>	<u><u>(18,572)</u></u>
Total comprehensive (loss)/income for the year attributable to:			
Owners of the Company		<u>(49,238)</u>	<u>(32,827)</u>
Non-controlling interests		<u>(1,556)</u>	<u>69</u>
Total comprehensive loss for the year		<u><u>(50,794)</u></u>	<u><u>(32,758)</u></u>
			Restated
<b>Basic and diluted losses per share</b>	<i>10</i>	<u><u><b>HK(0.48) cents</b></u></u>	<u><u>HK(0.82) cents</u></u>

**CONSOLIDATED BALANCE SHEET**  
AS AT 31 MARCH 2017

	<i>Note</i>	<b>2017</b> <i>HK\$'000</i>	2016 <i>HK\$'000</i>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		<b>103,108</b>	132,315
Investment property		<b>11,400</b>	–
Goodwill		<b>1,000</b>	1,000
Other financial asset		<b>3,125</b>	–
Finance lease payment receivables	<i>11</i>	<b>84,576</b>	70,322
Loan receivables	<i>14</i>	<b>27,736</b>	441
		<hr/> <b>230,945</b>	<hr/> 204,078
		<hr/> <b>230,945</b>	<hr/> 204,078
<b>Current assets</b>			
Inventories		<b>12,423</b>	668
Trade receivables	<i>12</i>	<b>421,749</b>	22,790
Bills receivable		–	62,369
Deposits, prepayments and other receivables	<i>13</i>	<b>126,215</b>	285,406
Other financial asset		<b>540</b>	–
Held-for-trading investments		<b>64,100</b>	61,955
Finance lease payment receivables	<i>11</i>	<b>73,956</b>	13,639
Loan receivables	<i>14</i>	<b>84,510</b>	5,133
Tax recoverable		<b>246</b>	–
Restricted bank deposits		<b>40,935</b>	–
Cash and bank balances		<b>98,144</b>	499,817
		<hr/> <b>922,818</b>	<hr/> 951,777
		<hr/> <b>922,818</b>	<hr/> 951,777
<b>Total assets</b>		<hr/> <b>1,153,763</b>	<hr/> 1,155,855
		<hr/> <b>1,153,763</b>	<hr/> 1,155,855
<b>EQUITY</b>			
<b>Capital and reserves</b>			
Share capital	<i>15</i>	<b>73,612</b>	73,612
Reserves		<b>754,181</b>	804,073
		<hr/> <b>827,793</b>	<hr/> 877,685
Total equity attributable to owners of the Company		<hr/> <b>827,793</b>	<hr/> 877,685
Non-controlling interests		<b>17,254</b>	87
		<hr/> <b>845,047</b>	<hr/> 877,772
<b>Total equity</b>		<hr/> <b>845,047</b>	<hr/> 877,772
		<hr/> <b>845,047</b>	<hr/> 877,772

	<i>Note</i>	<b>2017</b> <b>HK\$'000</b>	2016 HK\$'000
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade payables	<i>16</i>	<b>213,701</b>	5,208
Bills payables		<b>40,935</b>	–
Accruals, other payables and deposit received	<i>17</i>	<b>38,903</b>	159,518
Amount due to a director	<i>18</i>	<b>6,210</b>	39,482
Amount due to non-controlling interests	<i>19</i>	<b>1,688</b>	8,020
Tax payables		<b>7,279</b>	3,487
Bank borrowing, secured	<i>20</i>	–	62,368
		<hr/>	<hr/>
<b>Total liabilities</b>		<b>308,716</b>	278,083
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
<b>Total equity and liabilities</b>		<b>1,153,763</b>	1,155,855
		<hr style="border-top: 3px double black;"/>	<hr style="border-top: 3px double black;"/>
<b>Net current assets</b>		<b>614,102</b>	673,694
		<hr style="border-top: 3px double black;"/>	<hr style="border-top: 3px double black;"/>
<b>Total assets less current liabilities</b>		<b>845,047</b>	877,772
		<hr style="border-top: 3px double black;"/>	<hr style="border-top: 3px double black;"/>

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 Suite 2202, 22/F, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong.

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

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 28 June 2017.

## 2 BASIS OF PREPARATION

These consolidated 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 and accounting principles generally accepted in Hong Kong. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and the applicable disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). These consolidated financial statements have been prepared under the historical cost convention, except for investment property, held-for-trading investments and other financial asset, which have been measured at fair value.

The preparation of consolidated financial statements in conformity with HKFRSs 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 Group’s and have been adopted by the Group for the financial year beginning 1 April 2016:

HKFRS 10, HKFRS 12 and HKAS 28 (Amendments)	Investment Entities: Applying the Consolidation Exception
HKFRS 11 (Amendments)	Accounting for Acquisitions of Interests in Joint Operations
HKFRS 14	Regulatory Deferral Accounts
HKAS 1 (Amendments)	Disclosure Initiative
HKAS 16 and HKAS 38 (Amendments)	Clarification of Acceptable Methods of Depreciation and Amortisation
HKAS 16 and HKAS 41 (Amendments)	Agriculture: Bearer Plants
HKAS 27 (Amendments)	Equity Method in Separate Financial Statements
Annual Improvements Projects	Annual Improvements HKFRSs 2012–2014 Cycle

The application of the new and revised HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in the consolidated financial statements.

**(b) New and amended standards not yet adopted**

The following new, revised or amended standards and interpretations have been issued but are not effective for the financial year beginning 1 April 2016 and have not been early adopted.

HKFRS 2 (Amendments)	Classification and Measurement of Share-based Payment Transactions <sup>3</sup>
HKFRS 4 (Amendments)	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts <sup>3</sup>
HKFRS 9	Financial Instruments <sup>3</sup>
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>5</sup>
HKFRS 15	Revenue from Contracts with Customers <sup>2</sup>
HKFRS 15	Clarification to HKFRS 15 <sup>3</sup>
HKFRS 16	Leases <sup>4</sup>
HKAS 7 (Amendments)	Disclosure Initiative <sup>1</sup>
HKAS 12 (Amendments)	Recognition of Deferred Tax Assets for Unrealised Losses <sup>1</sup>
HKAS 40 (Amendments)	Transfers of Investment Property <sup>3</sup>
Annual improvement projects	Annual improvements HKFRSs 2014–2016 cycle <sup>2</sup>
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration <sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2017.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2017 or 1 January 2018, as appropriate.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2018.

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2019.

<sup>5</sup> Effective date to be determined.

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.

