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FINAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2013

The board of directors (the “Board”) of Century Legend (Holdings) Limited (the “Company”) announce the audited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2013 together with the comparative figures for the year ended 31 December 2012 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2013

	<i>Notes</i>	2013 <i>HK\$'000</i>	2012 <i>HK\$'000</i>
Revenue	3	30,721	28,647
Cost of sales		(8,500)	(8,578)
Gross profit		22,221	20,069
Other income	5	3,862	2,218
Fair value gain on financial assets at fair value through profit or loss		166	762
Gain on disposal of available-for-sale financial assets		141	–
Administrative expenses		(29,988)	(30,635)
Finance costs	6	(2,292)	(1,266)
Fair value gain on investment properties		23,500	20,630
Profit before income tax	7	17,610	11,778
Income tax (expense)/credit	8	(672)	11
Profit for the year		16,938	11,789

* *For identification purposes only*

	<i>Notes</i>	2013 HK\$'000	2012 HK\$'000
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Revaluation of available-for-sale financial assets		197	3,361
Release upon disposal of available-for-sale financial assets		(58)	–
		<u>139</u>	<u>3,361</u>
<i>Items that will not be reclassified to profit or loss</i>			
Revaluation of self-occupied property upon transfer to investment properties		–	846
		–	846
Other comprehensive income for the year		<u>139</u>	<u>4,207</u>
Total comprehensive income for the year		<u>17,077</u>	<u>15,996</u>
Profit for the year attributable to:			
Owners of the Company		16,398	11,209
Non-controlling interests		540	580
		<u>16,938</u>	<u>11,789</u>
Total comprehensive income for the year attributable to:			
Owners of the Company		16,537	15,416
Non-controlling interests		540	580
		<u>17,077</u>	<u>15,996</u>
		<i>HK cents</i>	<i>HK cents</i>
Earnings per share for profit attributable to the owners of the Company			
	<i>10</i>		
– Basic		5.50	3.77
– Diluted		5.45	3.77

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2013

	<i>Notes</i>	2013 <i>HK\$'000</i>	2012 <i>HK\$'000</i>
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		4,166	3,780
Investment properties		279,700	256,200
Prepayment for acquisition of property, plant and equipment		–	408
Prepaid land lease payments		3,946	4,067
Available-for-sale financial assets		20,540	19,625
Loan receivables		590	589
		308,942	284,669
Current assets			
Inventories		73	136
Prepaid land lease payments		123	123
Financial assets at fair value through profit or loss		5,013	4,657
Trade and other receivables and prepayments	<i>11</i>	13,694	19,219
Loan receivables		44,197	41,157
Trust bank balances held on behalf of customers		2,402	2,953
Pledged bank deposits		121,131	–
Cash and bank balances		126,825	86,730
		313,458	154,975
Current liabilities			
Trade payables	<i>12</i>	3,781	6,425
Other payables and accruals		11,252	11,181
Obligations under finance leases		121	121
Bank borrowings (secured)		222,365	51,275
		237,519	69,002
Net current assets		75,939	85,973
Total assets less current liabilities		384,881	370,642

	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current liabilities		
Bank borrowings (secured)	–	5,290
Obligations under finance leases	211	332
Deferred tax liabilities	2,749	2,077
	<u>2,960</u>	<u>7,699</u>
Net assets	<u>381,921</u>	<u>362,943</u>
EQUITY		
Share capital	60,722	59,534
Reserves	318,695	301,445
	<u>379,417</u>	<u>360,979</u>
Equity attributable to the owners of the Company	379,417	360,979
Non-controlling interests	2,504	1,964
	<u>381,921</u>	<u>362,943</u>
Total equity	<u>381,921</u>	<u>362,943</u>

Notes:

1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) which collectively includes all applicable individual Hong Kong Financial Reporting Standard, Hong Kong Accounting Standard (“HKAS”) and Interpretation issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The consolidated financial statements also include the applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The consolidated financial statements are presented in Hong Kong Dollars (“HK\$”), which is also the functional currency of the Company and all values are rounded to the nearest thousand (“HK\$’000”) except when otherwise indicated.

