

# 2015

## First Quarterly Report

二零一五年第一季度報告



**Noble House (China) Holdings Limited**  
**名軒(中國)控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

08246.HK

## **CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

GEM has been positioned as a market designed to accommodate 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. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, 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.

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*This report, for which the directors (the “Directors”) of Noble House (China) 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 report 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 report misleading.*

# Corporate Information

## Board of Directors

### Executive Directors

Ms. Lin Min, Mindy (*Chairman*)  
Mr. Chan Wing Yuen, Hubert (*Chief Executive Officer*)  
Ms. Kwong Wai Man, Karina  
Mr. Chan Tai Neng

### Independent Non-executive Directors

Mr. Lui Tin Nang  
Ms. Ma Lee  
Mr. Wang Zhi Zhong

## Company Secretary

Ms. Chan Wai Yee

## Compliance Officer

Mr. Chan Wing Yuen, Hubert

## Board Committees

### Audit Committee

Mr. Lui Tin Nang (*Chairman*)  
Ms. Ma Lee  
Mr. Wang Zhi Zhong

### Remuneration Committee

Mr. Lui Tin Nang (*Chairman*)  
Ms. Lin Min, Mindy  
Ms. Ma Lee  
Mr. Wang Zhi Zhong

### Nomination Committee

Ms. Lin Min, Mindy (*Chairman*)  
Mr. Lui Tin Nang  
Ms. Ma Lee  
Mr. Wang Zhi Zhong

## Authorised Representatives

Mr. Chan Wing Yuen, Hubert  
Ms. Kwong Wai Man, Karina

## Registered Office

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

## Principal Place of Business in Hong Kong

Rm 2202, 22/F,  
Chinachem Century Tower,  
178 Gloucester Road,  
Wan Chai,  
Hong Kong

## Head Office in the PRC

No.24 Sub-lane 99  
Lane 635, Zhennan Road,  
Putuo District  
Shanghai 200331,  
PRC

## Share Registrar and Transfer Office in Cayman Islands

### Codan Trust Company (Cayman) Limited

Cricket Square,  
Hutchins Drive,  
P.O. Box 2681  
Grand Cayman KY1-111  
Cayman Islands

## Hong Kong Share Registrar

### Boardroom Share Registrars (HK) Limited

31/F, 148 Electric Road,  
North Point,  
Hong Kong

## Legal Advisers to the Company

K&L Gates  
Conyers Dill & Pearman

## Auditor

Deloitte Touche Tohmatsu

## Principal Bankers

Industrial and Commercial Bank of China  
The Hong Kong & Shanghai Banking Corporation Limited  
Bank of Communications Co., Ltd

## Company Website

<http://www.8246hk.com>

## GEM Stock Code

8246

The board of Directors (the "Board") of the Company is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the "Group") for the three months ended 31 March 2015 (the "Current Period"), together with the unaudited comparative figures for the three months ended 31 March 2014 (the "Corresponding Period") as follows:

## Financial Highlights

- The Group's revenue amounted to approximately RMB16.3 million for the three months ended 31 March 2015 which represented a decrease of approximately RMB3.0 million or 15.5% as compared with the three months ended 31 March 2014.
- The loss and total comprehensive expenses attributable to owners of the Company for the three months ended 31 March 2015 and for the three months ended 31 March 2014 were RMB6.7 million and RMB5.1 million respectively.
- Basic loss per share for the three months ended 31 March 2015 and for the three months ended 31 March 2014 amounted to RMB2.0 cents and RMB1.8 cents respectively.

	For the three months		Increase/ (Decrease)
	ended 31 March 2015 RMB (in million)	2014 RMB (in million)	
Revenue	16.3	19.3	(15.5%)
Operating Profit <sup>(1)</sup>	10.2	11.8	(13.6%)
Loss and total comprehensive expenses attributable to owners of the Company	(6.7)	(5.1)	31.4%
Operating margin <sup>(2)</sup>	62.6	61.1%	

Notes:

- (1) The calculation of operating profit is based on revenue minus cost of inventories consumed.
- (2) The calculation of operating margin is based on revenue minus cost of inventories consumed, divided by revenue and multiplied by 100%.