### 3 REVENUE

Revenue represents (i) income from vessel chartering; (ii) net invoiced value of goods sold, after allowances for returns and trade discount and (iii) interest income from money lending; and (iv) interest income and handling fee income from finance leasing business.

An analysis of the Group's revenue for the year is as follows:

	<b>2017</b> <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Income from vessel chartering	<b>3,960</b>	11,743
Sales of goods	<b>2,109,468</b>	1,354,589
Interest income from money lending	<b>10,025</b>	993
Interest and handling fee income from finance leasing	<b>13,739</b>	6,260
	<b><u>2,137,192</u></b>	<u>1,373,585</u>

### 4 SEGMENT INFORMATION

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's reportable and operating segments are as follows:

- Vessel chartering segment engaged in voyage chartering in the People's Republic of China (the "PRC") and Southeast Asia region;
- Trading segment engaged in trading of goods in Hong Kong and the PRC;
- Money lending segment engaged in provision of loan financing in Hong Kong and entrusted loan financing in the PRC; and
- Finance leasing segment engaged in provision of finance leasing and sale-leaseback in the PRC.

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit/loss represents the profit/loss earned by each segment without allocation of incomes or expenses which are not recurring in nature and unrelated to the Group's operating performance, including central administration costs, directors' emoluments, (loss)/gain on changes in fair value of held-for-trading investments, loss on changes in fair value of other financial asset, impairment loss on other receivable, impairment loss on goodwill and gain on bargain purchase.

For the purposes of monitoring segment performances and allocating resources between segments, all assets are allocated to operating segments other than investment property, goodwill, held-for-trading investments, other financial asset, cash and bank balances and other corporate assets.

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



(a) Segment revenue and results

	Year ended 31 March 2017				Total HK\$'000
	Vessel chartering HK\$'000	Trading HK\$'000	Money lending HK\$'000	Finance leasing HK\$'000	
<b>Segment revenue and results</b>					
<b>Segment revenue</b>	<u>3,960</u>	<u>2,109,468</u>	<u>10,025</u>	<u>13,739</u>	<u>2,137,192</u>
<b>Segment results</b>	<u>(325)</u>	<u>13,862</u>	<u>8,847</u>	<u>5,737</u>	<u>28,121</u>
Corporate expenses					<u>(22,899)</u>
Operating profit					5,222
Corporate income					98
Gain on bargain purchase					6,263
Loss on changes in fair value of held-for-trading investments					(10,860)
Loss on changes in fair value of other financial asset					(2,598)
Impairment loss on goodwill					(1,074)
Impairment loss on other receivable					<u>(9,229)</u>
Loss before taxation					(12,178)
Taxation charge					<u>(6,880)</u>
Loss for the year					<u>(19,058)</u>
	Year ended 31 March 2016				
	Vessel chartering HK\$'000	Trading HK\$'000	Money lending HK\$'000	Finance leasing HK\$'000	Total HK\$'000
<b>Segment revenue and results</b>					
<b>Segment revenue</b>	<u>11,743</u>	<u>1,354,589</u>	<u>993</u>	<u>6,260</u>	<u>1,373,585</u>
<b>Segment results</b>	<u>(13,504)</u>	<u>7,161</u>	<u>979</u>	<u>2,685</u>	<u>(2,679)</u>
Corporate expenses					<u>(19,909)</u>
Operating loss					(22,588)
Corporate income					321
Gain on changes in fair value of held-for-trading investments					5,540
Gain on disposal of a subsidiary					<u>835</u>
Loss before taxation					(15,892)
Taxation charge					<u>(2,680)</u>
Loss for the year					<u>(18,572)</u>

(b) Segment assets and liabilities

Segment assets and liabilities	As at 31 March 2017				Total HK\$'000
	Vessel chartering HK\$'000	Trading HK\$'000	Money lending HK\$'000	Finance leasing HK\$'000	
Non-current assets					
Property, plant and equipment	20,275	99	2	77,035	97,411
Finance lease payment receivables	–	–	–	84,576	84,576
Loan receivables	–	–	27,736	–	27,736
	<u>20,275</u>	<u>99</u>	<u>27,738</u>	<u>161,611</u>	<u>209,723</u>
Current assets	<u>8,901</u>	<u>585,262</u>	<u>84,558</u>	<u>74,216</u>	<u>752,937</u>
<b>Segment assets</b>	<b><u>29,176</u></b>	<b><u>585,361</u></b>	<b><u>112,296</u></b>	<b><u>235,827</u></b>	<b>962,660</b>
<b>Unallocated:</b>					
Cash and bank balances					98,144
Others					<u>92,959</u>
Total assets per balance sheet					<u>1,153,763</u>
<b>Segment liabilities</b>	<b><u>13,587</u></b>	<b><u>273,015</u></b>	<b><u>936</u></b>	<b><u>11,886</u></b>	<b>299,424</b>
<b>Unallocated:</b>					
Amount due to a director					6,210
Others					<u>3,082</u>
Total liabilities per balance sheet					<u>308,716</u>
<b>Other segment information</b>					
Capital expenditure	4	15	–	3,973	3,992
Unallocated capital expenditure					<u>13,999</u>
					<u>17,991</u>
Depreciation	1,917	25	1	3,295	5,238
Unallocated depreciation					<u>2,323</u>
					<u>7,561</u>

<b>Segment assets and liabilities</b>	As at 31 March 2016				Total HK\$'000
	Vessel chartering HK\$'000	Trading HK\$'000	Money lending HK\$'000	Finance leasing HK\$'000	
Non-current assets					
Property, plant and equipment	45,141	115	–	81,017	126,273
Goodwill	–	–	–	1,000	1,000
Finance lease payment receivables	–	–	–	70,322	70,322
Loan receivables	–	–	441	–	441
	<u>45,141</u>	<u>115</u>	<u>441</u>	<u>152,339</u>	<u>198,036</u>
Current assets	<u>721</u>	<u>214,888</u>	<u>5,133</u>	<u>145,485</u>	<u>366,227</u>
<b>Segment assets</b>	<u>45,862</u>	<u>215,003</u>	<u>5,574</u>	<u>297,824</u>	564,263
<b>Unallocated:</b>					
Cash and bank balances					499,817
Others					<u>91,775</u>
Total assets per balance sheet					<u>1,155,855</u>
<b>Segment liabilities</b>	<u>28,928</u>	<u>194,086</u>	<u>280</u>	<u>12,156</u>	235,450
<b>Unallocated:</b>					
Amount due to a director					39,482
Others					<u>3,151</u>
Total liabilities per balance sheet					<u>278,083</u>
<b>Other segment information</b>					
Capital expenditure	45,520	123	–	81,239	126,882
Unallocated capital expenditure					<u>3,128</u>
					<u>130,010</u>
Depreciation	1,102	9	–	304	1,415
Unallocated depreciation					<u>1,749</u>
					<u>3,164</u>

### *Geographical information*

The Group's operations are located in Hong Kong and the PRC for the year ended 31 March 2017 and 2016.

