



世大控股有限公司  
**GREAT WORLD COMPANY HOLDINGS LTD**  
*(incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 8003)**

**ANNUAL RESULTS ANNOUNCEMENT  
FOR THE YEAR ENDED 31 MARCH 2013**

**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.**

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*This announcement, 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 (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 announcement 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 announcement misleading.*

## FINAL RESULTS

The board of directors (the “Board”) of Great World Company Holdings Ltd (the “Company”) presents the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 March 2013 together with the comparative audited figures for the year ended 31 March 2012 as follows:

### CONSOLIDATED INCOME STATEMENT

*For the year ended 31 March 2013*

|   | Notes | 2013<br>HK\$'000      | 2012<br>HK\$'000 |
|---|-------|-----------------------|------------------|
| <b>Continuing operations</b>  |       |                       |                  |
| Turnover  | 3(a)  | 963                   | 5,273            |
| Cost of sales   |       | (549)                 | (5,855)          |
| Gross profit/(loss)   |       | 414                   | (582)            |
| Other revenue   | 3(b)  | 26                    | 14               |
| Gain on bargain purchase of subsidiaries                                    |       | –                     | 4,823            |
| Gain/(loss) arising on change in fair value of investment property          |       | 6,734                 | (876)            |
| Loss on written off of property, plant and equipment                        |       | (394)                 | (1,347)          |
| Impairment loss recognised in respect of goodwill                           |       | –                     | (11,073)         |
| Impairment loss recognised in respect of intangible asset                   |       | –                     | (679)            |
| Selling and distribution costs  |       | (725)                 | (1,716)          |
| Administrative and other operating expenses                                 |       | (11,235)              | (13,931)         |
| Finance costs   | 5     | (2,416)               | (1,358)          |
| Loss before tax   |       | (7,596)               | (26,725)         |
| Income tax (expense)/credit   | 6     | (1,907)               | 598              |
| Loss for the year from continuing operations                                | 7     | (9,503)               | (26,127)         |
| <b>Discontinued operation</b>   | 8     |                       |                  |
| Profit/(loss) for the year from discontinued operation                      |       | 2,438                 | (8,153)          |
| <b>Loss for the year</b>  |       | <b>(7,065)</b>        | <b>(34,280)</b>  |
| <b>(Loss)/profit for the year attributable to owners of the Company</b>     |       |                       |                  |
| from continuing operations  |       | (9,503)               | (26,127)         |
| from discontinued operation   |       | 2,002                 | (7,545)          |
|   |       | <b>(7,501)</b>        | <b>(33,672)</b>  |
| <b>Profit/(loss) for the year attributable to non-controlling interests</b> |       |                       |                  |
| from continuing operations  |       | –                     | –                |
| from discontinued operation   |       | 436                   | (608)            |
|   |       | 436                   | (608)            |
|   |       | <b>(7,065)</b>        | <b>(34,280)</b>  |
| <b>(Loss)/earnings per share</b>  |       |                       |                  |
| From continuing and discontinued operations                                 | 9     |                       |                  |
| Basic and diluted   |       | <b>HK(0.66) cents</b> | HK(3.15) cents   |
| From continuing operations  |       |                       |                  |
| Basic and diluted   |       | <b>HK(0.84) cents</b> | HK(2.44) cents   |
| From discontinued operation   |       |                       |                  |
| Basic and diluted   |       | <b>HK0.18 cents</b>   | HK(0.71) cents   |