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments which are stated at fair value.

2. ADOPTION OF NEW OR REVISED HKFRSs

(a) New or revised HKFRSs – effective 1 January 2013

In the current year, the Group has applied for the first time the following new standards, amendments and interpretations issued by the HKICPA, which are relevant to and effective for the Group’s financial statements for the annual period beginning on 1 January 2013:

HKFRSs (Amendments)	Annual Improvements 2009-2011 Cycle
HKFRSs (Amendments)	Annual Improvements 2010-2012 Cycle
Amendments to HKAS 1 (Revised)	Presentation of Items of Other Comprehensive Income
Amendments to HKFRS 7	Offsetting Financial Assets and Financial Liabilities
HKFRS 10	Consolidated Financial Statements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
HKAS 27 (2011)	Separate Financial Statements

Except as explained below, the adoption of new or revised HKFRSs has no material impact on the Group’s financial statements.

HKFRSs (Amendments) Annual Improvements 2010-2012 Cycle

The Basis of Conclusions for HKFRS 13 Fair Value Measurement was amended to clarify that short-term receivables and payables with no stated interest rate can be measured at their invoice amounts without discounting, if the effect of discounting is immaterial. This is consistent with the Group’s existing accounting policy.

Amendments to HKAS 1 (Revised) Presentation of Items of Other Comprehensive Income

The amendments to HKAS 1 (Revised) require the Group to separate items presented in other comprehensive income into those that may be reclassified to profit and loss in the future and those that may not. Tax on items of other comprehensive income is allocated and disclosed on the same basis.

The Group has adopted the amendments retrospectively for the financial year ended 31 December 2013. Items of other comprehensive income that may and may not be reclassified to profit and loss in the future have been presented separately in the consolidated statement of comprehensive income. The comparative information has been restated to comply with the amendments. As the amendments affect presentation only, there are no effects on the Group's financial position or performance.

Amendments to HKFRS 7 Offsetting Financial Assets and Financial Liabilities

HKFRS 7 is amended to introduce disclosures for all recognised financial instruments that are set off under HKAS 32 and those that are subject to an enforceable master netting agreement or similar arrangement, irrespective of whether they are set off under HKAS 32.

The adoption of the amendments has no impact on these financial statements as the Group has not offset financial instruments, nor has it entered into a master netting agreement or a similar arrangement.

HKFRS 10 Consolidated Financial Statements

HKFRS 10 introduces a single control model for consolidation of all investee entities. An investor has control when it has power over the investee (whether or not that power is used in practice), exposure or rights to variable returns from the investee and the ability to use the power over the investee to affect those returns. HKFRS 10 contains extensive guidance on the assessment of control. For example, the standard introduces the concept of "de facto" control where an investor can control an investee while holding less than 50% of the investee's voting rights in circumstances where its voting interest is of sufficiently dominant size relative to the size and dispersion of those of other individual shareholders to give it power over the investee. Potential voting rights are considered in the analysis of control only when these are substantive, i.e. the holder has the practical ability to exercise them.

The standard explicitly requires an assessment of whether an investor with decision making rights is acting as principal or agent and also whether other parties with decision making rights are acting as agents of the investor. An agent is engaged to act on behalf of and for the benefit of another party and therefore does not control the investee when it exercises its decision making authority. The accounting requirements in HKAS 27 (2008) on other consolidation related matters are carried forward unchanged. The Group has changed its accounting policy in determining whether it has control of an investee and therefore is required to consolidate that interest.

The adoption of HKFRS 10 does not have any material impact on the Group's financial position or performance.

HKFRS 12 Disclosure of Interests in Other Entities

HKFRS 12 integrates and makes consistent the disclosures requirements about interests in subsidiaries, associates and joint arrangements. It also introduces new disclosure requirements, including those related to unconsolidated structured entities. The general objective of the standard is to enable users of financial statements to evaluate the nature and risks of a reporting entity's interests in other entities and the effects of those interests on the reporting entity's financial statements.

As the new standard affects only disclosure, there is no material impact on the Group's financial statements.