Information about the Group's revenue from external customers is presented based on the location at which the goods or services are delivered or provided.

The Group's total revenue from sales of goods and services by geographical location is detailed below:

	<b>2017</b> <i>HK\$'000</i>	2016 <i>HK\$'000</i>
PRC	<b>2,132,536</b>	1,372,592
Hong Kong	<b>4,656</b>	993
	<b><u>2,137,192</u></b>	<u>1,373,585</u>

The Group's non-current assets excluding goodwill and other financial asset by geographical location of the assets are detailed below:

	<b>2017</b> <i>HK\$'000</i>	2016 <i>HK\$'000</i>
PRC	<b>209,422</b>	196,595
Hong Kong	<b>17,398</b>	6,483
	<b><u>226,820</u></b>	<u>203,078</u>

(c) **Revenue are derived from the following major customers:**

	<b>2017</b> <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Customer A	<b>1,187,165</b>	1,086,611
Customer B	<b>301,224</b>	34,749
Customer C	<b>190,933</b>	–
Customer D	<b>151,021</b>	40,070
Customer E	<b>95,074</b>	–
Customer F	–	121,652
Customer G	–	63,434
	<b><u>1,925,417</u></b>	<u>1,346,516</u>

All the major customers are customers of trading business.

## 5 OTHER INCOME

	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Bank interest income	547	196
Dividend income	–	320
Gain on disposal of property, plant and equipment	960	–
Rental income	151	–
Others	11	–
	<u>1,669</u>	<u>516</u>

## 6 EXPENSES BY NATURE

	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Fuel costs	676	6,562
Cost of inventories sold	2,084,678	1,339,800
Staff costs, including directors' emoluments	17,802	11,540
Contribution to defined contribution retirement benefit scheme (including directors)	604	327
Auditor's remuneration	765	674
Depreciation	7,561	3,164
Exchange loss, net	1,742	623
Unrealised loss on investment property revaluation	288	–
Operating lease charges in respect of property rental	3,276	3,356
Professional fees	5,110	4,756
Repair and maintenance	429	39
Vessel management fee	847	7,004
Others	8,351	6,935
	<u>2,132,129</u>	<u>1,384,780</u>

## 7 FINANCE COSTS

	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Interest expenses on bank borrowing	<u>1,412</u>	<u>720</u>

## 8 TAXATION

	<b>2017</b>	2016
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Current income tax		
— Hong Kong profits tax	<b>2,331</b>	1,338
— PRC corporation income tax	<b>4,549</b>	1,342
	<b><u>6,880</u></b>	<u>2,680</u>

### **Hong Kong profits tax**

Hong Kong profits tax has been provided at the rate of 16.5% (2016: 16.5%) on the estimated assessable profits for the year.

### **PRC corporate income tax**

The PRC corporate income tax in respect of operations in Mainland China is calculated at the applicable tax rates on the estimated assessable profits for the year based on existing legislation, interpretations and practices in respect thereof.

### **Deferred taxation**

Deferred taxation has not been provided in the consolidated financial statements in respect of the temporary difference attributable to retained profits of the PRC subsidiaries as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not release in the foreseeable future.

## 9 DIVIDEND

The directors do not recommend the payment of any dividend for the year ended 31 March 2017 (2016: Nil).

## 10 LOSSES PER SHARE

	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i> (Restated)
Loss attributable to shareholders	<u>(17,693)</u>	<u>(18,754)</u>
Weighted average number of ordinary shares, for the purposes of calculating basic losses per share (shares in thousands) ( <i>Note</i> )	<u>3,680,600</u>	<u>2,273,355</u>
Basic and diluted losses per share	<u><b>HK(0.48) cents</b></u>	<u>HK(0.82) cents</u>

*Note:* The weighted average number of ordinary shares for the purpose of calculating basic losses per share for both year has been retrospectively adjusted for the effect of share subdivision completed in September 2016 (Note 15(b)(ii)).

As there are no dilutive potential ordinary shares outstanding as at 31 March 2017 and 2016, the diluted losses per share are equal to the basic losses per share.

## 11 FINANCE LEASE PAYMENT RECEIVABLES

	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Current portion of finance lease payment receivables	<b>73,956</b>	13,639
Non-current portion of finance lease payment receivables	<u><b>84,576</b></u>	<u>70,322</u>
	<u><b>158,532</b></u>	<u>83,961</u>

	Minimum lease payments		Present value of minimum lease payments	
	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Within one year	<b>88,571</b>	19,101	<b>73,956</b>	13,639
In the second to fifth years, inclusive	<u><b>101,593</b></u>	<u>79,576</u>	<u><b>84,576</b></u>	<u>70,322</u>
	<b>190,164</b>	98,677	<b>158,532</b>	83,961
Less: Unearned finance income	<u><b>(31,632)</b></u>	<u>(14,716)</u>	<u>N/A</u>	<u>N/A</u>
Present value of minimum lease payment receivables	<u><b>158,532</b></u>	<u>83,961</u>	<b>158,532</b>	83,961
Less: Current portion of finance lease payment receivables			<u><b>(73,956)</b></u>	<u>(13,639)</u>
Non-current portion of finance lease payment receivables			<u><b>84,576</b></u>	<u>70,322</u>

As at 31 March 2017 and 2016, the finance lease payment receivables were secured over the leased assets mainly by machineries and equipment.

All the Group's finance lease payment receivables are denominated in RMB and the maturity date for each finance lease contract is normally not more than 5 years. The interest rate inherent in the leases is fixed at the contract date for the entire lease term. The effective interest rate is approximately 5% to 18% (2016: 5% to 18%) per annum.

There was no unguaranteed residual values of assets leased under finance leases as at 31 March 2017 and 2016. The finance lease payment receivables at the end of the reporting period are neither past due nor impaired.

## 12 TRADE RECEIVABLES

	<b>2017</b> <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Trade receivables	<u><b>421,749</b></u>	<u>22,790</u>

Included in the Group's trade receivables as at 31 March 2017 was approximately HK\$133,729,000 due from a customer, the shareholder of which subsequently became a minority shareholder of a subsidiary of the Group during the year.