## Condensed Consolidated Statement of Comprehensive Income (Unaudited)

For the three months ended 31 March 2015

	Notes	2015 RMB'000 (Unaudited)	2014 RMB'000 (Unaudited)
Revenue	3	16,258	19,309
Other income	3	75	13
Other gains and losses		(812)	–
Cost of inventories consumed		(6,066)	(7,516)
Staff costs	4	(7,257)	(6,939)
Depreciation of property, plant and equipment		(880)	(750)
Utilities and consumables		(900)	(1,025)
Rental and related expenses		(4,438)	(5,074)
Advertising and marketing expenses		(186)	(146)
Other expenses		(2,422)	(2,514)
Write off of inventories		(161)	–
Share of results of associates		–	(712)
Loss before tax	5	(6,789)	(5,354)
Income tax expenses	6	–	(42)
Loss and total comprehensive expenses for the period		(6,789)	(5,396)
Loss and total comprehensive expenses attributable to:			
Owners of the Company		(6,714)	(5,087)
Non-controlling interests		(75)	(309)
		(6,789)	(5,396)
Loss per share (RMB), basic and diluted:	7	(0.020)	(0.018)

# Condensed Consolidated Statement of Changes in Equity (Unaudited)

For the three months ended 31 March 2015

	Attributable to owners of the Company						Non-controlling interests	Total
	Share capital	Share premium	Share option reserve	Accumulated losses	Special reserve	Total		
	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)
<b>Balance at 1 January 2015</b>	<b>2,735</b>	<b>59,450</b>	<b>8,348</b>	<b>(43,707)</b>	<b>528</b>	<b>27,354</b>	<b>(2,708)</b>	<b>24,646</b>
Loss and total comprehensive expenses for the period	-	-	-	(6,714)	-	(6,714)	(75)	(6,789)
Shares issued upon exercise of share options	102	11,897	(3,722)	-	-	8,277	-	8,277
Cost of issuing new shares	-	(119)	-	-	-	(119)	-	(119)
<b>Balance at 31 March 2015</b>	<b>2,837</b>	<b>71,228</b>	<b>4,626</b>	<b>(50,421)</b>	<b>528</b>	<b>28,798</b>	<b>(2,783)</b>	<b>26,015</b>
<b>Balance at 1 January 2014</b>	<b>2,291</b>	<b>31,076</b>	<b>-</b>	<b>(11,464)</b>	<b>528</b>	<b>22,431</b>	<b>(901)</b>	<b>21,530</b>
Loss and total comprehensive expenses for the period	-	-	-	(5,087)	-	(5,087)	(309)	(5,396)
<b>Balance at 31 March 2014</b>	<b>2,291</b>	<b>31,076</b>	<b>-</b>	<b>(16,551)</b>	<b>528</b>	<b>17,344</b>	<b>(1,210)</b>	<b>16,134</b>

# Notes to the First Quarterly Financial Statements

For the three months ended 31 March 2015

Notes:

## 1. General Information

The Company is an exempted company with limited liability incorporated in the Cayman Islands. The Company's shares have been listed on the GEM of the Stock Exchange since 30 December 2011. The address of the Company's registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and the principal place of business is No. 24 Sublane 99, Lane 635, Zhennan Road, Putuo District, Shanghai 200331, the People's Republic of China (the "PRC").

The Company is an investment holding company. The Group is principally engaged in operation of restaurants and sales of processed food and seafood in the PRC and Hong Kong.

## 2. Basis of Preparation

The First Quarterly Financial Statements 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 (the "HKICPA") and the applicable disclosure provisions of Chapter 18 of the GEM Listing Rules.

