Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

Great Harvest Maeta Group Holdings Limited
榮 豐 聯 合 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3683)

FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2015

The board (the "Board") of directors (the "Directors") of Great Harvest Maeta Group Holdings Limited (the "Company") hereby announces the audited consolidated final results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2015 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2015

	Note	**2015** *US$'000*	2014 *US$'000*
Revenue	3	**15,195**	22,938
Cost of services		**(21,848)**	(19,482)
Gross (loss)/profit		**(6,653)**	3,456
Other losses — net		**(396)**	(698)
Other income		**44**	60
General and administrative expenses	4	**(2,610)**	(2,764)
Impairment losses	4	**(25,623)**	(5,245)
Operating loss		**(35,238)**	(5,191)
Finance income	5	**4**	155
Finance costs	5	**(2,172)**	(1,576)
Finance costs — net		**(2,168)**	(1,421)

	Note	2015 US$'000	2014 US$'000
Loss before income tax		**(37,406)**	(6,612)
Income tax expense	6	**—**	—
Loss for the year and total comprehensive loss attributable to owners of the Company		**(37,406)**	(6,612)
Loss per share attributable to owners of the Company			
— Basic and diluted	7	**(US4.51 cents)**	(US0.80 cents)
Dividends	8	**—**	—

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2015

	Note	2015 US$'000	2014 US$'000
ASSETS			
Non-current assets			
Property, plant and equipment		**102,935**	122,269
Pledged bank deposits		**3,774**	4,250
		106,709	126,519
Current assets			
Trade and other receivables	9	**2,389**	3,215
Pledged bank deposits		**3,378**	6,432
Cash and cash equivalents		**421**	6,038
		6,188	15,685
Asset classified as held for sale	10	**3,608**	—
		9,796	15,685
Total assets		**116,505**	142,204
EQUITY			
Equity attributable to owners of the Company			
Share capital	11	**1,064**	1,064
Reserves		**52,285**	89,627
Total equity		**53,349**	90,691
LIABILITIES			
Non-current liabilities			
Borrowings		**47,192**	38,910
Convertible bonds		**3,604**	3,702
Derivative financial instruments		**278**	101
		51,074	42,713
Current liabilities			
Other payables and accruals		**2,070**	1,430
Borrowings		**10,012**	7,370
		12,082	8,800
Total liabilities		**63,156**	51,513
Total equity and liabilities		**116,505**	142,204
Net current (liabilities)/assets		**(2,286)**	6,885
Total assets less current liabilities		**104,423**	133,404

1 GENERAL INFORMATION

Great Harvest Maeta Group Holdings Limited (the "Company") and its subsidiaries (together, the "Group") are engaged in chartering of dry bulk vessels. The principal activity of the Company is investment holding.

The Company is a limited liability company incorporated in the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KYI-1111 Cayman Islands.

The shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

These financial statements are presented in United States dollars ("US$"), unless otherwise stated. These financial statements have been approved for issue by the Board of Directors on 30 June 2015.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The consolidated financial statements have been prepared under the historical cost convention, as modified by certain financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss, which are carried at fair value.

In accordance with the transitional and saving arrangements for Part 9 of the Hong Kong Companies Ordinance (Cap. 622), "Accounts and Audit" as set out in sections 76 to 87 of Schedule 11 to the Hong Kong Companies Ordinance (Cap. 622), the consolidated financial statements are prepared in accordance with the applicable requirements of the predecessor Companies Ordinance (Cap. 32) for this financial year and the comparative period.

The preparation of consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

Going concern basis

For the year ended 31 March 2015, the Group incurred a loss of US$37,406,000 (2014: US$6,612,000). As at 31 March 2015, the Group's current liabilities exceeded its current assets by US$2,286,000 (2014: net current assets US$6,885,000).

The directors of the Company have reviewed the Group's cash flow projections, which cover a period of twelve months from 31 March 2015. The directors are of the opinion that, taking into account the following, the Group will have sufficient working capital to meet its financial obligations as and when they fall due within the next twelve months from 31 March 2015:

(i) On 14 April 2015, Prosperity Plus Enterprises Limited ("Prosperity Plus"), a wholly-owned subsidiary of the Company, entered into a memorandum of agreement to dispose of a vessel, GH Prosperity ("GH Prosperity") (which was recognised as asset classified as held for sale as at 31 March 2015), with an independent third party at a consideration of US$3,690,000. On 18 May 2015, the disposal was completed and the proceeds were received in full. The bank borrowings in relation to the pledged GH Prosperity of US$3,290,000 (classified under current liabilities) were fully repaid and the pledged bank deposit of US$1,259,000 was released respectively on the same date. There was a net cash inflow of US$1,659,000 from this disposal (Note 12).

(ii) On 28 April 2015, the Company has entered into a shareholder's loan agreement with Ablaze Rich Investments Limited ("Ablaze Rich"), the ultimate holding company for a total loan amount of US$2,000,000. On the same date, US$1,000,000 was drawn down and received in full by the Company. The above shareholder's loan of US$1,000,000 is unsecured, carries an interest of 4% per annum and will be repayable on or before 27 April 2017. The ultimate controlling shareholders of Ablaze Rich are Mr. Yan Kim Po and Ms. Lam Kwan, directors of the Company (Note 12).

(iii) On 23 June 2015, the Company completed the placing of 83,000,000 new shares of the Company at a price of HK$1.982 per share (the "Placement"). The proceeds from the Placement after netting off charges upon completion amounting to approximately HK$156,268,000 (equivalent to approximately US$20,034,000) were received on the same date (Note 12).