The Group's trade receivables are generally with credit periods of 30 to 90 days (2016: 30 to 90 days). The maximum exposure to credit risk at the balance sheet date is the carrying amount of the trade receivables. The Group does not hold any collateral as security.

The carrying amounts of trade receivables approximate to their fair values.

An aged analysis of the trade receivables at the balance sheet date, based on the date of invoice, is as follows:

	<b>2017</b> <i>HK\$'000</i>	2016 <i>HK\$'000</i>
0 to 30 days	<b>46,799</b>	13,581
31 to 60 days	<b>48,416</b>	9,209
61 to 90 days	<b>59,277</b>	–
91 to 180 days	<b>113,206</b>	–
More than 180 days	<b>154,051</b>	–
	<u><b>421,749</b></u>	<u>22,790</u>

The carrying amount of trade receivables is denominated at Renminbi.



### 13 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	<b>2017</b> <b>HK\$'000</b>	2016 <i>HK\$'000</i>
Trade deposits paid ( <i>note (i)</i> )	<b>47,361</b>	180,263
Deposit paid for acquisition of a business ( <i>note (ii)</i> )	–	8,000
Deposit paid for finance lease arrangements ( <i>note (iii)</i> )	–	75,222
Value added tax recoverable	<b>52,167</b>	–
Other deposits paid, prepayments and other receivables	<b>26,687</b>	21,921
	<hr/> <b>126,215</b> <hr/>	<hr/> 285,406 <hr/>

*Notes:*

- (i) The amount represents trade deposits paid to suppliers for trading of methanol, seafood and electronic products. The entire amount is expected to be recovered within the next twelve months.
- (ii) On 7 July 2014, the Group entered into a memorandum of understanding (the “MOU A”) with an independent third party (the “Vendor A”) in relation to a possible subscription and/or acquisition (the “Possible Acquisition A”) of a company (the “Target Company”) and its subsidiaries which are principally engaged in the trading of plastic pellets, seafood and electronic components business in Hong Kong and the PRC.

Pursuant to the MOU A, a refundable deposit in the sum of HK\$8,000,000 had been paid to the Target Company. In the event that the formal agreement in relation to the Possible Acquisition A is entered into, such refundable deposit shall form part of the consideration. In the event that the formal agreement is not entered into on or before the date falling six months from the date of the MOU A which has been subsequently extended to 7 July 2016, or such later date the Group and the Vendor A may agree, the MOU A shall cease and terminate, and the Target Company shall forthwith refund the above deposit.

No formal agreement has been entered on 7 July 2016 and accordingly the MOU A has been lapsed with the deposit refunded in full by the Target Company to the Company.

- (iii) Amount represents deposit paid to a lessee (the “Lessee”) for a proposed finance lease arrangement. On 26 January 2016, the Group and the Lessee entered into a termination agreement, pursuant to which the parties agreed to terminate the finance lease arrangement and the deposit was repaid by the Lessee in return for an entrusted loan in the amount of RMB54.79 million (equivalent to approximately HK\$64.10 million) granted by the Group to the Lessee, which was completed in April 2016.

(iv) The carrying amounts of deposits, prepayment and other receivables are denominated in the following currencies:

	<b>2017</b> <i>HK\$'000</i>	2016 <i>HK\$'000</i>
HK\$	<b>8,446</b>	23,778
US\$	–	15,423
EUR	<b>195</b>	64,738
RMB	<b>117,574</b>	181,467
	<u><b>126,215</b></u>	<u>285,406</u>

#### 14 LOAN RECEIVABLES

	<b>2017</b> <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Current portion of loan receivables	<b>84,510</b>	5,133
Non-current portion of loan receivables	<b>27,736</b>	441
	<u><b>112,246</b></u>	<u>5,574</u>
Analysed as:		
Within one year	<b>84,510</b>	5,133
In the second to fifth years, inclusive	<b>27,736</b>	441
	<u><b>112,246</b></u>	<u>5,574</u>
	<b>2017</b> <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Loan receivables	<b>109,157</b>	5,570
Interest receivables	<b>3,089</b>	4
	<u><b>112,246</b></u>	<u>5,574</u>

The aged analysis of the loan receivables, that are not considered to be impaired, are as follows:

	<b>2017</b> <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Neither past due nor impaired	<b>106,395</b>	5,574
Past due but not impaired		
Less than 1 month	<b>11</b>	–
1 to 3 months	<b>5,612</b>	–
3 months to 1 year	<b>228</b>	–
	<u><b>112,246</b></u>	<u>5,574</u>

The carrying amounts of the loan receivables are denominated in the following currencies:

	<b>2017</b> <i>HK\$'000</i>	2016 <i>HK\$'000</i>
HK\$	<b>36,537</b>	5,574
RMB	<b>75,709</b>	–
	<u><b>112,246</b></u>	<u>5,574</u>

The credit quality of loan and interest receivables that are neither past due nor impaired has been assessed by reference to historical information about counterparty default rates.

One of the loan receivables with principal amount of RMB46,299,000 (equivalent to approximately HK\$52,225,000) as at 31 March 2017, failed to make instalment to the loan receivable in the amount of approximately RMB4,955,000 (approximately HK\$5,589,000). Other loan receivables which have been past due mainly represented occasional delay in repayment with no indication of significant deterioration of credit quality of these loan receivables. As such, no individual impairment allowance was made in respect of the loan receivables which have been past due as at 31 March 2017.

Loan receivables are interest-bearing at approximately 4% to 18% (31 March 2016: 4% to 18%) and are repayable with fixed terms agreed with the Group's customers. The maturity date for each loan contract is normally not more than 4 years and were unsecured as at 31 March 2017. The directors of the Company consider that the fair values of loan receivables are not materially different from their carrying amounts. The maximum exposure to credit risk at each of the reporting dates is the carrying value of the receivables mentioned above.