The First Quarterly Financial Statements are presented in Renminbi ("RMB"), which is also the functional currency of the Group.

## 3. Revenue and Other Income

	<b>For the three months ended 31 March</b>	
	<b>2015</b>	2014
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Unaudited)
<b>Revenue</b>		
Operation of restaurants	<b>15,151</b>	18,198
Provision of management services	–	14
Sales of processed food	<b>1,107</b>	1,097
	<b>16,258</b>	19,309
<b>Other income</b>		
Interest income	<b>3</b>	13
Exchange gain	<b>72</b>	–
	<b>75</b>	13

#### 4. Staff Costs

	For the three months ended 31 March	
	2015 RMB'000 (Unaudited)	2014 RMB'000 (Unaudited)
Directors' emoluments	748	229
Salaries and other allowances	5,274	5,966
Retirement benefit scheme contributions, excluding those of Directors	1,235	744
	<b>7,257</b>	<b>6,939</b>

#### 5. Loss Before Tax

	For the three months ended 31 March	
	2015 RMB'000 (Unaudited)	2014 RMB'000 (Unaudited)
Loss before tax has been arrived after charging the following:		
Staff costs	7,257	6,939
Write off of inventories	161	–
Depreciation of property, plant and equipment	880	750

#### 6. Income Tax Expenses

	For the three months ended 31 March	
	2015 RMB'000 (Unaudited)	2014 RMB'000 (Unaudited)
Enterprise income tax in the PRC		
Current income tax	–	42

##### Hong Kong

Hong Kong Profits Tax is calculated at 16.5% of the estimated profit. No provision for Hong Kong Profits Tax has been made as the Group's subsidiaries have no assessable profit arising in or derived from Hong Kong for both periods.

##### PRC

PRC subsidiaries were subject to PRC Enterprise Income Tax ("EIT") at a rate of 25% for both periods.



## 7. 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 data:

	<b>For the three months ended 31 March</b>	
	<b>2015</b>	2014
	<b>RMB'000</b>	RMB'000
	<b>(unaudited)</b>	(unaudited)
Loss attributable to owners of the Company for the purpose of basic and diluted loss per share	<b>(6,714)</b>	(5,087)
<b>Number of shares</b>		
	<b>2015</b>	2014
	<b>'000</b>	'000
	<b>(unaudited)</b>	(unaudited)
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	<b>340,693</b>	280,000

The weighted average number of ordinary shares for the purposes of calculating basic and diluted loss per share has been adjusted for the 12,900,000 shares allotted pursuant to exercise of share options during the three months ended 31 March 2015.

No adjustment has been made to the basic loss per share presented for the three months ended 31 March 2015 and 2014 in respect of a dilution as the impact of the share options outstanding had an anti-dilutive effect on the basic loss per share.

## 8. Dividends

The Board did not recommend the payment of any dividend for the Current Period (Comparable Period: nil).

## 9. Reserves

Movement in the reserves of the Group during the Current Period are set out in the condensed consolidated statement of changes in equity on page 5.

# Management Discussion and Analysis

## Business and Financial Review

### Revenue

As at 31 March 2015, we owned and operated seven restaurants under the Group's own brand name "Noble House (名軒)" across different regions in the PRC, including Shanghai, Beijing and Qingdao. We also operated one restaurant in Shanghai, which is an associate of the Group. Apart from these restaurants, we operated a food trading company, named Shanghai Yin Jia Food Products Company Limited ("Yin Jia"), which was primarily established to provide food production services to the Group's restaurants. In addition, Yin Jia engaged in the trading of seafood and supplemental food products including, among others, spicy XO sauce with crab meat, crab-roe, processed abalone and braised meat, under the Group's own brand name "Noble House (名軒)", for supply to the Group's restaurants and retail shops in Shanghai.