In the opinion of the directors, in light of the above, the Group will have sufficient financial resources to finance its operations and to fulfil its financial obligations as and when they fall due in the coming twelve months from the date of the balance sheet. Accordingly, the directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

(a) Amendments to existing standards effective beginning 1 April 2014 but have no significant impact or are not relevant to the Group

HKAS 32 Amendment	Offsetting financial assets and financial liabilities
HKAS 36 Amendment	Recoverable amount disclosures for non-financial assets
HKAS 39 Amendment	Novation of derivatives and continuation of hedge accounting
HKFRS 10, HKFRS 12 and HKAS 27 (2011) Amendment	Investment entities
HK(IFRIC)-Int 21	Levies

(b) New standards, amendments to existing standards and annual improvement projects have been issued but are not effective for the financial year beginning 1 April 2014 and have not been early adopted by the Group

		Effective for annual periods beginning on or after
HKAS 1 Amendment	Disclosure initiative	1 January 2016
HKAS 19 (2011) Amendment	Defined benefit plans: Employees contributions	1 July 2014
HKAS 27 Amendment	Equity method in separate financial statements	1 January 2016
HKAS 16 and HKAS 38 (Amendment)	Clarification of acceptable methods of depreciation and amortization	1 January 2016
HKAS 16 and HKAS 41	Agriculture: bearer plants	1 January 2016
HKFRS 9	Financial instruments	1 January 2018
HKFRS 10 and HKAS 28 Amendment	Sale or contribution of assets between an investor and its associate or joint venture	1 January 2016
HKFRS 10, HKFRS 12 and HKAS 28 (Amendment)	Investment entities: Applying the consolidation exception	1 January 2016
HKFRS 11 Amendment	Accounting for acquisitions of interests in joint operations	1 January 2016
HKFRS 14	Regulatory deferral accounts	1 January 2016
HKFRS 15	Revenue from contracts with customers	1 January 2017
Annual Improvement Project	Annual improvements 2010–2012 cycle	1 July 2014
Annual Improvement Project	Annual improvements 2011–2013 cycle	1 July 2014
Annual Improvement Project	Annual improvements 2012–2014 cycle	1 January 2016

The Group will apply the above new standards, amendments to existing standards and annual improvement projects as and when they become effective. The Group has already commenced an assessment of the impact of these new standards, amendments to existing standards and annual improvement projects, and adopted them when they become effective.

(c) New Hong Kong Companies Ordinance (Cap. 622)

In addition, the requirements of Part 9 "Accounts and Audit" of the new Hong Kong Companies Ordinance (Cap. 622) come into operation as from the Company's first financial year commencing on or after 31 December 2015 in accordance with section 358 of that Ordinance. The Group is in the process of making an assessment of expected impact of the changes in the Companies Ordinance on the consolidated financial statements in the period of initial application of Part 9 of the new Hong Kong Companies Ordinance (Cap. 622). So far it has concluded that the impact is unlikely to be significant and only the presentation and the disclosure of information in the consolidated financial statements will be affected.

3 REVENUE AND SEGMENT INFORMATION

Revenue represents the net amounts received and receivable for services rendered by the Group to outside customers less discounts.

	2015	2014
	US$'000	*US$'000*
Time charter income	**13,970**	14,266
Voyage charter income	**1,225**	4,206
Service income	**—**	4,466
	15,195	22,938

HKFRS 8 "Operating Segments" requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision makers (i.e. executive directors) in order to allocate resources to segments and to assess their performance. The information reported to the Group's chief operating decision makers for the purpose of resource allocation and assessment of performance is prepared based on the overall operation of vessels on a combined basis, hence the Group has only one operating segment.

The chief operating decision makers regularly review the revenue components of time charter income, voyage charter income and service income, which is considered as a single operating segment on a combined basis. The gross profit and profit before tax are also reported internally on a combined basis for the resources allocation and performance assessment by the chief operating decision makers. Accordingly, no separate segment information is prepared.

Segment assets and liabilities

No assets and liabilities are included in the Group's segment reporting that are submitted to and reviewed by the chief operating decision maker internally. Accordingly, no segment assets and liabilities are presented.

Geographical information

Due to the nature of the provision of vessel chartering services, which are carried out internationally, the directors consider that it is not meaningful to provide the financial information by geographical segment. Accordingly, geographical segment revenue for the provision of vessel chartering services is not presented.

4 EXPENSES BY NATURE

Operating loss is stated after charging the following:

	2015	2014
	US$'000	*US$'000*
Crew expenses (included in cost of services)	**4,353**	4,024
Depreciation of property, plant and equipment	**7,824**	7,573
Operating lease rental for land and buildings	**334**	286
Auditor's remuneration — audit services	**153**	140
Provision for trade receivables impairment *(Note 9)*	**11**	—
Bad debt written-off	**—**	3
Impairment losses on		
— property, plant and equipment	**20,612**	5,245
— asset classified as held for sale	**5,011**	—
Employee benefit expense (including directors' emoluments)	**1,323**	1,427

5 FINANCE COSTS — NET

	2015	2014
	US$'000	*US$'000*
Finance income		
Interest income	**(4)**	(22)
Finance income on finance lease receivable	**—**	(133)
	(4)	(155)
Finance costs		
Interest expense on borrowings	**1,746**	1,163
Interest expenses on convertible bonds	**187**	105
Loan arrangement fee	**239**	308
	2,172	1,576
Finance costs — net	**2,168**	1,421

6 INCOME TAX EXPENSE

No provision for Hong Kong profits tax has been made as the Group has no estimated assessable profit generated in Hong Kong for the year ended 31 March 2015 (2014: Nil).

