Royal Century Resources Holdings Limited
仁德資源控股有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 8125)

THIRD QUARTERLY RESULTS ANNOUNCEMENT FOR THE NINE MONTHS ENDED 31 DECEMBER 2018

CHARACTERISTICS OF GEM ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors (the "Director(s)") of Royal Century Resources Holdings Limited (the "Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "GEM Listing Rules") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

THE FINANCIAL INFORMATION

THE THIRD QUARTERLY RESULTS

The board (the "Board") of directors (the "Director(s)") of Royal Century Resources Holdings Limited (the "Company") announces the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the nine months ended 31 December 2018 (the "Period"), together with the comparative unaudited figures for the corresponding period in 2017 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the nine months ended 31 December 2018

		For the three months ended 31 December		**For the nine months ended 31 December**	
		2018	2017	**2018**	2017
		HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	Notes	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
Revenue	*4*	**3,677**	13,359	**16,175**	26,249
Cost of sales		**(2,629)**	(10,094)	**(11,253)**	(19,272)
Gross profit		**1,048**	3,265	**4,922**	6,977
Other income	*5*	**190**	178	**1,229**	510
Administrative expenses		**(7,887)**	(8,194)	**(24,214)**	(20,953)
Finance costs	*6*	**–**	(43)	**(84)**	(133)
Gain from a bargain purchase		**–**	–	**–**	2,270
Loss before tax	*7*	**(6,649)**	(4,794)	**(18,147)**	(11,329)
Income tax expense	*8*	**–**	(139)	**–**	(223)

		For the three months ended 31 December		For the nine months ended 31 December	
		2018	2017	**2018**	2017
		HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	Notes	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
Loss for the period attributable to owners of the Company		**(6,649)**	(4,933)	**(18,147)**	(11,552)
Other comprehensive income/(expenses)					
Items that may be subsequently reclassified to profit or loss:					
Exchange differences arising on translation of foreign operations		**2**	151	**(111)**	216
Total comprehensive expenses for the period attributable to owners of the Company		**(6,647)**	(4,782)	**(18,258)**	(11,336)
		HK cents	*HK cents*	***HK cents***	*HK cents*
		(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Loss per share					
– Basic and diluted	*9*	**(1.70)**	(1.36)	**(4.87)**	(3.18)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 31 December 2018

	Share capital	Accumulated losses	Exchange reserve	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
	(Note 11)			
At 1 April 2018 (Audited)	**154,851**	**(44,034)**	**(33)**	**110,784**
Impact on initial application of HKFRS 9	**–**	**(242)**	**–**	**(242)**
Adjusted balance as at 1 April 2018	**154,851**	**(44,276)**	**(33)**	**110,542**
Loss for the period	**–**	**(18,147)**	**–**	**(18,147)**
Other comprehensive expense for the period	**–**	**–**	**(111)**	**(111)**
Total comprehensive expense for the period	**–**	**(18,147)**	**(111)**	**(18,258)**
Issue of new shares under placing	**14,520**	**–**	**–**	**14,520**
Transaction costs attributable to issue of new shares	**(484)**	**–**	**–**	**(484)**
At 31 December 2018 (Unaudited)	**168,887**	**(62,423)**	**(144)**	**106,320**
At 1 April 2017 (Audited)	154,851	(15,941)	(322)	138,588
Loss for the period	–	(11,552)	–	(11,552)
Other comprehensive income for the period	–	–	216	216
Total comprehensive expense for the period	–	(11,552)	216	(11,336)
At 31 December 2017 (Unaudited)	154,851	(27,493)	(106)	127,252

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 31 December 2018

1. GENERAL

Royal Century Resources Holdings Limited (the "Company", together with its subsidiaries, collectively the "Group") was incorporated in Hong Kong with limited liability and its shares are listed on GEM ("GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The registered office and the principal place of business of the Company is situated at Suite 2201, 22/F., China Resources Building, 26 Harbour Road, Wanchai, Hong Kong. The Company is an investment holding company while the Group is principally engaged in (i) provision of fitting out and engineering services (previously known as "provision of design and fitting-out services") comprising design and fitting-out services and other engineering works and maintenance services; (ii) provision of design and procurement of furnishings and related products services; (iii) money lending; and (iv) sourcing and merchandising of fine and rare wines. In addition, the Group also holds a licence corporation engaging in provision of the financial services including Type 1, 4 and 9 regulated activities under the Securities and Futures Commission of Hong Kong.

The unaudited condensed consolidated financial statements are presented in Hong Kong dollars ("HK$"), unless otherwise stated. Other than subsidiaries operating in Singapore and in the People's Republic of China (the "PRC") of which functional currency is Singapore dollar and Renminbi respectively, the functional currency of the Company and other subsidiaries is HK$.

2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements for the nine months ended 31 December 2018 have been prepared in accordance with the accounting principles generally accepted in Hong Kong and comply with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure requirements as prescribed in Chapter 18 of the Rules (the "GEM Listing Rules") Governing the Listing of Securities on GEM of the Stock Exchange.

The accounting policies and methods of computation used in the unaudited condensed consolidated financial statements for the nine months ended 31 December 2018 are the same as those adopted in the preparation of the Group's annual financial statements for the year ended 31 March 2018, which has been prepared in accordance with HKFRSs.

3. PRINCIPAL ACCOUNTING POLICIES

In the current period, the Group has applied, for the first time, the following new interpretation and amendments to HKFRSs issued by the HKICPA.

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and the Related Amendments
HK(IFRIC) – Int 22	Foreign Currency Transactions and Advance Consideration
HKFRS 1 (Amendments)	As part of the Annual Improvements to HKFRS 2014-2016 Cycle
HKFRS 2 (Amendments)	Classification and Measurement of Share-based Payment Transactions
HKFRS 4 (Amendments)	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts
HKAS 28 (Amendments)	As part of the Annual Improvements to HKFRS 2014-2016 Cycle
HKAS 40 (Amendments)	Transfers of Investment Property

Except as described the impacts on adoption of HKFRS 9 and HKRFS 15 below, the application of the above new or revised standards, amendments and interpretations in the current period has had no material effect on the amounts reported in these unaudited condensed consolidated financial statements and/or disclosures set out in these unaudited condensed consolidated financial statements.