For the Current Period, the Group recorded an unaudited turnover of approximately RMB16,258,000, showing a decrease of 15.5% from approximately RMB19,309,000 for the Comparable Period. The decrease in revenue was mainly attributable to the decrease in revenue generated from operation of restaurants by approximately RMB3,047,000 which was mainly due to the effect of the deterioration of high-end consumption market in the PRC. Such deterioration also adversely affected the income generated from the provision of management services as loss was also recorded for restaurants that we provided services to. Given that the Group will no longer receive any contribution generated from the provision of management service, we foresee a challenging business environment in the coming future.

Revenue from operation of restaurants for the Current Period was approximately RMB15,151,000, showing a decrease of 16.7% from approximately RMB18,198,000 for the Comparable Period; meanwhile, revenue generated from the provision of management services also decreased from RMB14,000 for the Comparable Period to Nil for the Current Period.

During the Current Period, sales of processed goods registered a slight increase of approximately RMB10,000 from approximately RMB1,097,000 in the Comparable Period to approximately RMB1,107,000 for the Current Period. The sales was derived from the food trading company and its processed supplemental food products including, among others, spicy XO sauce with crab meat, crab-roe, processed abalone and braised meat, under the Group's own brand name "Noble House (名軒)", for supply to the Group's restaurants and a retail shops in Shanghai.

### Gross profit margin

Gross profit represents the revenue less cost of inventories consumed. The gross profit margin of the Group remained stable at around 62.6% for the Current Period (Comparable Period: 61.1%), which was mainly due to the effective cost control against the inflated food costs in the PRC.

### Other gains and losses

The Group recorded other losses of approximately RMB812,000 in the Current Period (Comparable Period: Nil). The reason for such increase was due to the write off of property, plant and equipment of a retail outlet in Hong Kong.

### Cost of inventories consumed

The Group's cost of inventories consumed decreased by approximately RMB1,450,000, or by approximately 19.3%, from approximately RMB7,516,000 in the Comparable Period to approximately RMB6,066,000 in the Current Period. This decrease was mainly due to the decrease in revenue and implementation of cost control policies by the Group.

### **Staff costs**

The Group's staff costs increased by approximately RMB318,000, or by approximately 4.6%, from approximately RMB6,939,000 in the Comparable Period to approximately RMB7,257,000 in the Current Period. The increase in the staff costs was primarily due to the increase in the number of key management personnel to explore potential investment opportunities for the Group. As a percentage of the Group's revenue, staff costs increased from approximately 35.9% in the Comparable Period to approximately 44.6% in the Current Period primarily as a result of the decrease in revenue for the Current Period.

### **Depreciation of property, plant and equipment**

Depreciation of property, plant and equipment increased by approximately RMB130,000, or approximately by 17.3%, from approximately RMB750,000 in the Comparable Period to approximately RMB880,000 in the Current Period. The increase was mainly due to the additional leasehold improvements of Hong Kong office which the Group had moved in since January 2015.

### **Rental and related expenses**

Rental and related expenses decreased by approximately RMB636,000, or approximately by 12.5%, from approximately RMB5,074,000 in the Comparable Period to approximately RMB4,438,000 in the Current Period, which was mainly due to the renewal of certain rental agreements in 2014 with decreased rental fee.

### **Advertising and marketing expenses**

Advertising and marketing expenses remained stable at approximately RMB186,000 and RMB146,000 in the Current Period and the Comparable Period respectively, mainly because of the implementation of cost control policies and recent market environment.

### **Other expenses**

Other expenses decreased by approximately RMB92,000, or approximately 3.7%, from approximately RMB2,514,000 for the Comparable Period to approximately RMB2,422,000 for the Current Period, which was mainly due to the implementation of cost control policies by the Group.

### **Income tax expenses**

The Group's income tax expenses decreased by approximately RMB42,000, or approximately 100%, from approximately RMB42,000 for the Comparable Period to Nil for the Current Period, as the Group had no estimated taxable profit during the Current Period.

