



GREAT WORLD
COMPANY HOLDINGS LTD
世大控股有限公司

(incorporated in the Cayman Islands with limited liability)
Stock Code: 8003

FIRST QUARTERLY REPORT
2016



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 and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this report, 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 report.

This report, for which the directors (the “Directors”) of Great World Company Holdings Ltd (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 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.

HIGHLIGHTS

- Turnover was approximately HK\$3,272,000 for the three months ended 30 June 2016, compared with a turnover of approximately HK\$375,000 for the corresponding period of last year.
- Loss attributable to owners of the Company for the three months ended 30 June 2016 was approximately HK\$4,587,000, versus a loss attributable to owners of the Company of approximately HK\$7,673,000 for the corresponding period of last year.
- The Board does not recommend the payment of quarterly dividend for the three months ended 30 June 2016 (three months ended 30 June 2015: Nil).

RESULTS

The board of directors (the "Board") of Great World Company Holdings Ltd (the "Company") presents the financial information of the Company and its subsidiaries (the "Group"), comprising the condensed consolidated statement of profit or loss and condensed consolidated statement of profit or loss and other comprehensive income of the Group for the three months ended 30 June 2016, all of which are unaudited and in condensed format, (collectively referred to as the "Unaudited Condensed Financial Statements") along with selected explanatory notes and comparative information as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		(Unaudited) Three months ended 30 June	
	Notes	2016 HK\$'000	2015 HK\$'000
Turnover	2	3,272	375
Costs of sales		(2,965)	—
Gross profit		307	375
Other revenue	2	45	1
Selling and distribution costs		(2)	—
Administrative and other operating expenses		(3,726)	(6,264)
Finance costs		(1,657)	(2,652)
Loss before tax	4	(5,033)	(8,540)
Income tax credit	5	273	438
Loss for the period		(4,760)	(8,102)
Loss for the period attributable to:			
Owners of the Company		(4,587)	(7,673)
Non-controlling interests		(173)	(429)
Basic and diluted loss per share	6	HK0.21 cents	HK0.52 cents

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	(Unaudited) Three months ended 30 June	
	2016 HK\$'000	2015 HK\$'000
Loss for the period	(4,760)	(8,102)
Other comprehensive expense:		
Items that may be reclassified subsequently to profit or loss		
– Exchange differences arising on translation of foreign operations during the period	(2,357)	42
Other comprehensive expense for the period, net of tax	(2,357)	42
Total comprehensive expense for the period	(7,117)	(8,060)
Total comprehensive expense attributable to:		
Owners of the Company	(6,553)	(7,642)
Non-controlling interests	(564)	(418)
	(7,117)	(8,060)

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

1. Basis of preparation

The amounts included in the Unaudited Condensed Consolidated Financial Statements have been computed based on the recognition and measurement requirements in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and accounting principles generally accepted in Hong Kong. The financial information also comply with the applicable disclosure provisions of Chapter 18 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

The accounting policies and methods of computation adopted are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2016.

In the current period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 April 2016. HKFRSs comprise Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies and results reported for the current or prior accounting periods.

The Group has not applied the new and revised HKFRSs, which have been issued and are not yet effective, but is in the process of assessing their impact on the Group's results of operations and financial position.

The financial information are unaudited but have been reviewed by the Company's audit committee.

2. Revenue

	(Unaudited) Three months ended 30 June	
	2016 HK\$'000	2015 HK\$'000
Turnover		
Mine processing income	–	375
Operating lease rental income	45	–
Services income	<u>3,227</u>	–
	<u>3,272</u>	375
Other revenue		
Bank interest income	1	1
Sundry income	<u>44</u>	–
	<u>45</u>	1
Total revenue	<u>3,317</u>	376

3. Segment information

The Group manages its businesses by divisions, which are organised by a mixture of both business lines (products and services) and geography. In a manner consistent with the way in which information is reported internally to the Group's most senior management for the purpose of resource allocation and performance assessment, the Group has presented the following three reportable segments.