Impacts and changes in accounting policies on application of HKFRS 9 Financial Instruments

HKFRS 9 replaces the current standard on accounting for financial instruments, HKAS 39, Financial instruments: Recognition and Measurement. HKFRS 9 introduces new requirements for classification and measurement of financial assets, calculation of impairment of financial assets and hedge accounting. On the other hand, HKFRS 9 incorporates without substantive changes the requirements of HKAS 39 for recognition and derecognition of financial instruments and the classification of financial liabilities.

The Group has applied HKFRS 9 retrospectively to items that existed at 1 April 2018 in accordance with the transition requirements. The Group has recognised the cumulative effect of initial application as an adjustment to the opening equity at 1 April 2018. Therefore, comparative information continues to be reported under HKAS 39.

Expected impacts of the new requirements on the Group's unaudited condensed consolidated financial statements are as follows:

(a) Classification and measurement

HKFRS 9 contains three principal classification categories for financial assets: measured at (1) amortised cost, (2) fair value through profit or loss (FVTPL) and (3) fair value through other comprehensive income (FVTOCI). The classification is determined based on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

The Group did not designate or redesignate any financial asset or financial liability at FVTPL.

(b) Impairment

The new impairment model in HKFRS 9 replaces the "incurred loss" model in HKAS 39 with an "expected credit loss" model. Under the expected credit loss ("ECL") model, it will no longer be necessary for a loss event to occur before an impairment loss is recognised. Instead, an entity is required to recognise and measure expected credit losses as either 12-month expected credit losses or lifetime expected credit losses, depending on the asset and the facts and circumstances. This new impairment model may result in an earlier recognition of credit losses on the Group's trade receivables and other financial assets.

The following table summarises the impacts of transition to HKFRS 9 on accumulated losses and reserves at 1 April 2018.

	HK$'000
Accumulated losses	
Recognition of additional expected credit losses on	
– Loan and interest receivables	242
Net increase in accumulated losses at 1 April 2018	242

The following table reconciles the closing allowance for impairment of loan and interest receivables determined in accordance with HKAS 39 as at 31 March 2018 with the opening allowance for impairment of loan and interest receivables determined in accordance with HKFRS 9 as at 1 April 2018.

	HK$'000
Allowance for impairment of loan and interest receivables	
Allowance for impairment of loan and interest receivables at 31 March 2018 under HKAS 39	–
Additional credit loss recognised at 1 April 2018	242
Allowance for impairment of loan and interest receivables at 1 April 2018 under HKFRS 9	242

For trade receivables, retention money receivables and contract assets, the Group applies a simplified model of recognising lifetime ECL as these items do not have a significant financing component. The Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses. As at 1 April 2018, no additional credit loss allowance has been recognised against accumulated losses and respective assets since the trade receivables as at 31 March 2018 have been fully received during the nine months ended 31 December 2018 and the impacts on adoption of HKFRS 9 on retention money receivables and contract assets as at 31 March 2018 was not significant.

Except as described above, the application of HKFRS 9 has had no material impact on the amounts reported set out in these unaudited condensed consolidated financial statements.

Impacts and changes in accounting policies on application of HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 establishes a comprehensive framework for recognising revenue and some costs from contracts with customers. HKFRS 15 replaces HKAS 18, Revenue, which covered revenue arising from sale of goods and rendering of services, and HKAS 11, Construction Contracts, which specified the accounting for construction contracts.

The Group has elected to use the cumulative effect transition method and has recognised the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 April 2018. Therefore, comparative information has not been restated and continues to be reported under HKAS 11 and HKAS 18.

There is no impact of transition to HKFRS 15 on accumulated losses at 1 April 2018.

Further details of the nature and effect of the changes on previous accounting policies are set out below:

(i) Timing of revenue recognition

Previously, revenue arising from construction contracts and provision of services was recognised over time, whereas revenue from sale of goods was generally recognised at a point in time when the risks and rewards of ownership of the goods had passed to the customers.

Under HKFRS 15, revenue is recognised when the customer obtains control of the promised good or service in the contract. This may be at a single point in time or over time. HKFRS 15 identifies the following three situations in which control of the promised good or service is regarded as being transferred over time:

A. When the customer simultaneously receives and consumes the benefits provided by the entity's performance, as the entity performs;

B. When the entity's performance creates or enhances an asset (for example work in progress) that the customer controls as the asset is created or enhanced;

C. When the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If the contract terms and the entity's activities do not fall into any of these 3 situations, then under HKFRS 15 the entity recognises revenue for the sale of that good or service at a single point in time, being when control has passed. Transfer of risks and rewards of ownership is only one of the indicators that is considered in determining when the transfer of control occurs.

The adoption of HKFRS 15 does not have a significant impact on the timing of revenue recognition of the business of the Group.

(ii) ***Timing of recognition of contract costs***

Under HKFRS 15, if the costs incurred in fulfilling a contract with a customer are not within the scope of another standard, assets shall only be recognised if the costs incurred (i) relate directly to a contract or an anticipated contract that can be specifically identified; (ii) generate or enhance resources of the entity that will be used in satisfying performance obligations in the future; and (iii) are expected to be recovered. Costs that relate to satisfied performance obligations (or partially satisfied performance obligations) in the contracts and costs for which an entity cannot distinguish whether the costs relate to unsatisfied performance obligations or to satisfied performance obligations shall be expensed as incurred under HKFRS 15.