Taxation on profits has been calculated on the estimated assessable profits for the year ended 31 March 2015 at the rates of taxation prevailing in the countries/places in which the Group operates.

In the opinion of the directors, there is no taxation arising in other jurisdictions.

The tax on the Group's loss before income tax differs from the theoretical amount that would arise using the primary tax rate of 16.5% (2014: 16.5%) applicable to profit/(loss) of the majority of the consolidated entities as follows:

	2015	2014
	US$'000	*US$'000*
Loss before income tax	**(37,406)**	(6,612)
Calculated at a taxation rate of 16.5% (2014: 16.5%)	**(6,172)**	(1,091)
Offshore income not taxable for tax purpose	**(2,508)**	(3,813)
Expenses not deductible for tax purposes	**8,468**	4,702
Tax losses not recognised	**212**	202
Income tax expense	**—**	—

Deferred income tax assets are recognised for tax loss carry forwards to the extent that the realisation of the related tax benefit through future taxable profit is probable. The Group did not recognise deferred income tax assets in respect of losses amounting to US$6,006,000 (2014: US$4,723,000) that can be carried forward against future taxable income and with no expiry date.

7 LOSS PER SHARE

(a) Basic

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

	2015	2014
Loss for the year and attributable to owners of the Company *(US$'000)*	**37,406**	6,612
Weighted average number of ordinary shares in issue *(thousands)*	**830,000**	830,000
Basic loss per share *(US cents per share)*	**4.51**	0.80

(b) Diluted

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has share options and convertible bonds which may result in dilutive potential ordinary shares. Its calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share prices of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options and convertible bonds. The number of shares calculated is compared with the number of shares that would have been issued assuming the exercise of the share options and convertible bonds.

Diluted loss per share for the years ended 31 March 2015 and 2014 equal basic loss per share as the exercise of the outstanding share options and convertible bonds would be anti-dilutive.

8 DIVIDENDS

The directors do not recommend the payment of a final dividend for the year ended 31 March 2015 (2014: Nil).

9 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2015	2014	**2015**	2014
	US$'000	*US$'000*	***US$'000***	*US$'000*
Trade receivables	**1,525**	2,319	**—**	—
Less: Provision for impairment of trade receivables	**(11)**	(8)	**—**	—
Trade receivables, net	**1,514**	2,311	**—**	—
Prepayments and deposits	**875**	904	**96**	90
	2,389	3,215	**96**	90

The carrying amounts of trade receivables, prepayments and deposits approximate their fair values.

Time charter income is prepaid in advance. The credit period granted by the Group to the customers of voyage charter is within 7 days after completion of loading, signing and/or releasing bill of lading.

As at 31 March 2015 and 2014, the ageing analysis of the trade receivables based on invoice date were as follows:

	Group	
	2015	2014
	US$'000	*US$'000*
0–30 days	**1,473**	2,247
31–365 days	**41**	63
Over 365 days	**11**	9
	1,525	2,319

As at 31 March 2015, trade receivables of US$41,000 (2014: US$64,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The past due ageing analysis of these trade receivables is as follows:

	2015	2014
	US$'000	*US$'000*
0–30 days	**—**	—
31–365 days	**41**	63
Over 365 days	**—**	1
	41	64

As at 31 March 2015, trade receivables of US$11,000 (2014: US$8,000) were impaired. For the year ended 31 March 2015, provision of US$8,000 (2014: Nil) was written off as uncollectible.

Movements on the provision for impairment of trade receivables are as follows:

	2015	2014
	US$'000	*US$'000*
At 1 April	**8**	8
Provision for receivables impairment	**11**	—
Receivables written off during the year as uncollectible	**(8)**	—
At 31 March	**11**	8

The carrying amounts of trade and other receivables are mainly denominated in US$.

The Group does not hold any collateral as security.

10 ASSET CLASSIFIED AS HELD FOR SALE — GROUP

In March 2015, management of Prosperity Plus resolved to dispose of GH Prosperity, which was reclassified from property, plant and equipment to asset classified as held for sales as at 31 March 2015. Management fulfilled the conditions under HKFRS 5 Non-current Assets Held for Sale and Discontinued Operation. GH Prosperity was written down from carrying value to fair value less costs to sell amounting to US$3,608,000 and an impairment loss on asset classified as held for sale of US$5,011,000 was recognised in consolidated statement of comprehensive income for the year ended 31 March 2015.

The asset classified as held for sale of US$3,608,000 and pledged bank deposit of US$1,259,000 were pledged as security for bank borrowings of US$3,238,000 of the Group as at 31 March 2015.

11 SHARE CAPITAL

	2015	2014
	HK$'000	*HK$'000*
Authorised:		
1,000,000,000 ordinary shares of HK$0.01 each	**10,000**	10,000

	2015	2014
	US$'000	*US$'000*
Issued and fully paid:		
830,000,000 ordinary shares of HK$0.01 each	**1,064**	1,064

12 EVENT AFTER THE BALANCE SHEET DATE

Disposal of vessel

On 14 April 2015, Prosperity Plus entered into a memorandum of agreement to dispose of a vessel, GH Prosperity (which was recognised as asset classified as held for sale as at 31 March 2015), with an independent third party at a consideration of US$3,690,000. On 18 May 2015, the disposal was completed and the proceeds were received in full. The bank borrowings in relation to the pledged GH Prosperity of US$3,290,000 (classified under current liabilities) were fully repaid and the pledged bank deposit of US$1,259,000 was released respectively on the same date. There was a net cash inflow of US$1,659,000 from this disposal.