HKFRS 13 Fair Value Measurement

HKFRS 13 provides a single source of guidance on how to measure fair value when it is required or permitted by other standards. The standard applies to both financial and non-financial items measured at fair value and introduces a fair value measurement hierarchy. The definitions of the three levels in this measurement hierarchy are generally consistent with HKFRS 7 "Financial Instruments: Disclosures". HKFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price). The standard removes the requirement to use bid and ask prices for financial assets and liabilities quoted in an active market. Rather the price within the bid-ask spread that is most representative of fair value in the circumstances should be used. It also contains extensive disclosure requirements to allow users of the financial statements to assess the methods and inputs used in measuring fair values and the effects of fair value measurements on the financial statements. HKFRS 13 is applied prospectively.

HKFRS 13 did not materially affect any fair value measurements of the Group's assets and liabilities and therefore has no effect on the Group's financial position and performance. The standard requires additional disclosures about fair value measurements. Comparative disclosures have not been presented in accordance with the transitional provisions of the standard.

(b) New or revised HKFRSs that have been issued but not yet effective

The following new or revised HKFRSs, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group.

Amendments to HKAS 32 HKFRS 9	Offsetting Financial Assets and Financial Liabilities ¹ Financial Instruments
Amendments to HKAS 36 HKFRSs (Amendments)	Recoverable Amount Disclosures ¹ Annual Improvements 2010-2012 Cycle ³
HKFRSs (Amendments)	Annual Improvements 2011-2013 Cycle ²

1 Effective for annual periods beginning on or after 1 January 2014

2 Effective for annual periods beginning on or after 1 July 2014

3 Effective for annual periods beginning, or transactions on or after 1 July 2014

Amendments to HKAS 32 Offsetting Financial Assets and Financial Liabilities

The amendments clarify the offsetting requirements by adding appliance guidance to HKAS 32 which clarifies when an entity “currently has a legally enforceable right to set off” and when a gross settlement mechanism is considered equivalent to net settlement.

HKFRS 9 Financial Instruments

Under HKFRS 9, financial assets are classified into financial assets measured at fair value or at amortised cost depending on the entity’s business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Fair value gains or losses will be recognised in profit or loss except for those non-trade equity investments, which the entity will have a choice to recognise the gains and losses in other comprehensive income. HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities that are designated at fair value through profit or loss, where the amount of change in fair value attributable to change in credit risk of that liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities.

Amendments to HKAS 36 Recoverable Amount Disclosures

The amendments limit the requirements to disclose the recoverable amount of an asset or cash generating unit (CGU) to those periods in which an impairment loss has been recognised or reversed, and expand the disclosures where the recoverable amount of impaired assets or CGUs has been determined based on fair value less costs of disposal.

The Group is in the process of making an assessment of the potential impact of these new or revised HKFRSs. The directors of the Company do not anticipate that these new or revised HKFRSs will have any material impact on the Group’s financial statements.

3. REVENUE

Revenue, which is also the Group's turnover, derived from the Group's principal activities and recognised during the year is as follows:

	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Health and beauty services	14,718	14,529
Brokerage and commission income	2,715	3,090
Interest income from money lending and stock broking	2,638	2,418
Gross rental income from investment properties	10,650	8,610
	<u>30,721</u>	<u>28,647</u>

4. SEGMENT INFORMATION

The Group has identified its operating segments and prepared segment information based on the regular internal financial information reported to the Group's executive directors for their decisions about resources allocation to the Group's business components and review of these components' performance. The business components in the internal reporting to the executive directors, the chief operating decision-makers, are determined following the Group's major product and service lines. The Group is currently organised into the following four operating segments.