Previously, contract costs of the Group are recognised by reference to the stage of completion of the contract, which was measured by reference to the percentage of the estimated total revenue for the contracts entered into by the Group that have been performed to date. Under HKFRS 15, contract costs that related to satisfy performance obligations are expensed as incurred. The adoption of HKFRS 15 does not have a significant impact on the timing of recognition of contract costs.

(iii) ***Presentation of contract assets and liabilities***

Under HKFRS 15, a receivable is recognised only if the Group has an unconditional right to consideration. If the Group recognises the related revenue before being unconditionally entitled to the consideration for the promised goods and services in the contract, then the entitlement to consideration is classified as a contract asset. Similarly, a contract liability, rather than a payable, is recognised when a customer pays consideration, or is contractually required to pay consideration and the amount is already due, before the Group recognises the related revenue. For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

Previously, contract balances relating to construction contracts in progress were presented in the statement of financial position under “amounts due from customers for contract work” or “amounts due to customers for contract work” respectively. Receivables for which the Group’s entitlement to the consideration was conditional on achieving certain milestones or satisfactory completion for retention period were presented in the statement of financial position as “retention money receivables” under “trade and other receivables”.

These changes are only reflected in the classification of assets and liabilities and do not have any impact on the profit or loss for the period.

Except as described above, the application of HKFRS 15 has had no material impact on the amounts reported set out in these unaudited condensed consolidated financial statements.

New and revised HKFRSs issued but not yet effective

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

HKFRS 16	Leases[1]
HKFRS 17	Insurance Contracts[2]
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments[1]
HKFRS 9 (Amendments)	Prepayment Features with Negative Compensation[1]
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
HKAS 19 (Amendments)	Plan Amendment, Curtailment or Settlement[1]
HKAS 28 (Amendments)	Long-term Interests in Associates and Joint Ventures[1]
Annual Improvements to HKFRSs	Annual Improvements to HKFRS Standards 2015-2017 Cycle[1]

[1] Effective for annual periods beginning on or after 1 January 2019

[2] Effective for annual periods beginning on or after 1 January 2021

[3] Effective date not yet been determined

The Group is in the process of assessment of the related impact of adoption of the above new and revised HKFRSs and anticipates that, except as described below, the application of the new and revised HKFRSs will have no material impact on the results and the financial position of the Group.

HKFRS 16 Leases

HKFRS 16 requires almost all leases of lessees to be recognized on the balance sheet, as the distinction between operating and finance leases is removed. The accounting for lessors will not significantly change. Under the new standard, the right to use the leased item and the duty to pay rent are recognized as an asset and a financial liability respectively. The only exceptions are short-term and low-value leases. The standard will affect primarily the accounting for operating leases of the Group. The standard permits either a full retrospective or a modified retrospective approach for the adoption.

Upon adoption of HKFRS 16 the majority of operating lease commitments will be recognized in the consolidated balance sheet as lease liabilities and right-of-use assets. The lease liabilities would subsequently be measured at amortized cost and the right-of-use asset will be depreciated on a straight-line basis during the lease term.

As at 31 December 2018, the Group's total future minimum lease payments under non-cancellable operating lease were approximately HK$21,696,000. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence, the Group will recognize a right-of-use asset and a corresponding lease liability in respect of all the leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. In addition, the application of new requirement may result in changes in measurement, presentation and disclosure as indicated above.

The Group does not intend to adopt the standard before its effective date. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

4. REVENUE AND SEGMENT INFORMATION

Revenue represents income arising from fitting out and engineering services provided, design and procurement of furnishings and related products services provided, interest income from money lending and sales of fine and rare wines. No revenue has yet been generated from the financial services business during the Period.

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

	For the three months ended 31 December		For the nine months ended 31 December	
	2018	2017	**2018**	2017
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Fitting out and engineering services income	**2,373**	5,259	**8,112**	8,172
Design and procurement of furnishings and related products services income	**258**	1,209	**5,081**	1,256
Interest income from money lending	**944**	1,208	**2,681**	3,307
Sales of fine and rare wines	**102**	5,683	**301**	13,514
	3,677	13,359	**16,175**	26,249

Information reported to the Chief Executive Officer (the "CEO"), being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. No operating segments identified by the CEO have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's reportable and operating segments are as follows:

(1) Provision of fitting out and engineering services (previously known as "provision of design and fitting-out services") comprising design and fitting-out services and other engineering works and maintenance services ("Fitting out and engineering services");

(2) Provision of design and procurement of furnishings and related products services ("Design and procurement of furnishings and related products services");

(3) Money lending business ("Money lending");

(4) Sourcing and merchandising of fine and rare wines ("Wines merchandising"); and

(5) Financial services business (previously known as "Securities business") comprising provision of advising on securities and securities dealing and brokerage services and asset management services ("Financial services business").

(a) Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segments:

For the nine months ended 31 December 2018 (Unaudited)

	Fitting out and engineering services *HK$'000*	Design and procurement of furnishings and related products services *HK$'000*	Money lending *HK$'000*	Wines merchandising *HK$'000*	Financial services business *HK$'000*	Total *HK$'000*
Segment revenue	**8,112**	**5,081**	**2,681**	**301**	**–**	**16,175**
Segment profit/(loss)	**(7,067)**	**(3,095)**	**1,894**	**41**	**(976)**	**(9,203)**
Other income						**572**
Central administrative costs						**(9,432)**
Finance costs						**(84)**
Loss before tax						**(18,147)**

For the nine months ended 31 December 2017 (Unaudited)

	Fitting out and engineering services *HK$'000*	Design and procurement of furnishings and related products services *HK$'000*	Money lending *HK$'000*	Wines merchandising *HK$'000*	Total *HK$'000*
Segment revenue	8,172	1,256	3,307	13,514	26,249
Segment profit/(loss)	(4,448)	(1,483)	3,296	148	(2,487)
Other income					510
Central administrative costs					(11,489)
Finance costs					(133)
Gain from a bargain purchase					2,270
Loss before tax					(11,329)

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 certain other income, central administrative costs (including directors' emoluments) and finance costs. This is the measure reported to the CEO for the purposes of resource allocation and performance assessment.