## 15 SHARE CAPITAL

### (a) Authorised capital

	<b>Number of shares</b>	<b>Nominal value HK\$'000</b>
As at 31 March 2015, ordinary shares of HK\$0.10 each	<u>1,000,000,000</u>	<u>100,000</u>
As at 31 March 2016 and 1 April 2016, ordinary shares of HK\$0.10 each	1,000,000,000	100,000
Share subdivision (Note (ii))	4,000,000,000	–
As at 31 March 2017, ordinary shares of HK\$0.02 each	<u>5,000,000,000</u>	<u>100,000</u>

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

	Number of shares	Nominal value <i>HK\$'000</i>
As at 1 April 2015, ordinary shares of HK\$0.10 each	337,600,000	33,760
Placing of new shares ( <i>Note (i)</i> )	<u>398,520,000</u>	<u>39,852</u>
As at 31 March 2016 and 1 April 2016, ordinary shares of HK\$0.10 each	736,120,000	73,612
Share subdivision ( <i>Note (ii)</i> )	<u>2,944,480,000</u>	<u>–</u>
As at 31 March 2017, ordinary shares of HK\$0.02 each	<u><u>3,680,600,000</u></u>	<u><u>73,612</u></u>

*Notes:*

- (i) The Company completed the placing of a total of 398,520,000 ordinary shares with net proceeds of approximately HK\$694 million during the year, details of which are as follows:

On 17 April 2015, the Company entered into a placing agreement with a placing agent to place up to 67,520,000 ordinary shares of HK\$0.10 each at a placing price of HK\$1.00 per placing share. The closing market price of the shares of the Company on that date was HK\$1.00. The placing was completed on 6 May 2015 and a total of 67,520,000 ordinary shares with nominal value of HK\$6,752,000 were issued to not less than six independent placees. Net proceeds of approximately HK\$65.5 million has been fully applied into the finance leasing business of the Group.

On 17 September 2015, the Company further entered into a placing agreement with a placing agent to place up to 81,000,000 ordinary shares of HK\$0.10 each at a placing price of HK\$1.70 per placing share. The closing market price of the shares of the Company on that date was HK\$1.92. The placing was completed on 5 October 2015 and total of 81,000,000 ordinary shares with nominal value of HK\$8,100,000 were issued to not less than six independent placees. Net proceeds of approximately HK\$134.1 million has been fully applied into the trading business of the Group.

On 15 December 2015, the Company further entered into a placing agreement with a placing agent to place up to 250,000,000 ordinary shares of HK\$0.10 each at a placing price of HK\$2.00 per placing share. The closing market price of the shares of the Company on that date was HK\$3.60. The placing was completed on 8 March 2016 and a total of 250,000,000 ordinary shares with nominal value of HK\$25,000,000 were issued to not less than six independent placees. Net proceeds of approximately HK\$494.4 million has been fully applied for business development and working capital of the Group.

- (ii) Pursuant to an ordinary resolution passed by the shareholders of the Company at a special general meeting on 5 September 2016, every one share of the Company of HK\$0.10 each were subdivided into five subdivided shares of HK\$0.02 each.

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

## 16 TRADE PAYABLES

The ageing analysis of the trade payables is as follows:

	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
0 to 90 days	96,913	5,208
91 to 180 days	92,269	–
181 to 365 days	24,519	–
	<u>213,701</u>	<u>5,208</u>

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

	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
US\$	–	5,208
RMB	213,701	–
	<u>213,701</u>	<u>5,208</u>

## 17 ACCRUALS, OTHER PAYABLES AND DEPOSIT RECEIVED

	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Trade deposit received ( <i>note (i)</i> )	–	110,021
Accruals and other payables ( <i>note (ii)</i> )	38,903	49,497
	<u>38,903</u>	<u>159,518</u>

*Notes:*

- (i) The amount represents the trade deposits received from a customer for trading of methanol.
- (ii) Included in the accruals and other payables was RMB12 million (equivalent to approximately HK\$13.5 million) (2016: RMB24 million (equivalent to approximately HK\$28.7 million)), being bank loans (the “Vessel Loan”) due by the vendor (the “Vendor”) to a bank in the PRC (the “PRC Bank”) to be paid up/taken up by the Group in respect of the Group’s acquisition of the vessels (the “Vessels”) during the year ended 31 March 2016. As the Vendor and the PRC Bank were still in negotiation with the repayment arrangement, it has yet been repaid and was accounted for as other payables as at 31 March 2017 and 2016. The Vessel Loan is secured by the Vessels of the Group with a carrying value of HK\$20.3 million (2016: HK\$45.1 million) as at 31 March 2017.

(iii) The carrying amounts of accruals, other payables and deposit received are denominated in the following currencies:

	<b>2017</b> <i>HK\$'000</i>	2016 <i>HK\$'000</i>
HK\$	<b>2,701</b>	3,673
US\$	<b>370</b>	13,707
EUR	<b>349</b>	96,683
RMB	<b>35,483</b>	45,455
	<b>38,903</b>	159,518

## 18 AMOUNT DUE TO A DIRECTOR

Amount due to a director 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.

## 19 AMOUNT DUE TO NON-CONTROLLING INTERESTS

Amount due to non-controlling interests is unsecured, interest free and repayable on demand. The carrying amount of balance as at 31 March 2017 and 2016 is denominated in RMB and HK\$ respectively and is approximate to its fair value.

## 20 BANK BORROWING, SECURED

	<b>2017</b> <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Secured bank loan	–	62,368

*Notes:*

- (i) The Group's trade finance facilities amounting to US\$30 million (equivalent to approximately HK\$233 million) (2016: US\$50 million (equivalent to approximately HK\$388 million)), of which none has been utilized as at 31 March 2017 (2016: HK\$62.4 million had been utilized which was secured by the Group's bills receivables amounting to HK\$62.4 million).
- (ii) At 31 March 2016, the bank loan of approximately RMB52 million (equivalent to approximately HK\$62.4 million) bore interest at flat-rate of 3.5% per annum.

## 21 COMMITMENTS

### (a) Capital commitments

The Group had the following capital commitments as at the balance sheet date:

	<b>2017</b> <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Contracted but not provided for:		
— Acquisition of companies	–	16,339
— Capital contribution to a non-wholly owned subsidiary	<b>145,230</b>	–
	<b>145,230</b>	16,339

**(b) Operating lease commitments**

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

	<b>2017</b> <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Not later than 1 year	<b>3,261</b>	2,945
Later than 1 year but not later than 5 years	<b>2,142</b>	5,221
	<b>5,403</b>	8,166

None of the leases include contingent rentals.

**(c) Operating lease rental receivable**

The Group had contracted with tenants for the following future minimum lease payments receivable under non-cancellable operating lease:

	<b>2017</b> <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Not later than 1 year	<b>335</b>	–

**22 RELATED PARTY TRANSACTIONS**

**Key management compensation**

The remuneration of key management personnel of the Group during the year was as follows:

	<b>2017</b> <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Salaries, allowances and other benefits	<b>8,057</b>	6,915
Contributions to retirement benefits scheme	<b>108</b>	75
	<b>8,165</b>	6,990

**23 COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to conform with the current year's presentation.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Financial Review

The Group recorded a turnover of approximately HK\$2,137.2 million with a gross profit of approximately HK\$45.9 million during the year ended 31 March 2017 which is approximately 1.6 times and 2.4 times as compared to approximately HK\$1,373.6 million and HK\$19.1 million respectively for the last corresponding year. The administrative expenses of the Group increased from last year's approximately HK\$30.3 million to approximately HK\$40.9 million in the current year as a result of business expansion. The loss for the year was approximately HK\$19.1 million as compared to approximately HK\$18.6 million for the last corresponding year. The loss for the year was mainly attributable to the impairment loss on other receivable of approximately HK\$9.2 million and loss on changes in fair value of held-for-trading investments of approximately HK\$10.9 million as a result of the volatile stock market in Hong Kong.