### **Non-controlling interests**

The loss attributable to non-controlling interests decreased by RMB234,000 from approximately RMB309,000 for the Comparable Period to approximately RMB75,000 for the Current Period. Such a decrease was due to the closing down of a restaurant by a non wholly-owned subsidiary in Qingdao, and the decrease in operating loss recorded by another non wholly-owned subsidiary in Beijing during the Current Period.

## Prospects

Given that the established habits and patterns of consumption of fine-dining customers in the PRC changed rapidly, during the Current Period, the Group's operating income recorded a continuous decrease from that of the Comparable Period, which was mainly attributable to the introduction of policies by the PRC government to promote frugality, as well as fierce competition faced by the Group. We foresee a challenging business environment in the coming future, notwithstanding a number of initiatives have been introduced by us, including, amongst others, cost reduction and cost control, adjustments to the food trading business and a halt on opening new restaurants. Accordingly, the Group will pursue the following goals:

1. The Group has reshuffled its management personnel to further implement the abovementioned measures, to review and restructure existing business, as well as to explore potential investment opportunities.
2. The Group has strived to identify businesses which can generate stable income.
3. The Group considered of diversifying its business, which includes actively seeking investment opportunities in various areas such as new energy resources, so as to broaden its source of finance.
4. The Group will from time to time consider all opportunities in fund raising in an attempt to broaden the Group's asset base and long-term prospects.

## Dividends

The Board did not recommend the payment of any dividend for the Current Period (the Comparable Period: Nil).

## Capital Structure

The shares of the Company were listed on the GEM of the Stock Exchange on 30 December 2011. During the Current Period, 12,900,000 shares were allotted pursuant to the exercise of share options with exercise price of HK\$0.81 granted on 25 November 2014.

## Foreign currency exposure

The business operations of the Group were principally based in the PRC and were not significantly exposed to foreign exchange risk. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities. While the Group would closely monitor the volatility of the Renminbi exchange rate, the Directors considered that the Group's risk exposure to foreign exchange rate fluctuation remained minimal currently. As at 31 March 2015, the Group did not use any financial instruments for hedging purposes.

## Events after the Reporting Period

### Further Plan for Material Investments or Capital Assets

On 2 April 2015, the Company and 順盈貿易（上海）有限公司 (Sun Profit Trading (Shanghai) Limited (the "Vendor"), being a company indirectly wholly-owned by Mr. Hu Yishi (being the spouse of Ms. Lin Min, Mindy, the chairman, an executive Director and a substantial Shareholder of the Company) entered into the Sale and Purchase Agreement pursuant to which the Company agreed to procure purchase by its subsidiary of, and the Vendor agreed to sell, the property at the aggregate consideration of RMB4,960,000 (equivalent to approximately HK\$6,263,488).

The property is located at Room 609, No. 1701 Beijing Road West, Jing An District, Shanghai, the PRC. The property comprises an office unit on 6th floor of a 30-storey office building completed in about 2005 situated at Jing An District. The property has a gross floor area of approximately 125.54 sq.m. The land use rights of the property have been granted for a term expiring on 27 September 2052 for office use.

The acquisition is not subject to any condition. Delivery of the property is to take place within 7 days after the Group's inspection of the property, which in turn shall take place on or before 31 August 2015.

Further details of this acquisition are set out in the announcements of the Company dated 2 April 2015.

### **Further Plan for Fund Raising Activities**

On 16 April 2015, the Company entered into the subscription agreement (the "Subscription Agreement") with Depot Up Limited (the "Subscriber") and Mr. Song Zhicheng (the "Guarantor"), pursuant to which the Company has conditionally agreed to allot and issue, and the Subscriber has conditionally agreed to subscribe for 80,000,000 new Shares (the "Subscription Shares") at the Subscription Price (being HK\$0.95 per Subscription Share), and the Guarantor has agreed to procure the due and punctual performance by the Subscriber of all the obligations under the Subscription Agreement. The net proceeds from the Subscription is estimated to be approximately HK\$75,500,000.