3. Segment information (continued)

The Group's operations and reportable segments under HKFRS 8 are as follows:

Property business	Property investment and development, operating and managing residential and commercial properties
Forestry business	Research and growing of forestry products for clean energy sector
Landscape and earth-rock engineering business	Constructing landscaping projects and earth-rock engineering, maintenance and planting and selling forest trees and flowers

Management monitors the results of the Group's operating segments separately, for the purpose of making decisions about resource allocation and assessment of the Group's performance. Segment performance is evaluated based on reportable segment results, which is a measure of adjusted loss before tax. The adjusted loss before tax is measured consistently with the Group's loss before tax except that unallocated finance costs, gain recognized on disposal of a subsidiary, selling and distribution costs, shares of loss of associates and unallocated expenses are excluded from such measurement.

All assets are allocated to reportable segments other than goodwill and unallocated corporate assets.

All liabilities are allocated to reportable segments other than convertible notes, deferred tax liabilities, and unallocated corporate liabilities.

These segments are managed separately as they belong to different industries and require different operating systems and strategies. There were no sales or other transactions between those reportable segments. Information regarding the Group's reportable segments is presented below:

(a) Segment revenue, profit or loss and other selected financial information

	(Unaudited) Three months ended 30 June 2016			
	Property business HK\$'000	Forestry business HK\$'000	earth-rock engineering HK\$'000	Total HK\$'000
Revenue from external customers	45	–	3,227	3,272
Interest income	1	–	–	1
Depreciation	(1)	(16)	(67)	(84)
Total loss of reportable segments	(101)	(752)	(74)	(927)

	(Unaudited) Three months ended 30 June 2015			
	Iron mine business* HK\$'000	Property business HK\$'000	Forestry business HK\$'000	Landscaping and earth-rock engineering HK\$'000
Revenue from external customers	375	–	–	–
Interest income	–	–	–	1
Depreciation	(34)	(2)	(16)	–
Total loss of reportable segments	(36)	(273)	(253)	(782)
				Total HK\$'000

Revenue from external customers	375	–	–	–	375
Interest income	–	–	–	1	1
Depreciation	(34)	(2)	(16)	–	(52)
Total loss of reportable segments	(36)	(273)	(253)	(782)	(1,344)

* The iron mine business has been suspended on 31 March 2016 in order to concentrate the Group's resources on the other new businesses.

3. Segment information (continued)

(b) Reconciliations of reportable segment revenue and profit or loss

	(Unaudited) Three months ended 30 June	
	2016 HK\$'000	2015 HK\$'000
Revenue		
Total revenue for reportable segments	<u>3,272</u>	375
Consolidated turnover	<u>3,272</u>	375
Profit or loss		
Total loss for reportable segments	(927)	(1,344)
Unallocated corporate income	45	–
Unallocated corporate expenses	(4,151)	(7,196)
Consolidated loss before tax	<u>(5,033)</u>	<u>(8,540)</u>

(c) Geographical information

The following table set out information about the geographical location of the Group's revenue from external customers based on the location at which the services were provided or the goods were delivered.

	(Unaudited) Revenue from external customers Three months ended 30 June	
	2016 HK\$'000	2015 HK\$'000
PRC	45	375
Republic of Angola	<u>3,227</u>	–

4. Loss before tax

	(Unaudited) Three months ended 30 June	
	2016 HK\$'000	2015 HK\$'000
Loss before tax has been arrived at after charging:		
Staff costs (including directors' remuneration)	1,852	973
Operating lease charges in respect of land and buildings	307	382
Depreciation	95	86
Share of loss of associates	–	3

5. Income tax credit

	(Unaudited) Three months ended 30 June	
	2016 HK\$'000	2015 HK\$'000
Current tax:		
Hong Kong Profits Tax	-	-
PRC Enterprise Income Tax	-	-
	-	-
Deferred tax	273	438
	273	438
Income tax credit for the period		

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the three months ended 30 June 2016 and 2015.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

No provision for current tax has been made for the three months ended 30 June 2016 and 2015 as the Group has no assessable profit from its operations.