As at 31 March 2017, the total assets and net assets of the Group amounted to approximately HK\$1,153.8 million (2016: HK\$1,155.9 million) and HK\$845.0 million (2016: HK\$877.8 million) respectively. The financial position of the Group did not have material changes during the year.

### Business Review and Outlook

In 2016, the global economy still showed apparent characteristics of post-financial crisis era which include continuous implementation of monetary stimulus initiatives, slow recovery in global economy, improvement in deflation with aggravating economic differentiation and rising asset bubble. With the re-implementation of easing policies by countries around the world, the global economy expected some relief especially after slowing down of pace of interest rate increase by the US Federal Reserve. Market risk appetite was enhanced and commodity trading became more active. Prices of bulk commodities including crude oil and iron ores remained high and domestic chemical market experienced growth in time of adversity.

### *Vessel Chartering*

The Group owned two vessels which are multi-purpose deck cargo ships with focus on carriage of construction material and waste from Hong Kong to the PRC.

Although Hong Kong's construction industry was benefit from a series of infrastructural projects launched by the Hong Kong Government in the early years, the number of major infrastructural projects in Hong Kong decreased drastically during the year as a result of the disruption of public expenditure approvals. In connection with this, the demand on carriage of construction material and waste has been decreased during the year. In addition, the Baltic Dry Index (the "BDI") fell to new record lows in February 2016 and the charter rates dropped well below operating costs across all vessel sizes. As such, the Group disposed one of the vessels at a consideration of RMB19 million and recorded a gain of approximately HK\$1.1 million during the year.



The Group recognised a turnover of approximately HK\$4 million with a loss of approximately HK\$325,000 during the year ended 31 March 2017 whilst a turnover of approximately HK\$11.7 million with a loss of approximately HK\$13.5 million was recognised for the last year. The loss recorded in last year was mainly attributable to the provision for impairment due to the decrease in market value of the vessel.

The BDI has been recovered from below 300 in February 2016 to the level of about 1,200 in April 2017. There is cautious optimism heading into 2017 with the BDI's price up significantly from a year ago. Looking forward, the Board expects the Group will tap the growth potential by the noticeable on-going recovery of the vessel chartering industry. The Board will continuously take caution measures to closely monitor the effectiveness of the operation of the Group's vessel chartering business.

### ***Trading Business***

The PRC's economy was steadily in year 2016, as such the Group's trading business was well-performed during the year. According to statistics of Customs of the PRC, import and export value of general trade in the PRC in 2016 increased by 0.9% to RMB13.39 trillion, accounting for 55% of total value of import and export with an increase of 1 percent point as compared with 2015. Import and export of private enterprises in the PRC increased by 2.2% to RMB9.28 trillion, accounting for 38.1% of total value of foreign trade. Export of private enterprises continued to rank first in terms of total export volume.

The Group engaged in methanol, seafood, frozen meat, electronics and other commercial products trading business and the PRC is the major target market. The Group recorded a turnover of approximately HK\$2,109.5 million with a profit of approximately HK\$13.9 million from trading business during the year ended 31 March 2017 as compared to approximately HK\$1,354.6 million and approximately HK\$7.2 million respectively for the last year. Since the trading of seafood, electronic and other commercial products were officially launched nearly the year end of last year, thus the overall turnover from the trading business increased significantly as compared with last year.

The Group recorded a turnover of approximately HK\$1,187.2 million from methanol trading for the year ended 31 March 2017, as compared to approximately HK\$1,086.6 million for the last corresponding year. As international oil prices began to recover after hitting the bottom, domestic market price for methanol also fluctuated upwards. The PRC has emerged as the dominant country with respect to both methanol capacity and demand owing to its rapid economic growth, the prices increased from approximately RMB1,900 per tonne in April 2016 to RMB2,000 per tonne in September 2016, and was further increased to RMB2,700 per tonne in April 2017. Attributed to the factors of increase in the price and demand of methanol, the turnover recorded in the first half of the financial year has been significantly increased. However, the continuous and further sharp rise of the methanol prices adversely affect the downstream products, which resulting in downstream production losses, and consequentially a significant decline in demand for methanol, such then leading to the unsatisfactory performance of the Group's methanol trading business in the second half of the financial year.

Looking forward, taking into consideration of the increase in cost brought by rising prices of resources products, the price of methanol is expected to be volatile in 2017. The management will closely monitor the impact of the volatility of the resources price to the Group's trading of methanol.

In April 2016, the Group entered into the PRC frozen meat market through the acquisition of 70% equity interest in a company in the PRC, which has been granted a licence to import frozen meat to the PRC. The Group mainly imports frozen poultry meats from Brazil, Argentina and Poland and sells in the PRC.

The Group's food trading business, comprising seafood and frozen meat products, recorded a turnover of approximately HK\$218.4 million for the year ended 31 March 2017, as compared to approximately HK\$34.8 million for the last corresponding year. In light of consumer's rising awareness of health and food safety, the demand for import food in the PRC is accelerating. Moreover, following the implementation of stricter import regulations, customers now tend to purchase food products from proper and reliable sources with better quality. Therefore, the Group will expand its business channels and strictly control food quality at the same time in order to maintain good reputation and stable profits.

The Group's electronic products trading is principally engaged in trading of smartphones and parts of communication equipment which are the core components for mobile phones. The Group recorded a turnover of approximately HK\$703.9 million from trading of electronic and other commercial products for the year ended 31 March 2017, as compared to approximately HK\$233.2 million for the last corresponding year. Given the PRC smartphones market has experienced a dramatic increase in sales volume in recent years, it is expected that the PRC smartphones market will keep growing in the next few years and the Group believes that its electronic products trading business would be benefit therefrom and provides a stable income stream to the Group.