Loan from ultimate holding company

On 28 April 2015, the Company has entered into a shareholder's loan agreement with Ablaze Rich for a total loan amount of US$2,000,000. On the same date, US$1,000,000 was drawn down and received in full by the Company. The above shareholder's loan of US$1,000,000 is unsecured, carries an interest of 4% per annum and will be repayable on or before 27 April 2017. The ultimate controlling shareholders of Ablaze Rich are Mr. Yan Kim Po and Ms. Lam Kwan, directors of the Company.

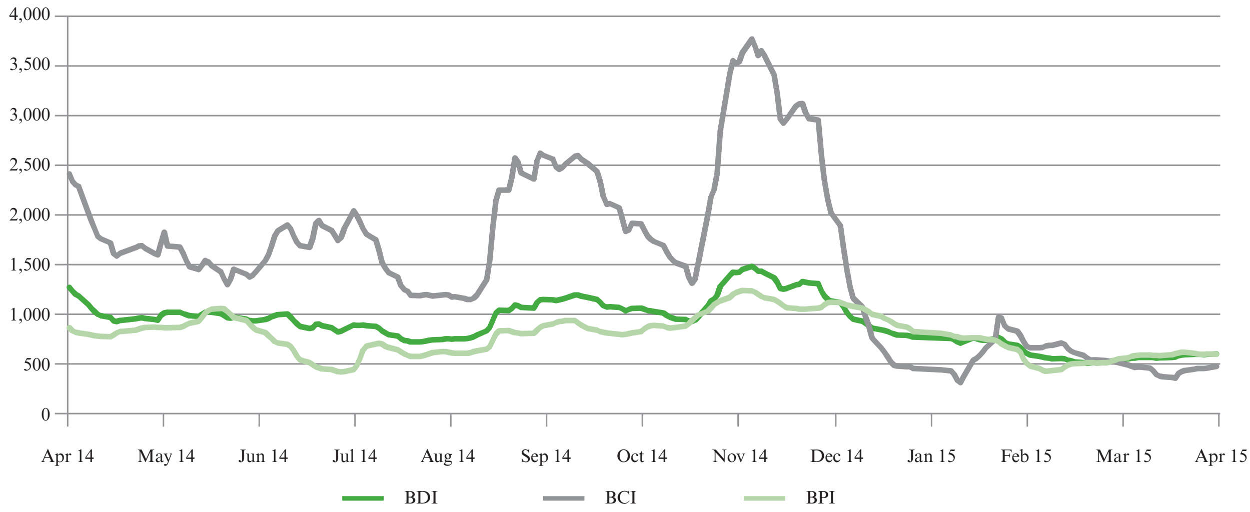
Placement

On 23 June 2015, the Company completed the placing of 83,000,000 new shares of the Company at a price of HK$1.982 per share. The proceeds from the Placement after netting off charges upon completion amounting to approximately HK$156,268,000 (equivalent to approximately US$20,034,000) were received on the same date.

MANAGEMENT DISCUSSION AND ANALYSIS

Market review

Daily Variation Chart of Baltic Dry Index (BDI), Baltic Capesize Index (BCI) and Baltic Panamax Index (BPI) 1 April 2014–31 March 2015



BDI year-high at 1,484 in November 2014, year-low at 509 in February 2015, year-average at 915
BCI year-high at 3,781 in November 2014, year-low at 311 in January 2015, year-average at 1,559
BPI year-high at 1,241 in November 2014, year-low at 419 in June 2014, year-average at 788

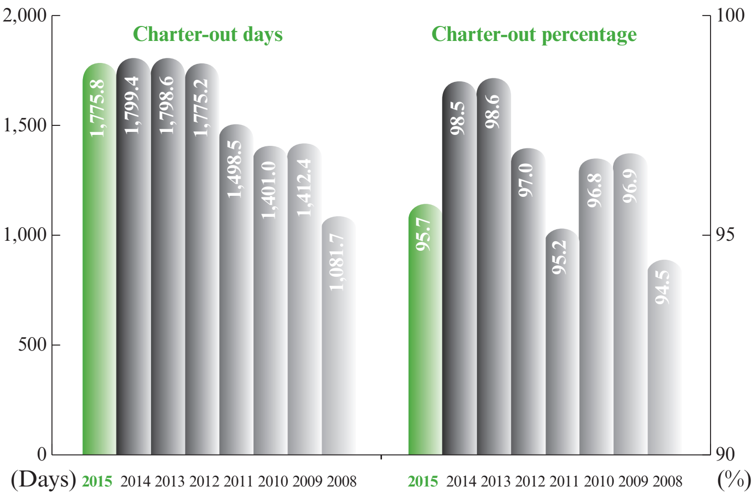
It was a very difficult year for the dry bulk marine transportation industry in 2014. The freight rate for dry bulk cargoes had been stagnant during the year ended 31 March 2015. As at 31 March 2015, the year average of the Baltic Dry Index stood at 915, down 32% from the same period last year. The year average of the Baltic Panamax Index was 788, down 511 points or approximately 39% from 1,299 for the same period last year. The average daily charter rate recorded by the Baltic Dry Index also fell substantially from the same period last year to US$6,329, which decreased further to US$4,906 in the first quarter of 2015. In early 2015, the Baltic Dry Index reached rock bottom, the lowest level since its inception in 1985. The plight of the freight market was attributable to the oversupply of dry bulk vessels. Since the demand for marine transportation of dry bulk cargoes is unlikely to surge, the freight rate will still be suppressed by the demand-supply contradiction, which will only be mitigated and changed over a relatively long period of time.