5. OTHER INCOME

	For the three months ended 31 December		For the nine months ended 31 December	
	2018	2017	**2018**	2017
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Rental income	**164**	176	**534**	472
Bank interest income	**12**	1	**14**	2
Exchange gain	**2**	–	**6**	–
Sundry income	**12**	1	**675**	36
	190	178	**1,229**	510

6. FINANCE COST

	For the three months ended 31 December		For the nine months ended 31 December	
	2018	2017	**2018**	2017
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Interest on:				
Secured bank borrowing wholly repayable beyond five years	**–**	42	**83**	129
Finance lease	**–**	1	**1**	4
	–	43	**84**	133

7. LOSS BEFORE TAX

Loss before tax has been arrived at after charging/(crediting):

	For the three months ended 31 December		For the nine months ended 31 December	
	2018	2017	**2018**	2017
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Staff costs included in project costs	**58**	–	**245**	–
Staff costs included in administrative expenses:				
Directors' emoluments (including contribution to defined contribution retirement benefits scheme)	**1,796**	1,637	**4,112**	3,710
Salaries, wages and other benefits (excluding directors' emoluments)	**2,315**	4,386	**8,658**	8,653
Contribution to defined contribution retirement benefits scheme (excluding directors)	**63**	75	**250**	207
Total staff costs	**4,232**	6,098	**13,265**	12,570
Auditor's remuneration	**–**	–	**–**	–
Depreciation	**548**	232	**1,652**	811
Written off of trade and other receivables	**–**	–	**35**	–
Minimum lease payments under operating leases in respect of office premises	**1,889**	401	**5,012**	1,237
Gross rental income less outgoings	**(141)**	(70)	**(442)**	(336)
Gain from a bargain purchase	**–**	–	**–**	(2,270)

8. INCOME TAX EXPENSE

	For the three months ended 31 December		For the nine months ended 31 December	
	2018	2017	**2018**	2017
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Current tax				
Hong Kong profits tax	**–**	55	**–**	139
Deferred taxation	**–**	–	**–**	–
	–	55	**–**	139

No Hong Kong profits tax has been provided as the Group has no estimated assessable profits for the nine months ended 31 December 2018. Hong Kong Profits Tax has been provided at the rate of 16.5% on the estimated assessable profits for the nine months ended 31 December 2017.

Pursuant to the rules and regulations of the British Virgin Islands ("BVI"), the Group is not subject to any income tax in the BVI.

No Singapore corporate tax has been provided as there is no estimated assessable profit for both periods.

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 periods based on existing legislation, interpretations and practices in respect thereof.

9. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following information:

Loss for the period

	For the three months ended 31 December		For the nine months ended 31 December	
	2018	2017	**2018**	2017
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Loss for the purpose of basic and diluted loss per share	**(6,649)**	(4,933)	**(18,147)**	(11,552)

Number of Shares

	For the three months ended 31 December		For the nine months ended 31 December	
	2018	2017	**2018**	2017
	'000	*'000*	***'000***	*'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	**391,409**	363,000	**372,504**	363,000

Loss per share

	For the three months ended 31 December		For the nine months ended 31 December	
	2018	2017	**2018**	2017
	HK Cents	*HK Cents*	***HK Cents***	*HK Cents*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Basic and diluted	**(1.70)**	(1.36)	**(4.87)**	(3.18)

Since there were no potential dilutive ordinary shares outstanding during the three months and the nine months ended 31 December 2018 and 2017 respectively, the basic and diluted loss per share are the same for all periods.

10. DIVIDENDS

The Directors do not recommend the payment of any dividend for the nine months ended 31 December 2018 (nine months ended 31 December 2017: Nil).

11. SHARE CAPITAL

	Number of shares	Share capital
	'000	*HK$'000*
Issued and fully paid:		
As at 1 April 2017, 31 December 2017 and 1 April 2018	363,000	154,851
Issue of new shares under placing, net of transaction costs during the period *(Note)*	72,600	14,036
As at 31 December 2018 (unaudited)	435,600	168,887

Note: On 26 November 2018, the Company completed a placing under general mandate of 72,600,000 shares (the "Placing") through a placing agent to not less than six independent placees at a price of HK$0.20 per placing share. Details of the Placing were set out in announcements of the Company dated 1 November 2018 and 26 November 2018. The net proceeds of the Placing in the amount of approximately HK$13,800,000 is intended to be used for purchase of construction equipment for leasing purposes. The new shares were issued under the general mandate granted to the Directors at an annual general meeting of the Company held on 7 September 2018.

MANAGEMENT DISCUSSION AND ANALYSIS

Royal Century Resources Holdings Limited (the "Company") and its subsidiaries (collectively the "Group") are principally engaged in (i) provision of fitting out and engineering services (previously known as "provision of design and fitting-out services") comprising design and fitting-out services and other engineering works and maintenance services; (ii) provision of design and procurement of furnishings and related products services; (iii) money lending, and (iv) sourcing and merchandising of fine and rare wines. No revenue has yet been generated from the financial services business during the Period.

Financial Review

Revenue

The Group's revenue is mainly generated from (i) provision of fitting out and engineering services; (ii) provision of design and procurement of furnishings and related products services; (iii) money lending; and (iv) sourcing and merchandising of fine and rare wines. No revenue has yet been generated from the financial services business during the Period.