Health and beauty services	–	Provision of health and beauty services in Hong Kong
Money lending	–	Provision of commercial and personal loans in Hong Kong
Stock broking	–	Provision of stock broking services in Hong Kong
Property investments	–	Investing in commercial and residential properties for its rental income potential and for capital appreciation in both Macau and Hong Kong

Segment revenue and results

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

	Segment revenue		Segment profit	
	2013	2012	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Health and beauty services	14,718	14,529	1,421	1,559
Money lending	1,865	1,806	1,416	1,479
Stock broking	3,488	3,702	615	488
Property investments	10,650	8,610	18,595	13,604
	<u>30,721</u>	<u>28,647</u>	22,047	17,130
Unallocated other income			2,060	1,940
Exchange gains, net			2,481	118
Fair value gain on financial instruments			307	762
Corporate staff costs			(3,765)	(4,385)
Other corporate and unallocated expenses			(5,520)	(3,787)
Profit before income tax			<u>17,610</u>	<u>11,778</u>

Revenue reported above represented revenue generated from external customers.

Segment profit represents the profit earned by each segment without allocation of central administration costs. Segment results exclude certain interest income, dividend income, exchange gains/losses and fair value gain on financial instruments which arise from assets which are managed on a group basis. Segment results also exclude corporate staff costs and corporate expenses. This is the measure reported to the executive directors for the purposes of resource allocation and assessment of segment performance.

Segment assets and liabilities

	2013	2012
	HK\$'000	HK\$'000
Segment assets		
Health and beauty services	2,327	2,106
Money lending	45,097	41,981
Stock broking	23,980	25,716
Property investments	296,562	281,394
	<hr/>	<hr/>
Total segment assets	367,966	351,197
Available-for-sale financial assets	20,540	19,625
Financial assets at fair value through profit or loss	5,013	4,657
Pledged bank deposits	121,131	–
Short-term bank deposits	49,435	–
Other corporate and unallocated assets	58,315	64,165
	<hr/>	<hr/>
Consolidated total assets	622,400	439,644
	<hr/>	<hr/>
Segment liabilities		
Health and beauty services	1,258	1,346
Money lending	88	82
Stock broking	3,942	6,565
Property investments	62,475	65,510
	<hr/>	<hr/>
Total segment liabilities	67,763	73,503
Deferred tax liabilities	2,749	2,077
Bank borrowings	169,000	–
Other corporate and unallocated liabilities	967	1,121
	<hr/>	<hr/>
Consolidated total liabilities	240,479	76,701
	<hr/>	<hr/>

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than corporate asset and available-for-sale financial assets, financial assets at fair value through profit or loss, certain short-term bank deposits and pledged bank deposits which are managed on group basis; and
- all liabilities are allocated to reportable segments other than deferred tax liabilities and certain bank borrowings which are managed on group basis, and corporate liabilities.

Other segment information

	Interest income		Fair value gain on investment properties		Finance costs		Additions to specified non-current assets		Depreciation and amortisation	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Health and beauty services	-	-	-	-	-	1	289	1	130	121
Money lending	1,865	1,806	-	-	-	-	-	-	-	-
Stock broking	773	612	-	-	-	-	49	2	54	56
Property investments	272	249	23,500	20,630	1,249	1,246	12	723	670	713
	<u>2,910</u>	<u>2,667</u>	<u>23,500</u>	<u>20,630</u>	<u>1,249</u>	<u>1,247</u>	<u>350</u>	<u>726</u>	<u>854</u>	<u>890</u>
Unallocated	2,617	1,146	-	-	1,043	19	1,132	411	347	15
Total	<u>5,527</u>	<u>3,813</u>	<u>23,500</u>	<u>20,630</u>	<u>2,292</u>	<u>1,266</u>	<u>1,482</u>	<u>1,137</u>	<u>1,201</u>	<u>905</u>

Geographical information

The geographical location of the specified non-current assets (i.e. non-current assets excluding financial assets) is based on the physical location of the assets. The geographical location of customers is based on the location at which the services were provided or the goods were delivered.

The following is an analysis of the carrying amount of the specified non-current assets and revenue from external customers, analysed by the geographical location.

	Specified non-current assets		Revenue from external customers	
	2013	2012	2013	2012
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Hong Kong (domicile)	228,137	209,970	28,237	26,344
Macau	59,675	54,485	2,484	2,303
	<u>287,812</u>	<u>264,455</u>	<u>30,721</u>	<u>28,647</u>

Information about a major customer

Revenues from one customer of the Group's property investments segment amounted to HK\$6,900,000 (2012: HK\$4,875,000) which represented 22.5% (2012: 17.0%) of the Group's revenue.