6. Basic and diluted loss per share

The calculation of the basic loss per share is based on the following data:

	(Unaudited) Three months ended 30 June	
	2016 HK\$'000	2015 HK\$'000
(i) Loss for the period attributable to owners of the Company	(4,587)	(7,673)
	'000	'000
(ii) Weighted average number of ordinary shares	2,197,507	1,486,918
	2,197,507	1,486,918

The computation of diluted loss per share does not assure the conversion of the Company's outstanding convertible notes and share options since their exercise would result in a decrease in loss per share as anti-dilutive. Hence, basic and diluted loss per share are the same for both years.

7. Reserves and non-controlling interest

	Reserves attributable to owners of the Company							Non-controlling interest	
	Share premium HK\$'000	Convertible notes equity reserve HK\$'000	Share options reserve HK\$'000	Translation reserve HK\$'000	Other reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000	Non-controlling interest HK\$'000	Total HK\$'000
At 1 April 2015 (audited)	131,018	51,552	–	2,750	314	(246,154)	(60,520)	–	(60,520)
Issue of consideration shares in relation to acquisition of shares in a subsidiary	13,526	–	–	–	–	–	13,526	–	13,526
Conversion of convertible notes	–	(5,743)	–	–	–	–	(5,743)	–	(5,743)
Non-controlling interest arising on acquisition of subsidiaries	–	–	–	–	–	–	–	11,963	11,963
Total comprehensive income / (expense) for the period (unaudited)	–	–	–	31	–	(7,673)	(7,642)	(418)	(8,060)
At 30 June 2015 (unaudited)	144,544	45,809	–	2,781	314	(253,827)	(60,379)	11,545	(48,834)
At 1 April 2016 (audited)	200,789	35,144	11,513	(3,338)	–	(128,502)	115,606	12,380	127,986
Conversion of convertible notes	32,550	(15,259)	–	–	–	–	17,291	–	17,291
Total comprehensive expense for the period (unaudited)	–	–	–	(1,966)	–	(4,587)	(6,553)	(564)	(7,117)
At 30 June 2016 (unaudited)	233,339	19,885	11,513	(5,304)	–	(133,089)	126,344	11,816	138,160

The share premium account of the Company is distributable to the owners of the Company under the Companies Law (2013 Revision) of the Cayman Islands subject to the provisions of the Company's memorandum and articles of association and provided that the Company will be in a position to payoff its debts as they fall due in the ordinary course of business immediately following the date on which the dividend is proposed to be distributed.

The convertible notes equity reserve represents the value of the equity component of unexercised convertible notes issued by the Company with related deferred tax recognised.

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

The share options reserve represents the fair value of the unexercised share options recognised in accordance with the accounting policy adopted for share-based payments.

Other reserve mainly represents difference between the consideration paid/received and the equity interest acquired in subsidiaries that do not result in a change of control.

8. Capital commitments

	(Unaudited) Three months ended 30 June	
	2016 HK\$'000	2015 HK\$'000
Capital expenditure contracted for but not provided for in the unaudited condensed financial statements in respect of:		
– investment property	–	–
– properties held for sale	120	135
	<hr/>	<hr/>
	120	135

9. Events after the reporting period

Memorandum of understanding in relation to the acquisition of 100% equity interest in Jiaqi Network Holdings Limited

On 20 July 2016, the term of a memorandum of understanding entered into on 21 May 2016 by a wholly-owned subsidiary of the Company in relation to the acquisition of 100% equity interest in Jiaqi Network Holdings Limited ("MOU") expired. The Group intends to extend the term of the MOU and is negotiating with the vendors to the MOU on such extension. Details of the MOU are disclosed in the Company's announcement dated 22 May 2016.

10. Dividend

The Board does not recommend the payment of quarterly dividend for the three months ended 30 June 2016 (three months ended 30 June 2015: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Results of Operations

For the three months ended 30 June 2016, the Group recorded a turnover of approximately HK\$3,272,000, representing an increase of approximately 8.73 times as compared with a turnover of approximately HK\$375,000 for the corresponding period of last year.