In view of the positive prospects of the market, the Group has entered into a capital increase agreement with the owner of one of its customer (the "JV Partner"), pursuant to which (i) the Group will contribute RMB150 million (equivalent to approximately HK\$169 million) for 75% of the enlarged capital in a company (the "JV Company") upon the increment of its registered capital from RMB10 million to RMB200 million; and (ii) the provision of a working capital facility of RMB90 million (equivalent to approximately HK\$101.5 million) for its operation. As at 31 March 2017, RMB21.2 million registered capital has been paid up by the Group.

The JV Company is focused on the trading of motherboard, memory card and display screen for smartphones in the PRC. The JV Partner has over 10 years of experience in the smartphones components trading in Hong Kong and the PRC and has established a strong network in both the buyer and seller market, which is critical to the business development of the JV Company.

The Board maintains a cautious approach in risk management of the trading business of the Group to monitor the ever changing operating environment.

### ***Money Lending Business***

The Group's money lending business was steadily developed with new loans granted during the year. There were loan portfolio in Hong Kong with principal amount of approximately HK\$35.5 million and two entrusted loans granted in the PRC with outstanding principal amount of approximately RMB65.3 million (equivalent to approximately HK\$73.7 million) as at 31 March 2017. The Group recognized an aggregate interest income of HK\$10 million for the year ended 31 March 2017 as compared to HK\$993,000 for the last year.

The Group adopted a prudent risk management policy, with the money lending business continuously carrying out regular review of credit risk over the existing borrowers. While the Group will proactively explore customers with good quality to expand its business scale, it will continue to adopt a prudent credit risk management strategy to ensure a healthy development in its money lending business.

### ***Finance Leasing Business***

The finance leasing business has attributed a turnover of approximately HK\$13.7 million with a profit of approximately HK\$5.7 million during the year ended 31 March 2017 as compared to approximately HK\$6.3 million and HK\$2.7 million respectively for the last corresponding year.

The Group continues to focus on expanding businesses in three industries including new energy and new materials industry, education industry and cold storage and chain industry, which have better cash flows and are less cyclical. (1) At the end of 2016, the National Development and Reform Commission publicly announced new policies on tariff of photo voltaic power stations and onshore wind power and policies on review of subsidies for new energy vehicles and new energy vehicle catalogue. The PRC government has provided guidance to the future innovative development of the industry by implementing policies in line with the development pattern of new industries. Meanwhile, we noticed the industry would be facing reshuffling due to government policies on reduction in subsidies. Enterprises relied heavily on government subsidies without advantages in technology or resources would be affected. Therefore, the Group will reduce capital investment in certain industry segment; (2) As for education industry, following the commencement of the nationwide two-child policy, a new wave of demographic dividend is expected in the fields of early childhood education, primary and secondary school, vocational education and tertiary institutions. The Group will continue to explore new business segments like upgrading hardware and software for tertiary institutions and early childhood education, campus information network and construction of smart campus; (3) As for cold storage and chain industry, the Group believes there is no dominant professional cold storage enterprise in China, leading to a lack of quality and professional cold storage. Thus, establishment of regional quality cold storage and cold chain will continue to be focus of finance leasing business.

Apart from the above vertical industry development, the Group has also attempted to expand new business model laterally, such as finance leasing and commercial factoring, so as to explore the needs of existing clients and effectively enhance utilization rate of capital, with a view to extend the profit growth.

### ***Other Potential Investments***

On 22 November 2016, the Company entered into a memorandum of understanding (the “MOU 1”) with an independent third party in relation to a possible acquisition (the “Possible Acquisition 1”) of not less than 51% equity interest in a company together with its subsidiaries which are principally engaged in pawning, entrusted loans and other related business in the PRC.

Subsequent to the end of the reporting period on 14 June 2017, the Group further entered into a memorandum of understanding (the “MOU 2”) with another independent third party in relation to a possible acquisition (the “Possible Acquisition 2”) of 100% equity interest in a company together with its subsidiaries which are principally engaged in equity investment funds management, equity investment and asset management in the PRC.

The Group believes that the Possible Acquisition 1 and the Possible Acquisition 2 would enhance the professional expertise and business development opportunity in the financial industry for the Group, and further complement the Group’s existing finance leasing and money lending business. The Company has been identifying suitable investment opportunities to establish a comprehensive and leading financial holdings platform in the PRC. The Group is of the view that the Possible Acquisition 1 and the Possible Acquisition 2 would be a stepping stone for attaining the Company’s vision.

### ***Securities Investments***

The Group has further invested surplus funds in a securities listed in Hong Kong during the year. The fair value and the cost of acquisition of the Group’s securities investment amounted to approximately HK\$64.1 million and HK\$55.1 million respectively as at 31 March 2017. The Group recorded an unrealised loss on changes in fair value of held for trading investments of approximately HK\$10.9 million during the year as compared to a gain of HK\$5.5 million for the last corresponding year. However, there was still an aggregate unrealised gain of approximately HK\$9 million of the Group’s securities investment portfolio as at 31 March 2017. The management will continue to adopt prudent approach in investment and monitor the stock markets closely and keep looking for opportunities to realise gains from its investment portfolio.

Looking forward, the Group will actively identify and explore other investment and business opportunities to broaden its assets and revenue 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, Capital Structure and Gearing***

As at 31 March 2017, the Group had cash and bank balances of HK\$98.1 million (2016: HK\$499.8 million) and total borrowings of HK\$6.2 million (2016: HK\$101.9 million). The Group’s gearing ratio, calculated by dividing total borrowings by total equity, was 0.7% (2016: 11.6%). The liquidity ratio, being the ratio of current assets over current liabilities was 2.99 as at 31 March 2017 (2016: 3.42).

The improvement of the Group's gearing ratio was mainly attributable to (i) the repayment of finance from a director of the Company, and (ii) decrease in interest bearing bank loan arising from the trading business. There was no material changes in the liquidity ratio for the year.

### **Foreign Exchange Exposure**

Operations of the Group are mainly conducted in Hong Kong dollar ("HK\$"), Renminbi ("RMB"), Euro ("EUR") and United States dollar ("US\$") and its revenue, expenses, assets, liabilities and borrowings are principally denominated in HK\$, RMB, EUR and US\$.

The Group does not enter into any instruments on the foreign exchange exposure. The Group will closely monitor exchange rate movement and will take appropriate activities to reduce the exchange risk.

### **Dividend**

The Board does not recommend the payment of any dividend for the year ended 31 March 2017.

### **Capital Structure**

Pursuant to an ordinary resolution passed by the shareholders of the Company at a special general meeting on 5 September 2016, every one share of the Company of HK\$0.10 each were subdivided into five subdivided shares of HK\$0.02 each. As such, the number of ordinary shares issued were increased by the creation of 2,944,480,000 shares from 736,120,000 shares of HK\$0.10 each as at 31 March 2016 to 3,680,600,000 shares of HK\$0.02 each as at 31 March 2017.

