

TARGET

Intelligence Report

VOLUME XXIV No. 229

S A T U R D A Y

October 22, 2022

ROYAL CENTURY RESOURCES HOLDINGS LTD: OPERATING ON THE FOUNDATIONS OF THE VERGE OF A CUSP

For the past seven, concurrent Financial Years, ended March 31, 2022, Royal Century Resources Holdings Ltd (仁德資源控股有限公司) (Code: 8125, The Growth Enterprise Market – the **GEM** – The Stock Exchange of Hongkong Ltd) has been losing money.

The aggregate Net Losses with regard to those seven, loss-making Financial Years, amounted to about \$HK161,180,000.00.

TARGET (泰達財經) is not quite certain whether or not a seven-year streak of financial losses is a record, but this medium cannot recall such a long-running period of time for a publicly listed company to chalk up losses, year-after-year, after year: It must be one for the books!

The Latest Situation

On June 30, 2022, Royal Century Resources Holdings Ltd published and disseminated its Annual Report in respect of the Company's Financial Year, ended March 31, 2022.

True to its established, seven-year form, Management, once again, recorded a Net Loss Attributable to Shareholders as indicated at Page 98 of the 2021-2022 Annual Report.

The following is an abbreviated table of the Company's financial statistics with regard to 2021-2022 Financial Year:

| | For The Financial Year, Ended March 31 | | Percentage Increase/(Decrease)* |
|------------------------------------------------------|-------------------------------------------------------------------------------------------------|---------------|---------------------------------|
| | 2022 | 2021 | |
| | All Figures Are Denominated in Hongkong Dollars (HK'000) (except where otherwise stipulated) | | |
| Revenue | 57,660 | 66,807 | (13.69) |
| Gross Profit | 9,902 | 11,658 | (15.06) |
| Gross Profit Margin* | 17.17 percent | 17.45 percent | (1.60) |
| Loss Before Taxation | (20,936) | (20,852) | 0.40 |
| Net Loss Attributable To Shareholders Of The Company | (21,068) | (19,427) | 8.45 |

| | | | |
|----------------|--------|--------|---------|
| Loss Per Share | (0.10) | (0.20) | (50.00) |
|----------------|--------|--------|---------|

* These are **TARGET**'s calculations.

At the following Page 99 of the 2021-2022 Financial Year, under the heading, '**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**', it was noted that, under the subhead, '**Current assets**', '**Cash and bank balances**' as at March 31, 2022, stood at \$HK6,190,000.00 (2021: \$HK16,728,000.00).

At Page 186 of the 2021-2022 Annual Report, under Note 27 of the Notes to the Accounts of the Company, one was informed of the following:

'CASH AND BANK BALANCES

'Bank balances and cash comprise cash held by the Group and short-term bank deposits with maturity within three months from inception. Bank balances carried interest at market rates ranging from 0.04% to 0.92% (2021: 0.02% to 0.4%) per annum during the year ended 31 March 2022. The carrying amounts of bank balances and cash are denominated in the following currencies:'

| | 2022 \$HK'000 | 2021 \$HK'000 |
|-------------------|---------------------|----------------------|
| Hongkong dollars | 6,078 | 16,582 |
| Renminbi | 30 | 78 |
| US dollars | 69 | 68 |
| Singapore dollars | <u>13</u> | <u>Nil</u> |
| TOTAL: | <u>6,190</u> | <u>16,728</u> |

At Page 100 of the Company's 2021-2022 Annual Report, one was presented with the Company's Net Assets (Shareholders' Funds), as at March 31, 2022.

The figure came in at about \$HK72,410,000.00, a reduction of about 22.54 percent, compared with the 2021-Year's figure of \$HK93,484,000.00.

The Business Of Royal Century Resources Holdings Ltd

Royal Century Resources Holdings Ltd is a company, domiciled in the **Hongkong Special Administrative Region (HKSAR)** of the **People's Republic of China (PRC)**.

Management sought and obtained a listing of its entire Issued Share Capital on the secondary equity market of HKSAR on or about July 18, 2014 – with the blessings of the powers that be in July of 2014.

As at July 18, 2014, the Company was known as Kate China Holdings Ltd (中持基業控股有限公司).

Its name was changed to Royal Century Resources Holdings Ltd on or about February 17, 2017.

At Page 104 of the 2021-2022 Annual Report, one was told as to the Company's principal spheres of business activity:

- '(i) provision of design, fitting out and engineering and procurement of furnishings and related products services;*
- '(ii) leasing of construction equipment and provision of related installation services;*
- '(iii) sourcing and merchandising of fine and rare wines; and,*
- '(iv) provision of financial services.'*

Royal Century Resources Holdings Ltd ... [CLICK TO ORDER FULL ARTICLE](#)

While TARGET makes every attempt to ensure accuracy of all data published, TARGET cannot be held responsible for any errors and/or omissions.

*If readers feel that they would like to voice their opinions about that which they have read in **TARGET**, please feel free to e-mail your views to editor@targetnewspapers.com. **TARGET** does not guarantee to publish readers' views, but reserves the right so to do subject to the laws of libel.*