Loss attributable to owners of the Company was approximately HK\$4,587,000 for the three months ended 30 June 2016, which was approximately 40.22% lower than the loss attributable to owners of the Company incurred for the corresponding period of last year due to the decrease in administrative and other operating costs.

Business Review

Property business

The Group owns a property which comprises a residential and commercial development site with a site area of approximately 3,111.96 square meters ("sq. m.") located at Leshan City, Sichuan Province, the PRC. The property has a gross floor area of approximately 28,251.82 sq. m. (inclusive of basement floor) and comprises 4 portions with different functions, namely residential, commercial, basement car park and facilities.

Revenue of approximately HK\$45,000 was derived from temporary leasing of the commercial portion of the property for the three months ended 30 June 2016. The Board expects to commence the selling of part of the residential portion of the property and the leasing of certain residential portion of the property and/or basement car park area when the property market appears to revive.

Forestry business

For the three months ended 30 June 2016, there was no turnover generated from the forestry business due to no harvest. The Group expects revenue will be generated from sale of well-grown plants to end-customers in the next quarter and will be increasing in the coming years.

Landscape and earth-rock engineering business

For the three months ended 30 June 2016, a turnover of approximately HK\$3,227,000 was generated from the landscaping and earth-rock engineering business. The Group expects revenue generated from landscaping and earth-rock engineering works will be increasing in the coming years.

Liquidity, Financial Resources and Capital Structure

As at 30 June 2016, the Group's cash and bank deposits amounted to approximately HK\$75,402,000 which has increased by approximately 6.62% when comparing with the cash and bank deposits of approximately HK\$70,718,000 as at 31 March 2016.

As at 30 June 2016, the Group had net current assets of approximately HK\$154,005,000 (31 March 2016: HK\$161,132,000).

Most of the trading transactions, assets and liabilities of the Group were denominated in Hong Kong dollars, United States dollar and Renminbi. The Group adopted a conservative treasury policy with almost all bank deposits being kept in Hong Kong dollars, or in the local currencies of the operating subsidiaries to minimise exposure to foreign exchange risks. As at 30 June 2016, the Group had no foreign exchange contracts, interest or currency swaps or other financial derivatives for hedging purposes.

The share capital of the Company as at 30 June 2016 is as follows:

	Number of shares ('000)	Amount (HK\$'000)
Authorised	<u>30,000,000</u>	<u>300,000</u>
Issued and fully paid	<u>2,368,936</u>	<u>23,689</u>

During the three months ended 30 June 2016, 465,000,000 ordinary shares were issued at the conversion price of HK\$0.08 per share in accordance with the terms of the convertible notes issued by the Company on 30 March 2015 of which the holder(s) exercised the conversion right.

SHARE OPTION SCHEME

The Company has adopted a new share option scheme at the annual general meeting of the Company held on 3 August 2012 (the "2012 Share Option Scheme") which is valid and effective for a period of 10 years commencing on 3 August 2012, upon the termination of the share option scheme adopted at the annual general meeting of the Company held on 2 August 2002 (the "2002 Share Option Scheme"), under which selected persons, such as the directors, employees, customers or any individual business or entity providing goods or services, may take up options to subscribe for shares in the Company subject to the terms and conditions stipulated in the 2012 Share Option Scheme. The maximum number of shares which can be granted under the 2012 Share Option Scheme may not exceed 10% of the issued share capital of the Company at the time of granting of the option or at the date of approval by the shareholders in general meeting where the limit is refreshed.

On 7 January 2016, the Company granted share options under the scheme to consultants and employees of the Company, which entitle them to subscribe for a total of 112,000,000 shares at HK\$0.264 per share.