Breakdown of revenue by type of business is as follows:

	For the nine months ended 31 December	
	2018	2017
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Fitting out and engineering services income	**8,112**	8,172
Design and procurement of furnishings and related products services income	**5,081**	1,256
Interest income from money lending	**2,681**	3,307
Income from sourcing and merchandising of fine and rare wines	**301**	13,514
	16,175	26,249

Breakdown of revenue by geographical locations is as follows:

	For the nine months ended 31 December	
	2018	2017
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Hong Kong	**10,162**	25,045
Malaysia	**5,003**	1,204
The PRC	**1,010**	–
	16,175	26,249

The total revenue for the nine months ended 31 December 2018 of the Group was approximately HK$16.2 million (nine months ended 31 December 2017: HK$26.2 million) which represents approximately HK$10.0 million or 38.4% decrease as compared to the last year's corresponding period.

The aggregate revenue generated from fitting out and engineering services segment and design and procurement of furnishings and related products services segment significantly increased from approximately HK$9.4 million for the nine months ended 31 December 2017 to approximately HK$13.2 million for the nine months ended 31 December 2018 due to the increase in number of projects executed by the Group.

However, since the Group experienced a staff turnover in the sales team of the sourcing and merchandising of fine and rare wines during the third quarter of last year, the operation of this segment was scale down during the current period and the revenue from this business decreased significantly from last corresponding period of approximately HK$13.5 million to the Period of approximately HK$0.3 million.

The revenue from money lending decreased slightly by approximately HK$0.6 million from last corresponding period of approximately HK$3.3 million to the Period of approximately HK$2.7 million.

Gross profit for the period

For the nine months ended 31 December 2018, the Group recorded a gross profit of approximately HK$4.9 million (nine months ended 31 December 2017: approximately HK$7.0 million) and the overall gross profit margin was approximately 30.4% (nine months ended 31 December 2017: approximately 26.6%).

Gross profit and gross profit margin by segment of business is as follows:

	Gross profit for the nine months ended 31 December		**Gross profit margin for the nine months ended 31 December**	
	2018	2017	**2018**	2017
	HK$'000	*HK$'000*	***%***	*%*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Fitting out and engineering services	**1,375**	1,904	**17.0**	23.3
Design and procurement of furnishings and related products services	**786**	247	**15.5**	19.7
Money lending	**2,681**	3,307	**100.0**	100.0
Sourcing and merchandising of fine and rare wines	**80**	1,519	**26.6**	11.2
	4,922	6,977	**30.4**	26.6

During the nine months ended 31 December 2018, the overall gross profit of the Group amounted to approximately HK$4.9 million, with a decrement of approximately HK$2.1 million or 29.5% from last corresponding period of approximately HK$7.0 million. The decrease was mainly attributable to (i) the decrease in gross profit from sourcing and merchandising of fine and rare wines by approximately HK$1.4 million due to decrease in revenue; and (ii) the decrease in gross profit from money lending by approximately HK$0.6 million due to reduction in the loan portfolio of the current reporting period as compared to the last corresponding period. There were no material changes in gross profit from the fitting out and engineering services and design and procurement of furnishings and related products services in aggregate.

Loss for the Period

The Group's overall administrative expenses increased by approximately HK$3.2 million or approximately 15.6% from last corresponding period of approximately HK$21.0 million to approximately HK$24.2 million for the current reporting period. Such increase was mainly attributable to increase in rental expenses of approximately HK$3.8 million for the establishment of a showroom/ shop in respect of the design and procurement of furnishings and related products services and the establishment of a warehouse for the storage of construction equipment for leasing purposes which is planned to be commenced in the coming quarter.

As a result, loss for the nine months ended 31 December 2018 was approximately HK$18.1 million (nine months ended 31 December 2017: HK$11.6 million), representing an increase in loss of approximately HK$6.5 million or approximately 57.1%.

Business Review and Prospects

Provision of (i) fitting out and engineering services and (ii) design and procurement of furnishings and related products services

For fitting out and engineering services, the Group has a total of 33 projects during the nine months ended 31 December 2018, of which 30 projects were newly contracted (28 were fitting-out projects and 2 were waterproofing projects). The Group has completed 27 fitting-out projects during the current reporting period. As a result, there are 6 fitting-out and engineering services projects in progress as at 31 December 2018, of which 5 (3 fitting-out projects and 2 waterproofing projects) are in Hong Kong and 1 fitting-out project is in the PRC.

For design and procurement of furnishings and related products services, the Group has a total of 5 projects during the nine months ended 31 December 2018, of which 3 projects were newly contracted. The Group has completed all the projects during the current reporting period.

Looking forward, the Group expects the existing projects will be completed in the coming few months. The Group has actively sought for business opportunities by exploring for new customers and new projects in order to strengthen its customer and revenue base for maximization of the return to the shareholders and the value of the Group.

Money lending business

The Group's money lending business slightly reduced due to collection of loan receivables at maturity during the nine months ended 31 December 2018. There was loan portfolio in Hong Kong with principal amount of HK$16.5 million as at 31 December 2018. The Group recognised an aggregate interest income of approximately HK$2.7 million for the nine months ended 31 December 2018 (nine months ended 31 December 2017: HK$3.3 million).

The Group has not granted any new loan during the nine months ended 31 December 2018 and will continue to adopt a prudent management approach to carry out the money lending business in order to minimise its credit risk exposure while seeking for high creditworthiness borrowers to have steady revenue base.

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. Whilst 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.

Sourcing and merchandising of fine and rare wines

The Group experienced a staff turnover in the sales team of the sourcing and merchandising of fine and rare wines ("Wines Merchandising") during the third quarter of the last year. The operation of the Wine Merchandising was scale down during the current reporting period. The Group has re-structured the operation of this segment and has been actively in identification of suppliers and potential customers for recommencement of its business in the coming quarter.

Financial services business

The Group has not yet commenced to carry on Type 1, 4 and 9 regulated activities under the Securities and Futures Ordinance during the nine months ended 31 December 2018. The Group is now in formulation of the business plan for the financial services business.

Other Business Development

Besides the above business development, the Group is proactively seeking for business opportunities and exploring new investment opportunities in order to further diversify the principal activities of the Group to strengthen and broaden its revenue base.