5. OTHER INCOME

	2013 <i>HK\$'000</i>	2012 <i>HK\$'000</i>
Bank interest income	2,889	1,395
Dividend income from listed investments	932	765
Sundry income	41	58
	<u>3,862</u>	<u>2,218</u>

6. FINANCE COSTS

	2013 <i>HK\$'000</i>	2012 <i>HK\$'000</i>
Interest charges on finance leases	15	20
Interest charges on bank loans not wholly repayable within five years	2,277	1,246
	<u>2,292</u>	<u>1,266</u>

The analysis shows the finance costs of bank borrowings, including term loans which contain a repayment on demand clause, in accordance with the scheduled repayment dates set out in the loan agreements. For the year ended 31 December 2013, the interest on bank borrowings which contain a repayment on demand clause amounted to HK\$2,081,000 (2012: HK\$1,030,000).

7. PROFIT BEFORE INCOME TAX

	2013	2012
	HK\$'000	HK\$'000
Profit before income tax is arrived at after charging/(crediting):		
Amortisation of prepaid land lease payments	121	160
Auditors' remuneration	615	593
Depreciation of property, plant and equipment	1,080	745
Employee benefit expenses	22,068	21,184
Loss on disposal of property, plant and equipment	16	–
Rentals received/receivable from investment properties		
less direct outgoings of HK\$446,000 (2012: HK\$535,000)	(10,204)	(8,075)
Operating lease charges in respect of:		
– Buildings	3,391	3,319
– Motor vehicles	606	570
Exchange gains, net	<u>(2,481)</u>	<u>(118)</u>

8. INCOME TAX EXPENSE/(CREDIT)

	2013	2012
	HK\$'000	HK\$'000
The tax charge comprises:		
Current tax – Hong Kong profits tax	–	–
– Over provision in prior years	–	(997)
Deferred tax	<u>672</u>	<u>986</u>
	<u>672</u>	<u>(11)</u>

For the years ended 31 December 2013 and 31 December 2012, no Hong Kong profits tax was provided in the financial statements as the relevant group entities either did not derive any assessable profit in Hong Kong or had unused tax losses brought forward to offset against the current year's assessable profits in Hong Kong.

Pursuant to the tax rules and regulations of Macau, the subsidiaries in Macau are liable to Macau Profits Tax at the rate of 12% (2012: 12%).

Reconciliation between income tax expense/(credit) and accounting profit at applicable tax rate is as follows:

	2013 <i>HK\$'000</i>	2012 <i>HK\$'000</i>
Profit before income tax	<u>17,610</u>	<u>11,778</u>
Tax at the statutory rate of 16.5% (2012: 16.5%) in Hong Kong	2,906	1,943
Effect of different tax rates of subsidiaries operating in other jurisdictions	(252)	(116)
Tax effect of non-deductible expenses	2,222	2,361
Tax effect of non-taxable revenue	(3,923)	(3,647)
Tax effect of prior year's unrecognised tax losses utilised this year	(561)	(655)
Tax losses not recognised as deferred tax assets	564	1,102
Over provision in prior years	–	(997)
Others	<u>(284)</u>	<u>(2)</u>
Income tax expense/(credit)	<u>672</u>	<u>(11)</u>

9. DIVIDENDS

The Directors do not recommend a payment of final dividend for the year ended 31 December 2013 (2012: Nil).

10. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to the owners of the Company of HK\$16,398,000 (2012: HK\$11,209,000) and the weighted average number of 297,897,000 (2012: 297,670,000) ordinary shares in issue during the year.

The calculation of diluted earnings per share is based on the profit attributable to the owners of the Company of HK\$16,398,000 (2012: HK\$11,209,000) and the weighted average of 300,974,000 (2012: 297,690,000) ordinary shares outstanding during the year, after adjusting for the effects of all dilutive potential ordinary shares. The weighted average number of ordinary shares used in the calculation of diluted earnings per share is calculated based on the weighted average of 297,897,000 (2012: 297,670,000) ordinary shares in issue during the year plus the weighted average of 3,077,000 (2012: 20,000) ordinary shares deemed to be issued at no consideration as if all the Company's outstanding share options had been exercised.

11. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	2013 <i>HK\$'000</i>	2012 <i>HK\$'000</i>
Trade receivables	9,753	16,265
<i>Less: Provision for impairment</i>	<u>(281)</u>	<u>(281)</u>
Trade receivables, net	9,472	15,984
Other receivables and deposits	<u>4,222</u>	<u>3,235</u>
	<u>13,694</u>	<u>19,219</u>

The Group's trade receivables at the reporting date mainly represent the receivable balances in respect of the Group's stock broking business. The Group allows a credit period up to the settlement dates of their respective transactions (normally two business days after the respective trade dates) except for margin client receivables which are repayable on demand.

The ageing analysis (based on invoice date) of the trade receivables, net of provision for impairment, as at the reporting date is as follows:

	2013 <i>HK\$'000</i>	2012 <i>HK\$'000</i>
Repayable on demand – margin receivables*	3,885	10,101
0-30 days	4,914	5,418
31-60 days	220	245
61-90 days	129	–
Over 90 days	<u>324</u>	<u>220</u>
	<u>9,472</u>	<u>15,984</u>

* *The Group holds certain listed equity securities of clients as collateral over these trade receivables.*

12. TRADE PAYABLES

At the reporting date, the ageing analysis (based on invoice date) of the Group's trade payables is as follows:

	2013 <i>HK\$'000</i>	2012 <i>HK\$'000</i>
Repayable on demand – Trust bank balances for funds placed by customers	2,235	2,896
0-30 days	1,481	3,485
31-60 days	<u>65</u>	<u>44</u>
	<u>3,781</u>	<u>6,425</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Operation Review

General Performance

During the year under review, the Group delivered a net profit of approximately HK\$16,938,000, representing an increase of approximately 43.7% over last year's profit of \$11,789,000. The improved profit results from increase in fair value gain on investment properties, revenue and bank interest income. The major contributor to the Group's net profit for the year was the fair value gain of investment properties of HK\$23,500,000.

The Group's revenue increased approximately 7.2% from 2012 to approximately HK\$30,721,000 in 2013 while the gross profit was increased 10.7% to HK\$22,221,000 when new rental rates increased revenue but without impacting cost of sales. Other income increased by 74.1% to HK\$3,862,000 resulting from additional high yield RMB bank deposits interest income and increased dividend income from securities investment. The administrative expenses decreased 2.1% to HK\$29,988,000 this year.

As at 31 December 2013, the Group's net asset value was approximately HK\$381,921,000 and net asset value per share was approximately HK\$1.26. The Group's total assets and liabilities were approximately HK\$622,400,000 and HK\$240,479,000 respectively.

Property Investment Business

During the year no acquisition or disposal was made in properties and return from leasing the investment properties is about 5.9%.

Macau continued to be one of the fastest growing economies in the region driven by the booming gaming and tourism sectors. Despite trading in the property market was quiet, property prices did not drop substantially since real estates were still the major investment target for the local and overseas investors in the area. HK\$2,484,000 rental income representing 7.8% increase from the year before was generated for the year from the Group's property portfolio in Macau comprised of an office premises and a prime street retail shop. The average yield on Macau property investment is approximately 5.8%.

In Hong Kong the core business of the Group focuses on property investment with a standing portfolio comprises an en-bloc boutique hotel situated in Sheung Wan and some residential units in Taikoo Shing. Rental income of approximately HK\$8,166,000 was received in 2013 with investment yield being approximately 6.1%. Since the lease renewal of the boutique hotel in September 2012, rental income in the year under review reflected the whole year increment at new rental rate.

Although the various property cooling measures implemented by the governments were putting a dent in market sentiment, there is still a lot of liquidity in Macau and Hong Kong wherein property prices have held firm in 2013. By year end 2013, the fair value of our investment properties increased by HK\$23,500,000 as compared with that of HK\$20,630,000 the year before.