Movements in the number of share options, granted under the 2012 Share Option Scheme, outstanding and their related weighted average exercise prices are as follows:

Participants	Date of grant	Exercisable period	Exercise price per share	No. of underlying shares comprised in option				
				As at 1 April 2016	Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period
Employees of the Group	4 February 2016	4 February 2016 – 6 January 2026	HK\$0.264	33,600,000	-	-	-	-
Consultants	4 February 2016	4 February 2016 – 6 January 2026	HK\$0.264	78,400,000	-	-	-	-
				112,000,000	-	-	-	-
								112,000,000

Other than as disclosed above, no other share option was granted, cancelled, exercised or lapsed pursuant to the 2012 Share Option Scheme and none of the Directors or Chief Executive of the Company or their respective spouses or children under 18 years of age were granted or exercised any right to subscribe for any equity or debt securities of the Company or any of its associated corporations within the meaning of the Securities and Future Ordinance ("SFO").

CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles in and complied with the requirements of the Corporate Governance Code ("CG Code") as set out in Appendix 15 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules") throughout the three months ended 30 June 2016.

BOARD OF DIRECTORS

The Board comprised three executive Directors, namely Ms. Ng Mui King, Joky (chairman of the Board), Mr. Zhang Yanqiang and Ms. Yang Wei (appointed on 14 June 2016), and four independent non-executive Directors, namely Mr. Chung Koon Yan, Mr. Chan Ying Cheong, Ms. Zhao Yongmei and Dr. Yang Fuyu.

The Board is responsible for reviewing, evaluating and finalising the Company's strategies and policies, annual budgets, business plans and performance, and has full access to adequate, reliable and timely information on the Group so as to enable them to make a timely decision. The Board also has the collective responsibility for leadership and control of, and for promoting the success of, the Group by directing and supervising the Group's affairs.

BOARD COMMITTEES

The Board has established three committees in accordance with the CG Code, namely the Audit Committee, the Remuneration Committee and the Nomination Committee. These committees are provided with sufficient resources to discharge their duties and are able to seek independent professional advice when appropriate and upon request.

Audit Committee

The Audit Committee comprised three independent non-executive Directors, namely Mr. Chung Koon Yan (chairman of the Audit Committee), Ms. Zhao Yongmei and Dr. Yang Fuyu (appointed on 14 June 2016 after Mr. Chan Ying Cheong resigned on the same day). The Audit Committee meets with the Group's senior management regularly to review the effectiveness of the internal control system and the quarterly, interim and annual reports of the Group.

Nomination Committee

The Nomination Committee comprised one executive Director, namely Mr. Zhang Yangqiang (chairman of the Nomination Committee, appointed on 14 June 2016 after Ms. Ng Mui King, Joky resigned on the same day), and two independent non-executive Directors, namely Mr. Chan Ying Cheong and Dr. Yang Fuyu (appointed on 14 June 2016 after Mr. Chung Koon Yan resigned on the same day). The Nomination Committee reviews the composition of the Board and nominates suitably qualified candidates to the Board, if necessary.

Remuneration Committee

The Remuneration Committee comprised one executive Director, namely Ms. Ng Mui King, Joky, and two independent non-executive Directors, namely Ms. Zhao Yongmei (chairman of the Remuneration Committee, appointed on 14 June 2016 after Mr. Chan Ying Cheong resigned on the same day) and Dr. Yang Fuyu (appointed on 14 June 2016). The Remuneration Committee reviews and determines the policy for the remuneration of directors and senior management of the Group.

INTERESTS OF DIRECTORS

As at 30 June 2016, the interests and short positions of the Directors or chief executive of the Company in the shares, the underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which the Directors and chief executive of the Company were taken or deemed to have under such provisions of the SFO), required to be entered in the register maintained by the Company pursuant to section 352 of the SFO or which were 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 shares and underlying shares of the Company

Number of ordinary shares of HK\$0.01 each and the underlying shares

Name of Directors	Personal interest	Corporate interest	Total number of shares	Approximate percentage of the issued share capital of the Company
Ms. Ng Mui King, Joky	–	337,920,000 (Note)	337,920,000	14.26%

Note:

These shares are held by Gold City Assets Holdings Ltd. which is owned as to 51% by Ms. Ng Mui King, Joky and 49% by Fine Day Asset Holdings Inc.. Ms. Ng Mui King, Joky is also a director of Gold City Assets Holdings Ltd.