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2013

|   | <b>2013</b><br><i>HK\$'000</i> | 2012<br><i>HK\$'000</i> |
|---|--------------------------------|-------------------------|
| Loss for the year   | <u>(7,065)</u>                 | <u>(34,280)</u>         |
| Other comprehensive income:   |                                |                         |
| Exchange differences arising on translation of foreign operations                         |                                |                         |
| – Exchange differences arising during the year  | <b>1,101</b>                   | 1,619                   |
| – Reclassification adjustments relating to foreign operations disposed of during the year | <u>(5,097)</u>                 | <u>–</u>                |
|   | <u>(3,996)</u>                 | <u>1,619</u>            |
| Total comprehensive loss for the year   | <u><b>(11,061)</b></u>         | <u>(32,661)</u>         |
| Total comprehensive (loss)/income attributable to:  |                                |                         |
| Owners of the Company   | <b>(11,395)</b>                | (33,174)                |
| Non-controlling interests   | <u><b>334</b></u>              | <u>513</u>              |
|   | <u><b>(11,061)</b></u>         | <u>(32,661)</u>         |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2013

|   | <i>Notes</i> | <b>2013</b><br><i>HK\$'000</i> | 2012<br><i>HK\$'000</i> |
|---|--------------|--------------------------------|-------------------------|
| <b>Non-current assets</b>                                 |              |                                |                         |
| Property, plant and equipment                             |              | 5,027                          | 4,896                   |
| Investment property                                       |              | 73,286                         | 67,830                  |
| Goodwill  |              | –                              | –                       |
| Other intangible asset                                    |              | –                              | –                       |
| Interest in an associate                                  |              | –                              | –                       |
| Deferred tax assets                                       |              | 2,416                          | 2,986                   |
|   |              | <u>80,729</u>                  | <u>75,712</u>           |
| <b>Current assets</b>                                     |              |                                |                         |
| Properties held for sale                                  |              | 93,556                         | 99,012                  |
| Inventories   |              | –                              | 29                      |
| Trade and other receivables                               | 11           | 1,886                          | 1,865                   |
| Cash and bank deposits                                    |              | 4,754                          | 5,267                   |
|   |              | <u>100,196</u>                 | <u>106,173</u>          |
| Assets of disposal group classified as held for sale      |              | –                              | 9,762                   |
|   |              | <u>100,196</u>                 | <u>115,935</u>          |
| <b>Current liabilities</b>                                |              |                                |                         |
| Trade and other payables                                  | 12           | (18,905)                       | (30,385)                |
| Amounts due to directors                                  |              | (2,729)                        | (2,604)                 |
| Amount due to a shareholder                               |              | –                              | (19,874)                |
| Amounts due to related companies                          |              | (49,427)                       | (42,539)                |
|   |              | <u>(71,061)</u>                | <u>(95,402)</u>         |
| Liabilities of disposal group classified as held for sale |              | –                              | (9,270)                 |
|   |              | <u>(71,061)</u>                | <u>(104,672)</u>        |
| <b>Net current assets</b>                                 |              | <u>29,135</u>                  | <u>11,263</u>           |
| <b>Non-current liabilities</b>                            |              |                                |                         |
| Amount due to a shareholder                               |              | (28,174)                       | –                       |
| Convertible note  |              | (23,788)                       | (21,429)                |
| Deferred tax liabilities                                  |              | (25,264)                       | (23,662)                |
|   |              | <u>(77,226)</u>                | <u>(45,091)</u>         |
| <b>Net assets</b>   |              | <u>32,638</u>                  | <u>41,884</u>           |
| <b>Capital and reserves</b>                               |              |                                |                         |
| Share capital   |              | 112,763                        | 112,763                 |
| Reserves  |              | (80,125)                       | (68,730)                |
| Equity attributable to owners of the Company              |              | <u>32,638</u>                  | <u>44,033</u>           |
| Non-controlling interests                                 |              | –                              | (2,149)                 |
| <b>Equity</b>   |              | <u>32,638</u>                  | <u>41,884</u>           |

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2013

### 1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the Growth Enterprises Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”).

The consolidated financial statements have been prepared on the historical cost basis except for investment property and certain financial instruments, which are measured at fair values.

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied the following new and revised HKFRSs issued by the HKICPA which are relevant to and effective for the Group’s consolidated financial statements for the annual period beginning on 1 April 2012.

|                       |  |
|-----------------------|--|
| Amendments to HKAS 12 | Deferred Tax – Recovery of Underlying Assets |
| Amendments to HKFRS 7 | Disclosures – Transfer of Financial Assets   |

The application of the above new and revised HKFRSs in the current year has had no material effect on the amounts reported and/or disclosures set out in these consolidated financial statements.