Health and Beauty Business

In 2013, the health and beauty segment continued to be a stable and healthy contributor of returns to the Group. For the year under review, turnover of this segment amounted to HK\$14,718,000 representing an increase of 1.3% as compared with 2012 while segment profit decreased by 8.9% from HK\$1,559,000 to approximately HK\$1,421,000. Decrease in segment profit was mainly attributable to the rising property rental expenses and staff cost while turnover only barely increased.

Other Business Segments

Turnover from the stock brokerage business segment decreased by 5.8% to HK\$3,488,000 as compared with the year before irrespective that global economic sentiment has been moderately improved. However segment profit recorded 26% increment at approximately HK\$615,000 compared with HK\$488,000 in 2012 during which we wrote off one lump sum legal and professional fee incurred on feasibility study to set up a Macau branch as we withdrew application to regulators after weighing up the commercial grounds. The management believes that the securities market still be subject to volatile uncertainties in 2014.

Money lending activities continued to generate positive results with turnover recorded a slight growth of 3.3% to HK\$1,865,000 over the previous year. Nonetheless segment profit decreased 4.3% to HK\$1,416,000 as compared with HK\$1,479,000 in 2012 mainly on account of staff cost increment. It is expected that segment business will remain stable in the coming year and the management will take a more cautious approach in the lending policy.

FINANCIAL REVIEW

I. Liquidity and Financial Resources

As at 31 December 2013, the Group had a cash and bank balance including pledged bank deposits of HK\$247,956,000 and net current assets of HK\$75,939,000. The current ratio (calculated as the current assets to the current liabilities) of the Group as at 31 December 2013 was approximately 1.32 (31 December 2012: 2.25). The Group maintained a healthy working capital position during 2013.

The sales and purchase of the Group are mainly denominated in Hong Kong Dollars. The Directors consider that the Group's exposure to fluctuations in exchange rates was minimal.

During the year, the Group's property, plant and equipment, investment properties, prepaid land lease payments and certain bank deposits were pledged to four banks to secure the bank borrowing of approximately HK\$222,365,000, which is denominated in Hong Kong dollars and bearing interest at floating rate. Neither the Company nor the Group had any significant contingent liabilities as at 31 December 2013 (31 December 2012: Nil). The Group had no significant capital commitments as at 31 December 2013 (31 December 2012: HK\$591,000).

The Group recognises the importance of sound financial strength to support sustainable growth and future development. During the year under review, the Group reviewed its existing banking facilities and restructured them with new banking facilities so as to be well-poised for opportunities as well as meeting future challenges now being backed by stronger capital structure.

II. Capital Structure of the Group

As at 31 December 2013, the Group had total equity of HK\$381,921,000, HK\$332,000 of fixed rate liability, HK\$222,365,000 of floating rate liability and HK\$17,782,000 of interest-free liabilities, representing 0.09%, 58.22% and 4.66% of the Group's total equity respectively. The gearing ratio (calculated as the total long term loan to the total shareholders' equity) of the Group as at 31 December 2013 was approximately 0.06% (31 December 2012: 1.55%).

III. Employment Information

As at 31 December 2013, the Group employed approximately a total of 39 employees (2012: 40). The Group's emoluments policies are formulated on the performance of individual employee and are competitive in the market. During the year ended 31 December 2013, total staff costs (excluding Directors' emoluments) amounted to approximately HK\$8,817,000 (2012: HK\$8,754,000).

IV. Final Dividend

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2013 (2012: Nil).

V. Prospects

Some research information purports that the outlook for Asia Pacific is one of cautious optimism. In China, 2014 is the year for comprehensive deepening reform as well as for further economic restructuring. While China's economic slowdown will continue to weigh on the region, analysts vision that Asia Pacific should still be among the strongest from an economic and fundamental standpoint for the foreseeable future but emphasise the environment is not risk free and subject to short term volatility. As the global economic environment is picking up the track for recovery gradually and steadily, both the Macau and Hong Kong economies which are very much influenced by the external economic environment are expected to retain moderate growth in the near term.