Given the slow growth in the overall economy, the approximately 4.2% increase in the demand for marine transportation of dry bulk cargoes in 2014 could have supported the freight market. However, such increase was set off by the approximately 4.4% expansion in fleet size. At present, the marine transportation market of dry bulk cargoes is mainly driven by the momentum of bulk cargo import in China. In 2014, iron ore import increased approximately 13.8% to around 933 million tonnes, soybean import rose approximately 12.7% to 71.4 million tonnes, whilst negative growth of approximately 10.9% was recorded for China's coal import, amounting to 291 million tonnes only. The much anticipated coal import by India amounted to 210 million tonnes, providing limited impetus to the marine transportation market of dry bulk cargoes as a whole. Despite its relatively slower increase, net growth of approximately 32 million tonnes in the fleet size for the whole year was recorded, putting pressure on the freight market. Due to the depressed freight market, the prices for second-hand vessels dropped considerably. According to statistics, the prices for second-hand dry bulk vessels decreased approximately 14% in 2014, followed by a further drop of approximately 37%

in the first quarter of 2015, leading to a double depression in the sentiment of the market of dry bulk vessels. In January and February 2015, dry bulk vessels of approximately 4.6 million tonnes were sold for dismantling, three times of the amount during the same period last year. It is hoped that the increase in vessel dismantling will alleviate the imbalance between demand and supply in the freight market and facilitate the recovery of the spot freight market.

Vessel owners were under great operational pressure due to the depressed freight rate of dry bulk vessels. New policies and regulations promulgated in various areas in the world further placed upward pressure to the operation and management costs of vessels. In particular, the implementation of new environmental regulations and the use of ultra-low sulfur fuel made the severe operating environment faced by vessel owners even worse.

Business review



During the year ended 31 March 2015, the Group's vessels managed to operate under sound condition. The fleet size of the Group reduced slightly to 390,180 dwt compared to last year whereas the average age decreased from 13.8 years to 10.8 years. The charter-out percentage of the year was 95.7%, which was a relatively high operating rate despite a 2.8% drop from last year. The decrease in the operating rate was attributable to the dock repair of three vessels and the handover of two vessels of the Group during the year. The average daily charter rate of the Group's vessels amounted to US$7,571, approximately 29.8% lower than last year. The decrease in income was due to a lower spot freight rate for dry bulk cargoes compared to last year when the Group was still executing the time charter contracts with higher charter rates which did not recur during the year. The Group's fleet achieved a record of safe operation and zero adverse incidents during the year. At present, a fleet coverage rate of about 15% is achieved for the second half of 2015 with all vessels operating in the spot market. Regarding vessel management, the Group managed to exert stringent control over various costs and expenses and strived to minimise voyage expenses, keeping management expenses of vessels within budget.

In order to reduce operational risks and achieve better operational efficiency, the Group upheld its proactive and prudent operating strategies and sought to charter out its vessels to more reputable charterers while endeavouring to provide better transportation services to charterers, so as to maintain a favourable market image.

On 20 May 2014, the Group entered into a memorandum of agreement with an independent third party to acquire a second-hand panamax dry bulk vessel at a purchase price of US$22,800,000 (equivalent to approximately HK$176,700,000). The vessel was delivered to the Group on 22 July 2014. Further details of the acquisition of the vessel are set out in the announcement of the Company dated 22 May 2014.

On 11 August 2014, the Group entered into a sale and purchase agreement with an independent third party to sell a capesize dry bulk vessel at a consideration of approximately US$7,000,000 (equivalent to approximately HK$54,290,000). The vessel was delivered to the purchaser on 22 August 2014. Further details of the disposal of the vessel are set out in the announcement of the Company dated 11 August 2014 and the circular of the Company dated 19 September 2014.

On 14 April 2015, the Group entered into a memorandum of agreement with an independent third party to dispose of a panamax dry bulk vessel at a consideration of US$3,690,000 (equivalent to approximately HK$28,782,000). The vessel was delivered to the purchaser and the disposal was completed on 18 May 2015.

As at the date of this announcement, the Group's fleet comprised four panamax dry bulk vessels, namely GH FORTUNE, GH POWER, GH GLORY and GH HARMONY, with total carrying capacity of approximately 319,923 dwt.

Market outlook

The market is pessimistic about the outlook of the spot freight rate for dry bulk cargoes in 2015. It is believed that both the spot rate and daily average income of vessels will stay at low levels and there will not be substantial changes to the current supply glut of vessels. The time charter market also bodes ill for the spot rate this year. Time charterers now set the one-year daily charter rate for panamax vessels at US$6,250, almost half of that during the same period last year, as major cargo owners and charterers are not optimistic about the freight rate in the coming year. The International Monetary Fund (IMF) forecasts that the world economy will grow about 3.5% this year while the aggregate international trade volume will increase about 3.8%, both of which are higher than those of last year (3.3% and 3.1% respectively). Therefore, it is expected that the demand for marine transportation of dry bulk cargoes will also keep growing. If the increase in fleet size could wane this year, it is hoped that the relationship between demand and supply of dry bulk vessels will be turned to vessel owners' advantage on slightly higher demand and lower supply.