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

|   |   |
|---|---|
| Amendments to HKAS 1                          | Presentation of Items of Other Comprehensive Income <sup>1</sup>  |
| HKAS 19 (Revised)                             | Employee Benefits <sup>2</sup>  |
| HKAS 27 (Revised)                             | Separate Financial Statements <sup>2</sup>  |
| HKAS 28 (Revised)                             | Investments in Associates and Joint Ventures <sup>2</sup>   |
| Amendments to HKAS 32                         | Offsetting Financial Assets and Financial Liabilities <sup>3</sup>  |
| Amendments to HKFRSs                          | Annual Improvements to HKFRSs 2009–2011 Cycle Issued in June 2012 <sup>2</sup>  |
| Amendments to HKFRS 7                         | Disclosures – Offsetting Financial Assets and Financial Liabilities <sup>2</sup>  |
| Amendments to HKFRS 9 and HKFRS 7             | Mandatory Effective Date of HKFRS 9 and Transition Disclosures <sup>4</sup>   |
| HKFRS 9                                       | Financial Instruments <sup>4</sup>  |
| HKFRS 10                                      | Consolidated Financial Statements <sup>2</sup>  |
| HKFRS 11                                      | Joint Arrangements <sup>2</sup>   |
| HKFRS 12                                      | Disclosure of Interests in Other Entities <sup>2</sup>  |
| HKFRS 13                                      | Fair Value Measurement <sup>2</sup>   |
| Amendments to HKFRS 10, HKFRS 11 and HKFRS 12 | Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance <sup>2</sup> |
| Amendments to HKFRS 10, HKFRS 12 and HKAS 27  | Investment Entities <sup>3</sup>  |

<sup>1</sup> Effective for annual period beginning on or after 1 July 2012

<sup>2</sup> Effective for annual period beginning on or after 1 January 2013

<sup>3</sup> Effective for annual period beginning on or after 1 January 2014

<sup>4</sup> Effective for annual period beginning on or after 1 January 2015

The directors of the Company have commenced their assessment of the impact of the above new and revised standards, amendments and interpretations, but it is not yet in a position to state whether these new and revised standards, amendments and interpretations, would have a material impact on the results and the financial position of the Group.

### 3. REVENUE

#### (a) Turnover

Turnover represents the net amount received and receivable from goods sold to customers, after allowances for returns, discounts and value-added tax where applicable, and processing income for the year.

|                              | <b>2013</b><br><i>HK\$'000</i> | 2012<br><i>HK\$'000</i> |
|------------------------------|--------------------------------|-------------------------|
| <b>Continuing operations</b> |                                |                         |
| Sales of goods               | 71                             | 5,273                   |
| Processing income            | <u>892</u>                     | <u>–</u>                |
|                              | <b><u>963</u></b>              | <b><u>5,273</u></b>     |

#### (b) Other revenue

|                              | <b>2013</b><br><i>HK\$'000</i> | 2012<br><i>HK\$'000</i> |
|------------------------------|--------------------------------|-------------------------|
| <b>Continuing operations</b> |                                |                         |
| Bank interest income         | 20                             | 14                      |
| Other revenue                | <u>6</u>                       | <u>–</u>                |
|                              | <b><u>26</u></b>               | <b><u>14</u></b>        |

### 4. SEGMENT INFORMATION

The Group determines its operating segments based on the reports reviewed by the chief operating decision makers that are used to make strategic decisions.

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

|                    |   |
|--------------------|---|
| Iron mine business | Exploration, mining and processing of iron ore  |
| Property business  | Property investment and development, operating and managing residential and commercial properties |

An operating segment regarding the telecommunications business in assembly, distribution and integration of telecommunications products was discontinued in the current year. The segment information reported below does not include any amounts for this discontinued operation, which is described in more detail in note 8.