The Subscription Shares will be issued pursuant to the Specific Mandate to be sought from the Shareholders at the EGM. An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

Further details of this Subscription Agreement are set out in the announcements of the Company dated 16 April 2015.

### **Significant Investments Held, Material Acquisitions or Disposals of Subsidiaries and Affiliated Companies, and Plans for Material Investments or Capital Assets**

There were no significant investments held, material acquisitions or disposal of subsidiaries and affiliated companies during the three months ended 31 March 2015. Save for the Event after the Reporting Period as disclosed in this report, there is no plan for material investments or capital assets as the date of this report.

### **Share Option Scheme**

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. The Scheme is valid and effective for a period of 10 years commencing on 12 December 2011 and may continue to be exercisable in accordance with their terms of issue. The Board may grant options to Directors and eligible employees of the Company or its subsidiaries to subscribe for shares in the Company at a consideration equal to the higher of the closing price of the shares of the Company on the Stock Exchange at the date of offer of grant and the average closing prices of the shares of the Company on the Stock Exchange for the five trading days immediately preceding the date of grant of the options. Options granted must be taken up within 28 days from the date of grant, upon payment of HK\$1. Options may be exercised at any time from the date of grant of the share option up to the tenth anniversary of the date of grant as determined by the Directors at their discretion. The maximum number of shares of the Company in respect of which options may be granted, when aggregated with any other share option scheme of the Company, shall not exceed 30% of the issued share capital of the Company from time to time excluding any shares issued upon the exercise of options granted pursuant to the Scheme. Notwithstanding the foregoing, the shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme shall not exceed 10% of the shares in issue from time to time. The total number of shares issued and to be issued upon exercise of the options granted to a participant under the Scheme (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the shares in issue from time to time.

During the year 2014, the Company has granted 28,000,000 share options to the Company's directors, consultants and employees at the exercise price of HK\$0.81 per option share. At 31 March 2015, the number of shares in respect of which options had been granted and remained outstanding under the Scheme was 15,100,000 (31 March 2014: nil), representing 4.3% (31 March 2014: nil) of the shares of the Company in issue at that date.

Details of the movements of share options granted, exercised or cancelled/lapsed during the review period and outstanding as at 31 March 2015 are as follows:

	Number of share options					Exercise period (both dates inclusive)	Exercise price HK\$	Closing price immediately before the date of grant HK\$
	At 1 January 2015	Granted during the period	Exercised during the period	Cancelled/ lapsed during the period	Outstanding as at 31 March 2015			
<b>Directors</b>								
Ms. Lin Min, Mindy	2,800,000	-	-	-	2,800,000	25 November 2014 to 24 November 2021	0.81	0.97
Mr. Chan Wing Yuen, Hubert	2,800,000	-	-	-	2,800,000	25 November 2014 to 24 November 2021	0.81	0.97
Ms. Kwong Wai Man, Karina	2,800,000	-	-	-	2,800,000	25 November 2014 to 24 November 2021	0.81	0.97
Mr. Wang Zhi Zhong	280,000	-	-	-	280,000	25 November 2014 to 24 November 2021	0.81	0.97
Mr. Lui Tin Nang	280,000	-	-	-	280,000	25 November 2014 to 24 November 2021	0.81	0.97
Ms. Ma Lee	280,000	-	-	-	280,000	25 November 2014 to 24 November 2021	0.81	0.97
<b>Total Directors</b>	<b>9,240,000</b>				<b>9,240,000</b>			
Employees	10,360,000	-	(4,500,000)	-	5,860,000	25 November 2014 to 24 November 2021	0.81	0.97
<b>Total Employees</b>	<b>10,360,000</b>		<b>(4,500,000)</b>		<b>5,860,000</b>			
Consultants	8,400,000	-	(8,400,000)	-	-	25 November 2014 to 24 November 2021	0.81	0.97
<b>Total consultants</b>	<b>8,400,000</b>		<b>(8,400,000)</b>		<b>-</b>			
<b>Total All Categories</b>	<b>28,000,000</b>		<b>(12,900,000)</b>		<b>15,100,000</b>			

## Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company

At 31 March 2015, the interests and short positions of the Directors and chief executives of the Company in the ordinary shares (the "Shares"), underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

### Long position in ordinary shares of HK\$0.01 each of the Company

Name of director	Notes	Nature of Interest	Number of shares	Percentage of the Company's issued share capital
Mr. Chan Tai Neng	1	Interest of controlled corporation	103,040,000	29.53%
Ms. Lin Min, Mindy	2	Interest of controlled corporation	56,000,000	16.05%

Notes:

- Mr. Chan Tai Neng is deemed to be interested in 103,040,000 Shares held by Blossom Merit Limited. The issued share capital of Blossom Merit Limited is owned 90% by Mr. Chan Tai Neng and 10% by Mr. Cheung Chi Keung, a former executive Director.
- Ms. Lin Min, Mindy is deemed to be interested in 56,000,000 Shares held by Uprise Global Investments Limited, a company 100% controlled by Ms. Lin Min, Mindy.

### Long position in the underlying shares of equity derivatives of the Company

Name of director	Nature of Interest	Number of underlying shares (note)
Ms. Lin Min, Mindy	Beneficial owner	2,800,000
Mr. Chan Wing Yuen, Hubert	Beneficial owner	2,800,000
Ms. Kwong Wai Man, Karina	Beneficial owner	2,800,000
Mr. Lui Tin Neng	Beneficial owner	280,000
Ms. Ma Lee	Beneficial owner	280,000
Mr. Wang Zhi Zhong	Beneficial owner	280,000

Note:

The share options were granted by the Company to Directors on 25 November 2014 at the exercise price of HK\$0.81 per option share, which are outstanding as shown under the section "Share Option Scheme" of this report.

During the three months ended 31 March 2015, there were no debt securities issued by the Group and the Company at any time.

Saved as disclosed above, at 31 March 2015, none of the Directors or chief executives of the Company or their respective associates had registered any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

## Directors' Interests in Competing Business

For the period ended 31 March 2015, the Directors were not aware of any business or interest of the Directors, the management Shareholder and their respective associates (as defined under the GEM Listing Rules) that compete or may compete with the business of the Group and any other conflict of interest which any such person has or may have with the Group.

## Deed of Non-competition

Each of the controlling shareholders has confirmed to the Company of his/its compliance with the non-competition undertakings provided to the Company under a deed of non-competition dated 12 December 2011 during the Current Period. However, the deed of non-competition was no longer applied when the covenantors' interest in shares of the Company had dropped below 30% of the entire issued share capital of the Company since 10 March 2015.

## Substantial Shareholders' Interests and Short Positions In Shares, Underlying Shares and Debentures of the Company

As at 31 March 2015, so far as is known to the Directors, the following persons, not being Directors or chief executives of the Company had, or were deemed to have, interests or short position in the shares or underlying shares which would fall to be disclosed to the Company under the provision of Divisions 2 and 3 Part XV of the SFO; or who is directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

### Long position – Ordinary shares and underlying shares

Name	Capital and nature of interest	Number of shares	Number of underlying shares	Percentage of the Company's issued share capital
Blossom Merit Limited (Note 1)	Beneficial owner	103,040,000	–	29.53%
Uprise Global Investments Limited (Note 2)	Beneficial owner	56,000,000	–	16.05%
Mr. Hu Yishi (Note 3)	Interest of spouse	56,000,000	2,800,000	16.85%
Rosy Deal Group Limited (Note 4)	Beneficial owner	28,000,000	–	8.03%
Ms. Miao Kun Yu (Note 5)	Interest of controlled corporation	28,000,000	–	8.03%