According to statistics from shipping broker companies, the volumes of marine transportation of major types of dry bulk cargoes all recorded growth this year, while the demand for marine transportation of iron ore registered a relatively large increase. Given the current ultra-low spot freight rate, the dry bulk cargo fleet is not expected to grow much this year. As such, it is hoped that the supply glut in the freight market will ease, providing a favourable environment and condition for the recovery of the spot rate.

Based on statistics from market reports, the amount of iron ore imported by China by marine transportation will increase approximately 6% this year, while India's coal import by marine transportation will increase approximately 10%. Due to the high bases of China's iron ore import and India's coal import, further high growth will make a significant contribution to the global marine transportation volume. However, as China is making adjustments to its economy and, in particular, import of dry bulk cargoes fell short of market expectations in the first quarter of 2015, whether the increase will live up to expectations remains uncertain. If the current supply glut of vessels could be alleviated, the spot freight rate may be able to rebound from the level at the end of 2014. Nevertheless, as the effect will not manifest until the third quarter of 2015, the average vessel income this year is not likely to surpass that of last year.

Given the depressed spot freight market, the Group will maintain its prudent operating strategies by enhancing daily management of vessels, providing better transportation service to customers and seeking to charter out its vessels to reputable and reliable charterers at higher rates, thus generating more revenue for the Group. Meanwhile, the Group will strictly control operation costs and reduce all unnecessary expenses. The Group intends to identify new development opportunities and/or expand our scope of business and diversify our income streams by expanding into operations other than the shipping business, such as upstream businesses.

Financial review

Revenue

Revenue of the Group decreased from approximately US$22.9 million for the year ended 31 March 2014 to approximately US$15.2 million for the year ended 31 March 2015, representing a decrease of approximately US$7.7 million, or approximately 33.8%. It comprised time charter income of approximately US$14.0 million (constituted approximately 91.9% of the revenue of the Group) (2014: approximately US$14.3 million, constituted approximately 62.2% of the revenue of the Group) and voyage charter income of approximately US$1.2 million (constituted approximately 8.1% of the revenue of the Group) (2014: approximately US$4.2 million, constituted approximately 18.3% of the revenue of the Group) for the year ended 31 March 2015. There was no service income derived (2014: approximately US$4.5 million, constituted approximately 19.5% of the revenue of the Group) for the year ended 31 March 2015. Such decrease was mainly attributable to the decrease in average daily time charter equivalent (Daily TCE) of the Group's fleet, dry docking maintenance of three vessels and the handover of two vessels of the Group during the year ended 31 March 2015.

Cost of services

Cost of services of the Group increased from approximately US$19.5 million for the year ended 31 March 2014 to approximately US$21.8 million for the year ended 31 March 2015, representing an increase of approximately US$2.3 million or approximately 12.1%. The increase of cost of services was mainly due to mark to market loss of bunker inventory recognised at delivery of vessels to charterers arisen from the drastic drop in bunker market price in the fourth quarter of 2014 and increase in crew wages.

Gross profit/loss

The Group recorded gross loss of approximately US$6.7 million for the year ended 31 March 2015 as compared with gross profit of approximately US$3.5 million for the year ended 31 March 2014, representing a difference of approximately US$10.2 million, while the gross margin deteriorated from approximately 15.1% for the year ended 31 March 2014 to approximately -43.8% for the year ended 31 March 2015. The deterioration in gross margin of the Group was mainly attributable to the decrease in average Daily TCE of the Group's fleet and dry docking maintenance of three vessels during the year ended 31 March 2015.

General and administrative expenses

General and administrative expenses of the Group decreased by approximately US$0.2 million or approximately 5.6%, which was mainly due to the decrease in amortization of share-based payments and legal and professional fees incurred during the year ended 31 March 2015.

Finance costs

Finance costs of the Group increased from approximately US$1.6 million for the year ended 31 March 2014 to approximately US$2.2 million for the year ended 31 March 2015, representing an increase of approximately US$0.6 million or approximately 37.8%. Such increase was mainly attributable to the loans raised for financing the acquisition costs of vessels.

Loss and total comprehensive loss for the year

The Group incurred a loss of approximately US$37.4 million for the year ended 31 March 2015 as compared with approximately US$6.6 million for the year ended 31 March 2014. Such change was mainly due to (i) the change from gross profit to gross loss of the Group with a difference of approximately US$10.2 million; (ii) the impairment losses of approximately US$25.6 million of the Group's vessels; (iii) the loss of approximately US$0.5 million on disposal of a vessel; and (iv) the increase in finance costs.

Liquidity, financial resources, capital structure and gearing ratio

As at 31 March 2015, the Group's cash and cash equivalent amounted to approximately US$0.4 million (2014: approximately US$6.0 million), of which approximately 82.7% was denominated in US$ and approximately 16.9% in HK$. Outstanding bank loans amounted to approximately US$54.2 million (2014: approximately US$46.3 million) and other borrowings amounted to US$3.0 million (2014: Nil), which were denominated in US$.

As at 31 March 2014 and 31 March 2015, the Group had a gearing ratio (being the bank loans and other borrowings of the Group divided by the total assets of the Group) of approximately 35.1% and 52.2% respectively. The increase in gearing ratio as at 31 March 2015 was mainly due to the new bank loan raised for financing the acquisition costs of vessels and shareholder's loan drawn during the year ended 31 March 2015.