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, assets, liabilities and other selected financial information

2013

|   | Iron mine<br>business<br>HK\$'000 | Property<br>business<br>HK\$'000 | Total<br>HK\$'000 |
|---|-----------------------------------|----------------------------------|-------------------|
| <b>Continuing operations</b>                            |                                   |                                  |                   |
| Revenue from external customers                         | 963                               | –                                | 963               |
| Interest income   | 1                                 | 19                               | 20                |
| Depreciation  | (456)                             | (6)                              | (462)             |
| Loss on written off of property,<br>plant and equipment | (138)                             | –                                | (138)             |
| Write down of obsolete inventories                      | (505)                             | –                                | (505)             |
| Fair value change on investment property                | –                                 | 6,734                            | 6,734             |
| Total (loss)/profit of reportable segments              | (2,488)                           | 5,541                            | 3,053             |
| Income tax expense                                      | –                                 | (2,296)                          | (2,296)           |
| Total assets of reportable segments                     | 7,164                             | 172,242                          | 179,406           |
| Additions to non-current assets                         | (279)                             | (1,306)                          | (1,585)           |
| Total liabilities of reportable segments                | (5,354)                           | (84,390)                         | (89,744)          |

2012

|  | Iron mine<br>business<br>HK\$'000 | Property<br>business<br>HK\$'000 | Total<br>HK\$'000 |
|--|-----------------------------------|----------------------------------|-------------------|
| <b>Continuing operations</b>                                       |                                   |                                  |                   |
| Revenue from external customer                                     | 5,273                             | –                                | 5,273             |
| Interest income  | 1                                 | 13                               | 14                |
| Depreciation and amortisation                                      | (457)                             | (8)                              | (465)             |
| Loss on written off of property,<br>plant and equipment            | (1,347)                           | –                                | (1,347)           |
| Write down of obsolete inventories                                 | (99)                              | –                                | (99)              |
| Impairment loss recognised in respect of goodwill                  | (11,073)                          | –                                | (11,073)          |
| Impairment loss recognised in respect of<br>other intangible asset | (679)                             | –                                | (679)             |
| Fair value change on investment property                           | –                                 | (876)                            | (876)             |
| Total loss of reportable segments                                  | (17,869)                          | (1,512)                          | (19,381)          |
| Income tax credit  | –                                 | 375                              | 375               |
| Total assets of reportable segments                                | 6,579                             | 173,558                          | 180,137           |
| Additions to non-current assets                                    | (3,693)                           | (19,861)                         | (23,554)          |
| Total liabilities of reportable segments                           | (3,181)                           | (90,123)                         | (93,304)          |

(b) **Reconciliations of reportable segment revenue, profit or loss, assets and liabilities**

|  | <b>2013</b><br><i>HK\$'000</i> | 2012<br><i>HK\$'000</i> |
|--|--------------------------------|-------------------------|
| <b>Continuing operations</b>                   |                                |                         |
| Revenue  |                                |                         |
| Total revenue for reportable segments          | <u>963</u>                     | <u>5,273</u>            |
| Consolidated turnover                          | <u>963</u>                     | <u>5,273</u>            |
| Profit or loss                                 |                                |                         |
| Total profit/(loss) for reportable segments    | <b>3,053</b>                   | (19,381)                |
| Unallocated corporate income                   | –                              | 4,823                   |
| Unallocated corporate expenses                 | <u>(10,649)</u>                | <u>(12,167)</u>         |
| Consolidated loss before tax                   | <u>(7,596)</u>                 | <u>(26,725)</u>         |
| Assets   |                                |                         |
| Total assets for reportable segments           | <b>179,406</b>                 | 180,137                 |
| Unallocated corporate assets                   | <b>1,519</b>                   | 1,748                   |
| Assets relating to discontinued operation      | <u>–</u>                       | <u>9,762</u>            |
| Consolidated total assets                      | <u>180,925</u>                 | <u>191,647</u>          |
| Liabilities                                    |                                |                         |
| Total liabilities for reportable segments      | <b>(89,744)</b>                | (93,304)                |
| Unallocated corporate liabilities              | <b>(58,543)</b>                | (47,189)                |
| Liabilities relating to discontinued operation | <u>–</u>                       | <u>(9,270)</u>          |
| Consolidated total liabilities                 | <u>(148,287)</u>               | <u>(149,763)</u>        |