The Group's strategy for generating and preserving shareholders' value is to invest in properties that offer attractive returns. Going forward, the Group will strive to nurture growth from its existing properties while keeping close watch on the Macau and Hong Kong property markets for potential development to enlarge our property investment portfolio. Meanwhile the management adopts very stringent investment criteria and targets only high quality property investment to secure stable and recurring returns.

CORPORATE GOVERNANCE PRACTICES

The Board is committed to upholding a high standard of corporate governance practices and business ethics in the firm belief that they are essential for maintaining and promoting investors' confidence and maximising shareholders' returns. The Board reviews its corporate governance practices from time to time in order to meet the rising expectations of stakeholders and comply with increasingly stringent regulatory requirements, and to fulfill its commitment to excellence in corporate governance.

Throughout the year of 2013, the Company has complied with all Code Provisions in the Code of Corporate Governance Practices (the "CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited except for certain areas of non-compliance that are discussed below.

The CG Code stipulates that the roles of Chairman and Chief Executive Officer should be separated and should not be performed by the same person. Mr. Tsang Chiu Mo Samuel is the Executive Chairman of the Company and no Chief Executive Officer has been appointed. The responsibilities of Chief Executive Officer have been carried out by Mr. Tsang Chiu Mo Samuel. The Board believes that it is in the best interest of the Company and the Shareholders as a whole for Mr. Tsang Chiu Mo Samuel, who is knowledgeable in the business of the Group and possesses the essential leadership skills to guide discussions of the Board in an effective manner, to continue to carry out the responsibilities of Chief Executive Officer, which ensures on the effectiveness and efficiency of the decision making process of the Board.

AUDIT COMMITTEE REVIEW

The Audit Committee has discussed with the management of the Company the accounting principles and practices adopted by the Group and matters relating to internal control and financial reporting of the Group and reviewed the audited consolidated results of the Group for the year ended 31 December 2013.

SCOPE OF WORK OF BDO LIMITED

The figures in respect of the preliminary announcement of the Group's results for the year ended 31 December 2013 have been agreed by the Group's auditor. BDO Limited, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by BDO Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by BDO Limited on the preliminary announcement.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year.

PROPOSED AMENDMENTS TO THE EXISTING BYE-LAWS AND ADOPTION OF THE NEW BYE-LAWS

The Directors propose to amend the bye-laws of the Company (the "Bye-laws") to (i) reflect amendments to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") relating to, among other things, the bye-laws or equivalent constitutional documents of listed issuers and certain amendments to the Listing Rules which came into effect on 1 January 2012 and 1 April 2012 respectively, (ii) reflect certain amendments to the Companies Act 1981 of Bermuda and (iii) incorporate certain housekeeping amendments.

Subject to the proposed amendments to the Bye-laws being approved by shareholders of the Company (the "Shareholders") at the forthcoming annual general meeting, the Board would like the Company to adopt the new Bye-laws incorporating all previous amendments passed by Shareholders at general meetings and the proposed amendments to the Bye-laws, in substitution for and to the exclusion of the existing Bye-laws, instead of amending the existing Bye-laws on a piecemeal basis, which may lead to confusion and complication in the future.

A circular containing, inter alia, information about the proposed amendments to the Bye-laws, the proposed adoption of the new Bye-laws and notice of the forthcoming annual general meeting will be despatched to the Shareholders in due course.

By order of the Board
Century Legend (Holdings) Limited
Chu Ming Tak Evans Tania
Executive Director

Hong Kong, 24 March 2014

As at the date hereof, the board of directors of the Company comprises of seven directors, of which four are executive directors, namely Mr. Tsang Chiu Mo Samuel (Executive Chairman), Mr. Tsang Chiu Ching (Deputy Chairman), Ms. Tsang Chiu Yuen Sylvia and Ms. Chu Ming Tak Evans Tania; and three are independent non-executive directors, namely Mr. Hui Yan Kit, Mr. Wong Tak Ming Gary and Mr. Au Chi Wai Edward.