Notes:

1. Blossom Merit Limited, a company incorporated in British Virgin Islands on 6 July 2011 with limited liability and an investment holding company where the entire issued share capital of which is held by Mr. Chan Tai Neng and Mr. Cheung Chi Keung (a former executive Director) in the proportion of 90% and 10% respectively as at 31 March 2015.
2. Uprise Global Investments Limited, a company incorporated in British Virgin Islands on 19 December 2013 with limited liability and an investment holding company where the entire issued share capital of which is held by Ms. Lin Min, Mindy.
3. Mr. Hu Yishi is the spouse of Ms. Lin Min, Mindy. Mr. Hu Yishi is deemed to be interested in the 58,800,000 shares and underlying shares in which Ms. Lin Min, Mindy is interested in pursuant to the SFO.
4. Rosy Deal Group Limited, a company incorporated in Samoa on 14 October 2014 with limited liability and an investment holding company where the entire issued share capital of which is held by Ms. Miao Kun Yu.
5. Ms. Miao Kun Yu is deemed to be interested in 28,000,000 shares through her interests in Rosy Deal Group Limited.



During the three months ended 31 March 2015, there were no debt securities issued by the Group at any time.

Save as disclosed above, as at 31 March 2015, the Directors are not aware of any other person other than the Directors and the chief executives of the Company who had, or was deemed to have interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO; or who is directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or options in respect of such share capital.

## **Rights to Acquire Shares or Debentures**

Other than as disclosed under the sections “Share Option Scheme” and “Directors’ and chief executives’ interests and short positions in shares, underlying shares and debentures of the Company” above, at no time during the three months ended 31 March 2015 was the Company or any of its subsidiaries, or any of its fellow subsidiaries, a party to any arrangement to enable the Directors or chief executives of the Company or their respective associates (as defined in the GEM Listing Rules) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

## **Purchase, Sale or Redemption of the Listed Securities of the Company**

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the shares during the three months ended 31 March 2015.

## **Compliance with the Corporate Governance Code**

To the best knowledge of the Board, the Company had complied with the Corporate Governance Code as set out in Appendix 15 of the GEM Listing Rules throughout the three months ended 31 March 2015.

## **Audit Committee**

The Company established an audit committee (the “Audit Committee”) pursuant to a resolution of the Directors passed on 12 December 2011 with written terms of reference in compliance with Rule 5.28 and Rule 5.29 of the GEM Listing Rules. The written terms of reference of the audit committee was adopted in compliance with paragraph C.3.3 of the Code on Corporate Governance Practices as set out in Appendix 15 to the GEM Listing Rules. The primary duties of the audit committee, among other things, are to make recommendation to the Board on the appointment, re-appointment and removal of external auditor; review the financial statements and material advice in respect of financial reporting; and oversee internal control procedures of the Company. As at 31 March 2015, the Audit Committee has three members comprising all the independent non-executive Directors, namely, Mr. Lui Tin Nang (chairman), Ms. Ma Lee and Mr. Wang Zhi Zhong.

The Audit Committee had reviewed the unaudited First Quarterly financial statements for the three months ended 31 March 2015 and is of the opinion that the preparation of such statements complied with the applicable accounting standards and that adequate disclosures have been made.

By order of the Board  
**Noble House (China) Holdings Limited**  
**Chan Wing Yuen, Hubert**  
*Chief Executive Officer and Executive Director*

Hong Kong, 11 May 2015

*As at the date of this report, the executive Directors are Ms. Lin Min, Mindy, Mr. Chan Wing Yuen, Hubert, Ms. Kwong Wai Man, Karina and Mr. Chan Tai Neng; and the independent non-executive Directors are Mr. Lui Tin Nang, Ms. Ma Lee and Mr. Wang Zhi Zhong.*