(c) **Geographical Information**

The following table sets out information about the geographical location of (i) the Group's revenue from external customers; and (ii) the Group's property, plant and equipment, investment property, intangible asset, goodwill and interest in an associate ("specified non-current assets"). The geographical location of customer is based on the location at which the services were provided or the goods were delivered. The geographical location of the specified non-current assets is based on (i) the physical location of the assets, in the case of property, plant and equipment and investment property; and (ii) the location of the operation to which they are allocated, in the case of intangible asset, interest in an associate and goodwill.

|                              | Revenue<br>from external customers |                  | Specified<br>non-current assets |                  |
|------------------------------|------------------------------------|------------------|---------------------------------|------------------|
|                              | 2013<br>HK\$'000                   | 2012<br>HK\$'000 | 2013<br>HK\$'000                | 2012<br>HK\$'000 |
| <b>Continuing operations</b> |                                    |                  |                                 |                  |
| PRC                          | 963                                | 5,273            | 77,938                          | 72,721           |
| Hong Kong                    | —                                  | —                | 375                             | 5                |
|                              | <u>963</u>                         | <u>5,273</u>     | <u>78,313</u>                   | <u>72,726</u>    |

(d) **Information about major customers**

Revenue from customers in the corresponding years contributing over 10% of the total sales of the Group from the iron mine business is as follows:

|            | 2013<br>HK\$'000 | 2012<br>HK\$'000 |
|------------|------------------|------------------|
| Customer A | 71               | 5,273            |
| Customer B | 892              | —                |
|            | <u>892</u>       | <u>—</u>         |

5. **FINANCE COSTS**

|  | 2013<br>HK\$'000 | 2012<br>HK\$'000 |
|--|------------------|------------------|
| <b>Continuing operations</b>   |                  |                  |
| Effective interest expenses on convertible note                          | 2,359            | 1,358            |
| Interest expenses on other borrowings wholly repayable within five years | 57               | —                |
|  | <u>2,416</u>     | <u>1,358</u>     |

## 6. INCOME TAX EXPENSE/(CREDIT)

|  | 2013<br><i>HK\$'000</i> | 2012<br><i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| <b>Continuing operations</b>             |                         |                         |
| Current tax:                             |                         |                         |
| Hong Kong Profits Tax                    | –                       | –                       |
| PRC Enterprise Income Tax                | –                       | –                       |
| Deferred tax                             | <u>1,907</u>            | <u>(598)</u>            |
| Income tax expense/(credit) for the year | <u><b>1,907</b></u>     | <u><b>(598)</b></u>     |

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years. No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the Group has no assessable profit for both years ended 31 March 2013 and 2012 from its continuing operations.

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% from 1 January 2008 onwards.

## 7. LOSS FOR THE YEAR FROM CONTINUING OPERATIONS

Loss for the year from continuing operations has been arrived at after charging:

|  | 2013<br><i>HK\$'000</i> | 2012<br><i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| <b>Continuing operations</b>                                       |                         |                         |
| Staff costs (including directors' remuneration)                    |                         |                         |
| – salaries and other benefits                                      | 4,330                   | 5,740                   |
| – contributions to defined contribution retirement benefit schemes | <u>157</u>              | <u>169</u>              |
|  | <u><b>4,487</b></u>     | <u><b>5,909</b></u>     |
| Other items  |                         |                         |
| – inventories recognised as an expense                             | 51                      | 4,592                   |
| – write-down of obsolete inventories                               | 505                     | 99                      |
| Auditors' remuneration   |                         |                         |
| – audit service  | 330                     | 330                     |
| – other services   | 370                     | 475                     |
| Amortisation of intangible asset                                   | –                       | 123                     |
| Depreciation of property, plant and equipment                      | 586                     | 375                     |
| Operating lease charges in respect of land and buildings           | 1,244                   | 587                     |
| Loss on written off of property, plant and equipment               | 394                     | 1,347                   |
| Impairment loss recognised in respect of goodwill                  | –                       | 11,073                  |
| Impairment loss recognised in respect of other intangible asset    | <u>–</u>                | <u>679</u>              |