The Group recorded net current assets of approximately US$6.9 million as at 31 March 2014 but net current liabilities of approximately US$2.3 million as at 31 March 2015. Such deterioration was mainly due to (i) US$6.8 million decrease in cash and the increase in bank borrowings obtained for financing the acquisition costs of vessels which contributed to an increase of approximately US$1.0 million in current liabilities as compared to that of the year ended 31 March 2014; and (ii) the dry docking maintenance of three vessels during the year ended 31 March 2015 amounted to approximately US$2.2 million.

The Group monitors the current and expected liquidity requirements regularly to mitigate the effects of fluctuations in cash flows. The Company has entered into two loan facility agreements with Ablaze Rich Investments Limited ("Ablaze Rich"), the holding company of the Company, on 17 February 2015 and 28 April 2015 for loan facilities in the total amount of US$3,000,000 (the "First Facility") and US$2,000,000 (the "Second Facility") respectively. As of the date of this announcement, the full loan amount has been drawn down by the Company under the First Facility and will be repayable on or before 16 February 2017, while US$1,000,000 has been drawn down by the Company under the Second Facility and will be repayable on or before 27 April 2017. Both loan facilities are unsecured and carry an interest of 4% per annum. The disinterested members of the Board (including the independent non-executive Directors) consider that as the First Facility and Second Facility are on terms that are normal commercial terms or better and are not secured by the assets of the Group, the receipt of financial assistance by the Group thereunder are fully exempt under Rule 14A.90 of the Listing Rules.

The Group's liquidity requirements will be satisfied by a combination of cash flow generated from working capital arising from operating activities, bank loans and other financing means which the Company may from time to time considers appropriate.

Convertible Bonds

On 5 July 2013, the Company entered into a subscription agreement with Ablaze Rich, the holding company of the Company, in respect of the issue and subscription of the convertible bonds in the aggregate principal amount of US$8,000,000 comprising (i) the first tranche in the principal amount of US$3,000,000 (the "First Convertible Bonds") and (ii) the second tranche in the principal amount of US$5,000,000 (the "Second Convertible Bonds", together with the First Convertible Bonds, the "Convertible Bonds"), which may be converted into 19,763,513 and 32,939,189 shares of the Company respectively at the conversion price of HK$1.184 per conversion share at the exchange rate of HK$7.8 to US$1.0.

The completion of the issue and subscription of the First Convertible Bonds took place on 2 September 2013. The net proceeds from the issue of the First Convertible Bonds had been fully utilised as general working capital of the Group. On 2 September 2014, the Company announced that the issue of the Second Convertible Bonds did not proceed to completion and had lapsed accordingly (the "Non-Completion").

Further details of the issue of the Convertible Bonds and the Non-completion are set out in the announcements of the Company dated 5 July 2013, 2 September 2013 and 2 September 2014, and the circular of the Company dated 23 July 2013.

As at 31 March 2015, the entire principal amount of the First Convertible Bonds remained outstanding.

Placing of new shares of the Company under general mandate

On 9 June 2015, the Company entered into a placing agreement with a placing agent, pursuant to which the placing agent has agreed to place, on a best endeavour basis, up to 83,000,000 new ordinary shares of the Company to not less than six placees at the placing price of HK$1.982 per share. The placing was completed and a total of 83,000,000 shares of the Company were allotted and issued on 23 June 2015 to not less than six placees. Please refer to the announcements of the Company dated 9 June 2015 and 23 June 2015 for details of the placing. The Company intends to use the net proceeds for the Group's general working capital purposes. As at the date of this announcement, the net proceeds had yet been utilised by the Group.

Exposure to fluctuations in exchange rate and related hedges

The Group's transactions and monetary assets were primarily denominated in US$. Operating expenses of the Group's Hong Kong subsidiary were primarily denominated in HK$ and the bank loans of the Group were denominated in US$. As the Group does not have significant foreign currency transactions or balances, the Directors consider that the level of foreign currency exposure for the Group is relatively minimal.

The Group had entered into an interest rate swap to hedge for the future fluctuations of London Interbank offered rate or cost of fund arising from the Group's variable-rate borrowings. The total notional principal amount of the outstanding interest rate swap as at 31 March 2015 was US$13,100,000 (2014: US$13,350,000).

Bank loans and disclosure under Rules 13.13 to 13.19 of the Listing Rules

Pursuant to Rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), a general disclosure obligation will arise where an issuer or any of its subsidiaries enters into a loan agreement that includes a condition imposing specific performance obligations on any controlling shareholders, such as a requirement to maintain a specified minimum holding in the share capital of the issuer. As at 31 March 2015, the Group recorded outstanding bank loans of approximately US$54.2 million and all the bank loans carried interest at floating rate. The bank loans, namely the GH FORTUNE/GH PROSPERITY Loan, the GH POWER Loan, the GH GLORY Loan and the GH HARMONY Loan, were for financing the acquisition costs of vessels of the Group and were secured by, inter alia, the following:

- Corporate guarantee from the Company;
- First preferred mortgages over the vessels held by Bryance Group Limited ("Bryance Group"), Joy Ocean Shipping Limited ("Joy Ocean"), Way Ocean Shipping Limited ("Way Ocean"), Prosperity Plus Enterprises Limited ("Prosperity Plus") and United Edge Holdings Limited ("United Edge") respectively;
- Assignment of the charter-hire income and insurance in respect of the vessels held by Bryance Group, Joy Ocean, Way Ocean, Prosperity Plus and United Edge respectively;
- Charges over shares of each of Bryance Group, Joy Ocean, Way Ocean, Prosperity Plus and United Edge.