All these new shares rank pari passu with the existing shares of the Company in all aspects.

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

## Fund Raising Activities and Use of Proceeds

On 15 December 2015, the Company entered into a placing agreement with a placing agent to place up to 250,000,000 ordinary shares of HK\$0.10 each at a placing price of HK\$2.00 per placing share. The closing market price of the shares of the Company on that date was HK\$3.60. The placing was completed on 8 March 2016 and a total of 250,000,000 ordinary shares with nominal value of HK\$25,000,000 were issued to not less than six independent placees at a net price of HK\$1.98 per placing share with net proceeds of approximately HK\$494.4 million. Details of the intended and actual usage of the proceeds as at the date of this report are as follows:

	<b>Intended use of proceeds as stated in the circular dated 15 January 2016 HK\$'000</b>	<b>Revised use of proceeds as stated in announcement dated 26 May 2016 HK\$'000</b>	<b>Revised use of proceeds as stated in announcement dated 4 August 2016 HK\$'000</b>	<b>Actual usage of proceeds as at the date of this report HK\$'000</b>
Finance Leasing Business	171,600	171,600	171,600	171,600
Trading Business				
— Refined petroleum products	140,000	100,000	—	—
— Seafood and electronic products	140,000	140,000	140,000	140,000
— Refined petroleum, seafood and electronic products	—	—	100,000	100,000
	280,000	240,000	240,000	240,000
Money Lending Business	—	40,000	40,000	40,000
Working Capital	42,800	42,800	42,800	42,800
	<u>494,400</u>	<u>494,400</u>	<u>494,400</u>	<u>494,400</u>

## Charges on Group Assets

The following assets of the Group were pledged to secure the bank borrowing and an other payable, details of which are set out in notes 20 and 17(ii) to this announcement, respectively.

	<b>2017 HK\$'000</b>	<b>2016 HK\$'000</b>
Bills receivable	—	62,369
Vessels	<u>20,273</u>	<u>45,142</u>
	<u><b>20,273</b></u>	<u><b>107,511</b></u>

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

On 30 June 2016, the Group entered into a sales and purchase agreement, pursuant to which, the Group acquired an investment property located in Hong Kong at a consideration of HK\$9.5 million (excluding stamp duties and other direct costs).

On 12 September 2016, the Group entered into a capital increase agreement with the owner of one of its customer (the “JV Partner”), pursuant to which (i) the Group will contribute RMB150 million (equivalent to approximately HK\$169 million) for 75% of the enlarged capital in a company (the “JV Company”) upon the increment of its registered capital from RMB10 million to RMB200 million; and (ii) the provision of a working capital facility of RMB90 million (equivalent to approximately HK\$101.5 million) for its operation. As at 31 March 2017, RMB21.2 million registered capital has been paid up by the Group.

On 28 December 2016, the Group entered into a disposal agreement, pursuant to which, the Group disposed a vessel at a consideration of RMB19 million (equivalent to HK\$21.4 million) with a gain of approximately HK\$1.1 million.

Save as disclosed above and the acquisition of held-for-trading investments in securities as mentioned below, there has been no significant acquisition and disposal of assets of the Group during the year.

## Securities Investments Held

During the year, the Group further invested in held-for-trading investment in securities in Hong Kong (the “Securities Investments”) amounting to approximately HK\$13 million. As at 31 March 2017, the Group had Securities Investments with a market value of HK\$64.1 million, representing an investment portfolio of five listed equities in Hong Kong. The Group recorded an unrealised fair value loss of approximately HK\$10.9 million (2016: gain of HK\$5.5 million) in respect of the Securities Investments at the balance sheet date. The details of the Securities Investments as at 31 March 2017 are as follows:

Company name	Stock code	Principal activities	Number of shares held	% of shareholdings	Cost of acquisition HK\$'000	Fair value as at 31 March 2017 HK\$'000	% of net assets of the Group as at 31 March 2017	Unrealised gain/(loss) on fair value change for the year HK\$'000
1 Hsin Chong Group Holdings Limited	404	Building construction, civil engineering, electrical and mechanical installation, property development and investment.	10,000,000	0.18%	10,000	3,500	0.41%	(2,100)
2 Royal Century Resources Holdings Limited (formerly known as Kate China Holdings Limited)	8125	Provision of design and fitting-out services and design and procurement of furnishings and materials, money lending and trading of fine wine.	8,000,000	2.20%	9,600	22,400	2.65%	(12,160)
3 China Best Group Holding Limited	370	Trading of fuel oil, electronic devices and other commodities, the finance leasing business, the money lending business, international air and sea freight forwarding and the provision of logistics services, and trading of securities.	60,000,000	0.83%	12,660	12,000	1.42%	(480)
4 Evershine Group Holdings Limited	8022	Travel agency business, trading business, mobile application business, properties development and investment business, cemetery business, money lending business and marketing and advertising business.	27,000,000	1.68%	9,855	16,200	1.92%	6,885
5 Elegance Optical International Holdings Limited	907	Manufacture and trading of optical frames and sunglasses and property investment	5,000,000	1.5%	13,005	10,000	1.18%	(3,005)
					55,120	64,100		(10,860)



## **Contingent Liabilities**

The Group did not have any significant contingent liabilities as at 31 March 2017.

## **Commitments**

Details of the commitments are set out in note 21 to this announcement.

## **Employees and Remuneration Policies**

As at 31 March 2017, the Group employed approximately 84 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 31 March 2017.

## **CORPORATE GOVERNANCE PRACTICE**

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 31 March 2017, 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. One independent non-executive Director did not attend an annual general meeting and a special general meeting held on 26 August 2016 and 5 September 2016 respectively 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 BY DIRECTORS**

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.

## **ANNUAL GENERAL MEETING**

As at the date of this announcement, the Company has not determined the date when the Company's 2017 annual general meeting will be held and the relevant book closure arrangement. Further announcement(s) will be made by the Company as and when appropriate in accordance with the Listing Rules.

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

The Audit Committee of the Company comprising three independent non-executive directors, has reviewed the accounting principles and practices adopted by the Group and the consolidated financial statements of the Group for the financial year 31 March 2017. The figures in respect of the Group's consolidated balance sheet, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2017 as set out in this announcement have been agreed by the Group's auditor, 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 Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Lau & Au Yeung C.P.A. Limited on this 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, 28 June 2017

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