## 8. DISCONTINUED OPERATION

### Telecommunications business

On 15 May 2012, the Company disposed of the entire issued share capital of China Bond Technology Limited (“China Bond”) and the amount due to the Company by China Bond at a total consideration of RMB400,000 (equivalent to approximately HK\$492,000); China Bond and its subsidiary (the “China Bond Group”) then ceased to be subsidiaries of the Company.

The comparative consolidated income statement and related notes have been re-presented as if the discontinued operation had been discontinued at the beginning of the comparative period. The revenues and results of the China Bond Group were as follows:

Profit/(loss) for the year from discontinued operation

|   | <b>2013</b><br><i>HK\$'000</i> | 2012<br><i>HK\$'000</i> |
|---|--------------------------------|-------------------------|
| Turnover  | –                              | –                       |
| Cost of sales   | –                              | –                       |
| Gross profit  | –                              | –                       |
| Other revenue and other income  | <b>3,477</b>                   | 2,537                   |
| Administrative and other operating expenses   | <b>(1,733)</b>                 | (133)                   |
| Share of result of associate  | –                              | (3,704)                 |
| Profit/(loss) before tax  | <b>1,744</b>                   | (1,300)                 |
| Income tax  | –                              | –                       |
| Profit/(loss) for the year  | <b>1,744</b>                   | (1,300)                 |
| Loss on remeasurement to fair value less costs to sell  | –                              | (6,853)                 |
| Gain on disposal of telecommunications business<br>(including reclassification of translation reserve of approximately<br>HK\$4,988,000 from equity to profit and loss on disposal of<br>the operation) | <b>694</b>                     | –                       |
|   | <b>2,438</b>                   | (8,153)                 |

Profit/(loss) for the year from discontinued operation after crediting/(charging):

|   | <b>2013</b><br><i>HK\$'000</i> | 2012<br><i>HK\$'000</i> |
|---|--------------------------------|-------------------------|
| Bank interest income  | 1                              | 5                       |
| Reversal of impairment loss in respect of trade receivables | 1,462                          | 2,532                   |
| Impairment loss recognised in respect of trade payables     | (23)                           | –                       |
| Impairment loss recognised in respect of other payables     | (1,731)                        | –                       |
| Operating lease charges in respect of land and buildings    | –                              | (21)                    |
| Write-off of trade and other payables                       | <u>2,038</u>                   | <u>–</u>                |
| The cash flows from discontinued operation are as follows:  |                                |                         |
| Net cash generated from (used in) operating activities      | 939                            | (832)                   |
| Net cash generated from investing activity                  | 760                            | 5                       |
| Net cash generated from financing activities                | <u>537</u>                     | <u>608</u>              |

#### 9. (LOSS)/EARNINGS PER SHARE

The calculation of the basic and diluted loss per share is based on the loss for the year attributable to owners of the Company and the weighted average number of ordinary shares.

##### From continuing and discontinued operations

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

|  | <b>2013</b><br><i>HK\$'000</i> | 2012<br><i>HK\$'000</i> |
|--|--------------------------------|-------------------------|
| Loss attributable to owners of the Company for the purpose of basic and diluted loss per share | <u>7,501</u>                   | <u>33,672</u>           |

The denominators used are the same as those detailed below for both basic and diluted loss per share from continuing operations.