As mentioned in the first quarterly report of the Company dated 9 August 2018, the Group has established a warehouse for the storage of construction equipment for leasing purpose. During the Period, the Group entered into a master agreement with the supplier for purchase of scaffolding equipment in the amount of approximately HK$16 million, which together with the purchase order of approximately HK$4 million placed in August 2018, totalling approximately HK$20 million. The leasing of construction equipment business is a natural expansion of and ancillary to the existing principal business of the Group, and is in line with the business development strategy of the Group, which shall enrich the business profile of the Group. The Group expects the leasing of construction equipment business will be commenced in the coming quarter which will provide a stable income stream to the revenue of the Group.

In addition, as mentioned in an announcement of the Company dated 21 December 2018, the Group, through a wholly-owned subsidiary, entered into a sale and purchase agreement (the "Agreement") with two independent third parties (the "Vendor(s)"), pursuant to which the Group acquired the entire issued share capital in a company, which is engaged in the waterproofing works and maintenance business in Hong Kong (the "Acquisition"). The Acquisition is to further develop and expand the Group's fitting out and engineering services business.

The Board believes the expansion and diversification of business will bring the Group to a new chapter which will further foster the development of the Group into a successful conglomerate.

Liquidity and Financial Resources

During the nine months ended 31 December 2018, the Group financed its operations through fund raising exercise, banking facilities and by its internal resources.

As at 31 December 2018, the Group had net current assets of approximately HK$59.6 million (31 March 2018: HK$64.3 million), including bank deposit, cash and bank balances of approximately HK$33.3 million (31 March 2018: HK$41.6 million).

The current ratio, being the ratio of current assets to current liabilities, was approximately 9.0 times as at 31 December 2018 (31 March 2018: 7.4 times). The increase in the current ratio during the nine months ended 31 December 2018 was mainly attributable to the repayment of a secured bank borrowing in August 2018 and the proceeds from the placing of new shares in November 2018.

Capital Structure and Gearing

The capital of the Group comprises only ordinary shares. On 26 November 2018, the Company issued 72,600,000 new shares through the placing of new shares (the "Placing") with proceeds amounting to approximately HK$14.0 million, net of share issuing costs. As at 31 December 2018, the Company has 435,600,000 ordinary shares in issue. Total equity attributable to owners of the Company amounted to approximately HK$106.3 million as at 31 December 2018 (31 March 2018: approximately HK$110.8 million).

As at 31 December 2018, the Group's borrowings comprised only obligation under a finance lease of approximately HK$23,000 (31 March 2018: approximately HK$90,000) as a secured bank borrowing has been fully repaid by the Group in August 2018 (31 March 2018: approximately HK$6.7 million). The Group's gearing ratio, calculated by dividing total borrowings by total equity, was approximately 0.02% (31 March 2018: 6.12%). The significant decrease in the gearing ratio during the nine months ended 31 December 2018 was mainly due to the repayment of the secured bank borrowing by the Group in August 2018 and placing of new shares in November 2018.

Placing of New Shares under General Mandate

Reference is made to the announcements issued by the Company on 1 November 2018 and 26 November 2018 in relation to the placing of new shares under general mandate.

On 1 November 2018, the Group and a placing agent entered into a placing agreement, pursuant to which the Group has appointed the placing agent to procure altogether not less than six independent placees for placing up to an aggregate of 72,600,000 placing shares at a placing price of HK$0.20 per placing share (the "Placing"). The closing price per share on that date was HK$0.21.

The Placing was completed on 26 November 2018 with gross and net proceeds of approximately HK$14.5 million (equivalent to HK$0.20 per placing share) and HK$13.8 million (equivalent to approximately HK$0.19 per placing share), respectively. The Company intended to use all the net proceeds as to approximately HK$13.8 million for the purchase of construction equipment for leasing purpose.

	Planned use of proceeds as described in the announcement dated 1 November 2018	Actual use of proceeds up to date of this announcement
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Net proceeds from the Placing		
– purchase of construction equipment	13,800	4,800

Dividends

The Directors do not recommend the payment of any dividends for the nine months ended 31 December 2018.

Foreign Exchange Exposure

The operations of the Group are mainly conducted in Hong Kong dollar ("HK$"), Singapore dollar ("SGD"), Renminbi ("RMB") and United States dollar ("US$") and its revenue, expenses, assets, liabilities and borrowings are principally denominated in HK$, SGD, RMB and US$.

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.

Charges on the Group's Assets

As at 31 December 2018 and 31 March 2018, the Group has the following assets pledged to secure banking facilities and borrowings and charged for an obligation under finance lease, the carrying value of which is as follows:

	31 December 2018	31 March 2018
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Investment property	**–**	25,000
Motor vehicle	**77**	100
Bank deposit	**–**	300
	77	25,400

Significant Acquisition and Disposal

During the Period the Group entered into a master agreement with the supplier for purchase of scaffolding equipment in the amount of approximately HK$16 million, which together with the purchase order of approximately HK$4 million placed in August 2018, totalling approximately HK$20 million. The scaffolding equipment will be leased by the Group to construction companies for use in construction projects in its ordinary course of business. The leasing of construction equipment business is a natural expansion of and ancillary to the existing principal business of the Group, and is in line with the business development strategy of the Group, which shall enrich the business profile of the Group.

During the Period, on 21 December 2018, the Group entered into an agreement with the vendors, pursuant to which the Group acquired the shares of a company (the "Target Company") which is engaged in waterproofing works and maintenance services, and all obligations and liabilities owing by the Target Company to the vendors at an aggregate consideration of HK$1,880,000. The Acquisition is to further develop and expand the Group's fitting out and engineering services business.

Save as disclosed above, there has been no other significant acquisition and disposal of subsidiaries or assets of the Group during the nine months ended 31 December 2018.