Save as disclosed above, as at 30 June 2016, none of the Directors and chief executive of the Company had interests and short positions in the shares, the underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which the Directors and chief executive of the Company were taken or deemed to have under such provisions of the SFO), required to be entered in the register maintained by the Company pursuant to section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed above, at no time during the three months ended 30 June 2016 was any of the Company or its subsidiaries a party to any arrangements to enable the Directors or chief executives (including their spouses or children under 18 years of age) of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

INTEREST OF SUBSTANTIAL SHAREHOLDERS AND OTHER SHAREHOLDERS

As at 30 June 2016, save as disclosed below, so far is known to the Directors and chief executives of the Company, no person (other than a Director or a chief executive of the Company) had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO or, who is directly or indirectly, interested in 5% or more of the issued share capital of the Company.

(a) Long positions in shares of the Company

Name of shareholder	Capacity	Nature of interest	Total number of ordinary shares of HK\$0.01 each	Approximate percentage of the issued share capital of the Company
Gold City Assets Holdings Ltd. <i>(Note 1)</i>	Beneficial owner	Corporate	337,920,000	14.26%
Fine Day Asset Holdings Inc. <i>(Note 1)</i>	Interest of a controlled corporation	Corporate	337,920,000	14.26%
Mr. Huang Shih Tsai <i>(Note 2)</i>	Beneficial owner	Personal	430,794,621	18.19%

Notes:

1. Pursuant to the SFO, Fine Day Asset Holdings Inc. is deemed interested in this shareholding interest through Gold City Assets Holdings Ltd., which is a company owned as to 51% by Ms. Ng Mui King, Joky and 49% by Fine Day Asset Holdings Inc.. Ms. Ng Mui King, Joky is an executive Director of the Company and also a director of Gold City Assets Holdings Ltd..
2. Mr. Huang Shih Tsai ("Mr. Huang") has a total interest in 430,794,621 shares, of which (i) 155,000,000 shares were allotted to Mr. Huang on 15 August 2011 as partial consideration for the acquisition of 100% equity interest in a company wholly-owned by Mr. Huang; and (ii) 275,794,621 shares relate to Mr. Huang's derivative interests in the convertible note issued on 15 August 2011, details of which are disclosed in "Convertible Note" below.

(b) Convertible Note

Name of noteholder	Date of issue	Conversion period	Conversion price per share HK\$	Outstanding as at 30 June 2016		Number of underlying shares	Approximate percentage of the issued share capital of the Company
Mr. Huang Shih Tsai	15 August 2011	15 August 2011 – 15 August 2016	0.1227	275,794,621	275,794,621	275,794,621	11.64%

COMPETING INTEREST

None of the Directors of the Company or their respective associates (as defined in the GEM Listing Rules) had any interests in a business which competes or might compete, either directly or indirectly, with the business of the Company or, any other conflicts of interests with the Company.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed any of its shares during the three months ended 30 June 2016. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the three months ended 30 June 2016.

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding the directors' securities transaction in securities of the Company. Having made specific enquiry of all Directors of the Company, each of the Directors has confirmed that he/she has complied with the required standard of dealings as set out in the adopted code of conduct regarding the directors' securities transaction throughout the three months ended 30 June 2016.

By order of the Board

Great World Company Holdings Ltd
Ng Mui King, Joky
Chairman

Hong Kong, 12 August 2016

As at the date of this report, the Board comprises (i) three Executive Directors, namely Ms. Ng Mui King, Joky, Mr. Zhang Yanqiang and Ms. Yang Wei; and (ii) four Independent Non-Executive Directors, namely Mr. Chung Koon Yan, Mr. Chan Ying Cheong, Ms. Zhao Yongmei and Dr. Yang Fuyu.