The above bank loans were provided to the Group on the conditions that, inter alia, Mr. Yan Kim Po ("Mr. Yan"), Ms. Lam Kwan ("Ms. Lam") and/or any company controlled by them shall jointly hold at least 51% shareholding interests in the Company.

In relation to the GH POWER Loan, it would be an event of default if any two of Mr. Yan, Ms. Lam and Mr. Cao Jiancheng cease to be the executive Directors of the Company without the lender's prior consent.

Save as disclosed above, the Directors have confirmed that, as at the date of this announcement, there are no other circumstances that would trigger a disclosure obligation under Rules 13.13 to 13.19 of the Listing Rules.

Notes:

1. "GH FORTUNE/GH PROSPERITY Loan" represents a term loan for the aggregate principal amount of US$16 million in two tranches for the purpose of financing or refinancing the acquisition costs of GH FORTUNE and GH PROSPERITY. US$10.4 million of the principal amount of such term loan shall be repaid by 20 quarterly instalments, and US$5.6 million thereof shall be repaid by 12 quarterly instalments, commencing three months from 5 December 2013.

   On 18 May 2015, the disposal of GH PROSPERITY was completed and the outstanding amounts under the tranche of such term loan were fully repaid on the same date.

2. "GH POWER Loan" represents a term loan for the principal amount of US$39 million for financing the acquisition costs of GH POWER. The principal amount shall be repaid by 40 quarterly instalments commencing three months from 11 February 2008.

3. "GH GLORY Loan" represents a term loan for the principal amount of US$26 million for financing the acquisition costs of GH GLORY. 70% of the principal amount of the bank loan shall be repayable by 28 consecutive quarterly instalments of US$650,000 commencing three months from the drawdown date, and the remaining 30% of the principal amount of the loan to be repaid together with the last quarterly instalment.

4. "GH HARMONY Loan" represents a term loan for the principal amount of US$16 million for financing the acquisition costs of GH HARMONY. The principal amount of the bank loan shall be repayable by 28 consecutive quarterly instalments commencing three months from 14 July 2014.

Charges on assets

As at 31 March 2015, the Group had pledged the following assets to banks as securities against banking facilities granted to the Group:

	2015	2014
	US$'000	*US$'000*
Property, plant and equipment	**102,932**	122,262
Asset classified as held for sale	**3,608**	—
Pledged bank deposits	**7,152**	10,682
	113,692	132,944

Contingent liabilities

The Group had no material contingent liabilities as at 31 March 2015.

Employees' remuneration and retirement scheme arrangements

As at 31 March 2015, the Group had 120 employees (2014: 120 employees). For the year ended 31 March 2015, the total salaries and related cost (including Directors' fees and share-based payments) amounted to approximately US$5.7 million (2014: US$5.5 million). It is the Group's policy to remunerate its employees according to the relevant market situation, and accordingly the remuneration level of the Group's employees remains at a competitive level and is adjusted in accordance with the employees' performance. Other benefits offered by the Group include mandatory provident fund scheme and medical insurance.

CODE ON CORPORATE GOVERNANCE PRACTICES (THE "CG CODE")

The Company has adopted the principles and code provisions set out in the CG Code contained in Appendix 14 to the Listing Rules as the Company's code on corporate governance practices. Throughout the year ended 31 March 2015 and up to the date of this announcement, the Company had been in compliance with the code provisions set out in the CG Code.

MODEL CODE FOR DIRECTOR'S SECURITIES TRANSACTIONS (THE "MODEL CODE")

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its code of conduct regarding Directors' securities transactions.

The Directors have confirmed that, following specific enquiry by the Company, they have complied with the required standards as set out in the Model Code for the year ended 31 March 2015 and up to the date of this announcement.

DIVIDEND

At the Board meeting held on 30 June 2015, the Directors did not recommend the payment of any final dividend to the shareholders of the Company for the year ended 31 March 2015.

SHARE CAPITAL

Details of the movements in the share capital of the Company are set out in Note 11 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the articles of association of the Company or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders of the Company.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities for the year ended 31 March 2015.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this announcement, there is sufficient public float of more than 25% of the Company's issued shares as required under the Listing Rules.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") has reviewed the accounting principles and practices adopted by the Group and the audited financial statements for the year ended 31 March 2015 and discussed auditing, internal control and financing reporting matters including with the Group's external auditors. There were no disagreements from the auditors or the Audit Committee in respect of the accounting policies adopted by the Company.

PUBLICATION OF FINAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This final results announcement is published on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company's website (www.greatharvestmg.com). The annual report of the Company for the year ended 31 March 2015 will also be despatched to the shareholders of the Company and published on the aforesaid websites in due course in accordance with the Listing Rules.

For and on behalf of the Board
Great Harvest Maeta Group Holdings Limited
Yan Kim Po
Chairman

Hong Kong, 30 June 2015

As at the date of this announcement, the executive Directors are Mr. Yan Kim Po, Ms. Lam Kwan and Mr. Cao Jiancheng; and the independent non-executive Directors are Mr. Cheung Kwan Hung, Dr. Chan Chung Bun, Bunny and Mr. Wai Kwok Hung.