Contingent Liabilities

On 9 December 2015, a supplier filed a statement of claim for cost dispute of approximately HK$1 million against a subsidiary of the Group. As at date of the report, no proceeding has been occurred. Based on the legal advice, the directors of the Company are of the opinion that the Group has meritorious defenses against the supplier. Therefore, no provision for the claim has been made in the consolidated financial statements for the nine months ended 31 December 2018.

Operating Lease Commitments

The Group as lessee

As at 31 December 2018, the Group had commitments for future minimum lease payments under non-cancellable operating leases in relation to office premises and warehouse, falling due as follows:

	HK$'000
Within one year	9,267
In the second to fifth years inclusive	12,429
	21,696

The Group as lessor

As at 31 December 2018, the Group had contracted with tenants for the future minimum lease payments in relation to premises, falling due as follows:

	HK$'000
Within one year	666
In the second to fifth years inclusive	201
	867

Capital Commitment

As at 31 December 2018, the Group has capital commitment in respect of acquisition of construction equipment contracted for but not provided in the consolidated financial statements of approximately HK$15.0 million.

Employee and Remuneration Policy

As at 31 December 2018, the Group had 30 employees (31 December 2017: 35 employees). The Group continues to maintain and improve 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.

Total remuneration for the nine months ended 31 December 2018 (including Directors' emoluments and salaries to staff and Directors (including MPF contributions)) was approximately HK$13.3 million (nine months ended 31 December 2017: HK$12.6 million). The increase in the remuneration was mainly due to long service payment paid to certain employees.

OTHER INFORMATION

Interests and Short Positions of the Directors and Chief Executive of the Company in the Shares, Underlying Shares and Debentures of the Company or any Associated Corporation

As at 31 December 2018, none of the Directors or the chief executive of the Company (the "Chief Executive") have the interests and short positions in the shares of the Company (the "Shares"), underlying Shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuer as referred to in Rule 5.46 of the GEM Listing Rules.

Interests and Short Positions of Substantial Shareholders of the Company in the Shares and Underlying Shares of the Company

As at 31 December 2018, so far as is known to the Directors and the Chief Executive and based on the public records filed on the website of the Stock Exchange and records kept by the Company, the interest and short positions of the persons or corporations (other than the Directors and the Chief Executive) in the Shares or underlying Shares as recorded in the register required to be kept under section 336 of the SFO were as follows:

Long position in ordinary shares of the Company

Name of shareholder	Capacity/Nature of interests in capital	Number of Shares held	Approximate percentage of the issued Shares
Superb Smart Limited *(Note 1)*	Beneficial owner	81,440,000	18.70%
Ms. Zheng Juhua *(Note 1)*	Interest of a controlled corporation	81,440,000	18.70%
Time Vanguard Holdings Limited *(Notes 2)*	Beneficial owner	50,000,000	11.48%
China Huarong International Holdings Limited *(Note 2)*	Interest of a controlled corporation	50,000,000	11.48%
Huarong Real Estate Co., Ltd. *(Note 2)*	Interest of a controlled corporation	50,000,000	11.48%
China Huarong Asset Management Co., Ltd. *(Note 2)*	Interest of a controlled corporation	50,000,000	11.48%
Mr. Wang Shengdong	Beneficial owner	45,484,000	10.03%
Quantum Prosperity Fund (formerly, Taiping Quantum Prosperity Fund)	Beneficial owner	31,808,000	7.30%

Notes:

1. 81,440,000 Shares are registered in the name of Superb Smart Limited, which is wholly-owned by Ms. Zheng Juhua. Accordingly, Ms. Zheng Juhua is deemed to be interested in the relevant Shares under the SFO.

2. 50,000,000 Shares are registered in the name of Time Vanguard Holdings Limited, which is wholly-owned by China Huarong International Holdings Limited ("Huarong International"). Huarong International is a jointly-owned as to 11.9% by Huarong Zhiyuan Investment & Management Co., Ltd. ("Huarong Zhiyuan") and 88.1% by Huarong Real Estate Co., Ltd. ("Huarong Real Estate"). Each of Huarong Zhiyuan and Huarong Real Estate is wholly-owned by China Huarong Asset Management Co., Ltd. ("China Huarong").

   Accordingly, each of Huarong International, Huarong Real Estate and China Huarong is deemed to be interested in the relevant Shares under the SFO.

Save as disclosed above, as at 31 December 2018, there was no person or corporation (other than the Directors and the Chief Executive) who had any interest or short position in the Shares or underlying Shares as recorded in the register of interests required to be kept by the Company under section 336 of the SFO.

Other Interests Discloseable under the SFO

Save as disclosed above, so far as is known to the Directors, there was no other person who had interest or short positions in the Shares and underlying Shares that is discloseable under section 336 of the SFO.

Share Option Scheme

The share option scheme enables the Company to grant options to any full-time or part time employee of the Company or any member of the Group (the "Eligible Participant") as incentives or rewards for their contributions to the Group. The Company conditionally adopted a share option scheme (the "Scheme") on 30 June 2014 whereby the Board are authorised, at their absolute discretion and subject to the terms of the Scheme, to grant options to subscribe for the Shares to the Eligible Participant, the Scheme will be valid and effective for a period of ten years commencing from the date of adoption of the Scheme.

Upon acceptance of an option to subscribe for Shares granted pursuant to the Scheme (the "Option"), the Eligible Participant shall pay HK$1.00 to the Company by way of consideration for the grant. The Option will be offered for acceptance for a period of 21 days from the date on which the Option is granted. The subscription price for the Shares subject to Options will be a price determined by the Board and notified to each participant and shall not be less than the highest of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the Options, which must be a day on which trading of Shares take place on the Stock Exchange (the "Trading Day"); and (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the 5 Trading Days immediately preceding the date of grant of the Options.

The Company shall be entitled to issue options, provided that the total number of Shares which may issue upon exercise of all options to be granted under the Scheme does not exceed 10% of the Shares in issue on the Listing Date. The Company may at any time refresh such limit, subject to the shareholders' approval and the issue of a circular in compliance with the GEM Listing Rules, provided that the total number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under all the share option schemes of the Company does not exceed 30% of the Shares in issued at the time. An option may be exercised in accordance with the terms of the Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

As at the date of this announcement, the total number of Shares available for issue under the Scheme is 30,000,000 Shares representing 10% of the issued shares immediately after the completion of the Listing of the Shares on 18 July 2014 and representing 6.89% of the issued Shares as at 31 December 2018.

Since the adoption of the Scheme, no share option has been granted by the Company.

Directors' Right to Acquire Shares

At no time during the nine months ended 31 December 2018 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in the Company or any other body corporate.

At no time during the nine months ended 31 December 2018 had the Directors and the Chief Executive (including their spouses and children under 18 years of age) any interest in, or been granted, or exercised any rights to subscribe for the shares (or warrants or debentures, is applicable) of the Company and its associated corporations (within the meaning of the SFO).

Directors' Securities Transactions

The Company has adopted a code of conduct for dealing in securities of the Company by the Directors in accordance with Rules 5.48 to 5.67 of the GEM Listing Rules.

No Director has dealt in the shares of the Company during the nine months ended 31 December 2018.

Following specific enquiry by the Company, all Directors confirmed that they have complied with such code of conduct throughout the nine months ended 31 December 2018.

Purchase, Sale or Redemption of Shares

During the nine months ended 31 December 2018, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's securities.

Equity-linked Agreements

No equity-linked agreement was entered into by the Group or existed during the nine months ended 31 December 2018.

Sufficiency of Public Float

From information publicly available to the Company and within the knowledge of the Directors, during the nine months ended 31 December 2018, the Company has maintained the public float required by the GEM Listing Rules.

Competing Interests

During the nine months ended 31 December 2018 and up to the date of this announcement, Director's interests in any business apart from the Group's business, which competes or is likely to compete, either directly or indirectly, with the Group's business that need to be disclosed pursuant to Rule 11.04 of the GEM Listing Rules were as follows:

Director	Name of company	Nature of business	Nature of interests
Mr. Chan Chi Yuen	Noble Century Investments Holdings Limited ("Noble Century") and its subsidiaries	Money lending business	Executive director and chief executive officer of Noble Century
Mr. Liu Rongsheng	China Ocean Fishing Holdings Limited ("China Ocean") and its subsidiaries	Money lending business	Chairman, executive director and chief executive officer of China Ocean

As the Board is independent to the boards of directors of the abovementioned companies, the Group is capable of carrying on its business independently to, and at arm's length, from the business of those companies.

Save as disclosed above, none of the Directors was interested in any business (apart from the Group's business) which competed or was likely to compete, either directly or indirectly, with the business of the Group during the nine months ended 31 December 2018.

Corporate Governance Practices

The Board considers that incorporating the elements of good corporate governance in the management structures and internal control procedures of the Group could balance the interests of the shareholders, customers and employees of the Company. The Board has adopted the principles and the code provisions of the Corporate Governance Code (the "CG Code") contained in Appendix 15 of the GEM Listing Rules to ensure that business activities and decision making processes are regulated in a proper and prudent manner. In accordance with the requirements of the GEM Listing Rules, the Company has established an audit committee, a remuneration committee, a nomination committee and a compliance committee with specific written terms of reference. During the nine months ended 31 December 2018, the Company has complied with the CG Code as set out in Appendix 15 to the GEM Listing Rules.

To the best knowledge of the Board, the Company had complied with the code provisions in the CG Code during the nine months ended 31 December 2018.

Changes in Information of Directors

Mr. Chan Chi Yuen had resigned as an independent non-executive director of Affluent Partners Holdings Limited (stock code: 1466) on 13 September 2018.

Mr. Wu Zhao ceased to act as a director and the licensed representative of Type 1 (Dealings in Securities) and Type 4 (Advising on Securities) license of a fund management company from July 2018.

Audit Committee

The audit committee of the Company (the "Audit Committee") currently comprises three independent non-executive Directors and is chaired by Mr. Chan Chiu Hung Alex. The other members are Mr. Wu Zhao and Mr. Lam Cheok Va. The primary duties of the Audit Committee are to review and supervise the Group's financial reporting process, risk management and the internal control systems of the Group.

The Audit Committee had reviewed the unaudited consolidated results of the Group for the nine months ended 31 December 2018 with the management in connection with the compliance of the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal or disclosure requirements.

Publication of third quarterly results and third quarterly report

This results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.royalcentury.hk). The third quarterly report of the Company for the nine months ended 31 December 2018 containing all the information required by the GEM Listing Rules will be despatched to the Company's shareholders and published on the above websites in due course.

Forward Looking Statements

There can be no assurance that any forward looking statements regarding the business development of the Group set out in this Management Discussion and Analysis or any of the matters set out therein are attainable, will actually occur or will be realised or are complete or accurate. Shareholders and/or potential investors of the Company are advised to exercise caution when dealing in the securities of the Company and not to place undue reliance on the information disclosed herein. Any holder of securities or potential investor of the Company who is in doubt is advised to seek advice from professional advisors.

By Order of the Board
Royal Century Resources Holdings Limited
Chan Chi Yuen
Chairman

Hong Kong, 1 February 2019

As at the date of this announcement, the executive Directors are Mr. Chan Chi Yuen (Chairman), Mr. Liu Rongsheng (Chief Executive Officer), Mr. Wang Jun and Mr. Zhang Weijie; the non-executive Director is Mr. Tsang Kei Cheong; and the independent non-executive Directors are Mr. Chan Chiu Hung Alex, Mr. Wu Zhao and Mr. Lam Cheok Va.