### From continuing operations

The calculation of the basic and diluted loss per share from continuing operations attributable to the owners of the Company is based on the following data:

|   | <b>2013</b><br><i>HK\$'000</i> | 2012<br><i>HK\$'000</i> |
|---|--------------------------------|-------------------------|
| Loss figures are calculated as follows:   |                                |                         |
| Loss for the year attributable to owners of the Company   | <b>7,501</b>                   | 33,672                  |
| <i>Less:</i> profit/(loss) for the year from the discontinued operation                         | <b>2,002</b>                   | (7,545)                 |
| Loss from continuing operations for the purpose of calculating basic and diluted loss per share | <b>9,503</b>                   | 26,127                  |
|   | <b>2013</b><br><i>'000</i>     | 2012<br><i>'000</i>     |

### Number of shares

|  |                  |           |
|--|------------------|-----------|
| Weighted average number of ordinary shares for the purpose of basic and diluted loss per share | <b>1,127,628</b> | 1,069,875 |
|--|------------------|-----------|

The computation of diluted loss per share from continuing operations did not assume the conversion of outstanding convertible note and the exercise of outstanding share options of the Company as the conversion/exercise price was higher than the average market price of shares for both years or since their conversion/exercise would result in an decrease in loss per share and thus anti-dilutive for the year ended 31 March 2013 and 31 March 2012.

### From discontinued operation

Basic and diluted earnings per share from the discontinued operation is HK\$0.18 cents per share (2012: loss per share of HK\$0.71 cents) is arrived at based on the profit for the year from the discontinued operation of approximately HK\$2,002,000 (2012: loss for the year from discontinued operation of HK\$7,545,000) and the denominators detailed above for both basic and diluted loss per share from continuing operations.

## 10. DIVIDEND

No dividend has been paid nor proposed for the year (2012: Nil).

## 11. TRADE AND OTHER RECEIVABLES

|   | 2013<br><i>HK\$'000</i> | 2012<br><i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| Trade receivables                                   | –                       | –                       |
| Less: Provision for impairment of trade receivables | –                       | –                       |
|   | <u>–</u>                | <u>–</u>                |
| Other receivables                                   | <b>868</b>              | 662                     |
| Prepayments   | <b>310</b>              | 501                     |
| Deposits  | <b>708</b>              | 702                     |
|   | <u><b>1,886</b></u>     | <u>1,865</u>            |

The movements in the provision for impairment of trade receivables are as follows:

|                                      | 2013<br><i>HK\$'000</i> | 2012<br><i>HK\$'000</i> |
|--------------------------------------|-------------------------|-------------------------|
| 1 April                              | –                       | 8,288                   |
| Impairment loss reversed             | –                       | (2,532)                 |
| Amounts written off as uncollectible | –                       | (5,756)                 |
|                                      | <u>–</u>                | <u>–</u>                |
| 31 March                             | <u>–</u>                | <u>–</u>                |

## 12. TRADE AND OTHER PAYABLES

|                   | 2013<br><i>HK\$'000</i> | 2012<br><i>HK\$'000</i> |
|-------------------|-------------------------|-------------------------|
| Trade payables    | <b>10,814</b>           | 13,143                  |
| Other payables    | <b>6,536</b>            | 15,299                  |
| Accruals          | <b>1,105</b>            | 1,134                   |
| Deposits received | <b>450</b>              | 809                     |
|                   | <u><b>18,905</b></u>    | <u>30,385</u>           |

An aged analysis of the trade payables is as follows:

|                                 |                      |               |
|---------------------------------|----------------------|---------------|
| Within 3 months                 | –                    | 650           |
| Over 3 months but within 1 year | –                    | 12,493        |
| Over 1 year                     | <b>10,814</b>        | –             |
|                                 | <u><b>10,814</b></u> | <u>13,143</u> |

### 13. DISPOSAL OF SUBSIDIARIES

As disclosed in note 8, on 15 May 2012, the Group disposed of China Bond Group.

An analysis of assets and liabilities over which control was lost:

|  | <i>HK\$'000</i> |
|--|-----------------|
| Investment in an associate                             | 15,948          |
| Cash and cash equivalents                              | 2,101           |
| Loss on remeasurement to fair value less costs to sell | (6,853)         |
| Trade and other payables                               | (8,932)         |
|  | <hr/>           |
| Net assets of China Bond Group disposed of             | 2,264           |
|  | <hr/>           |
|  | <i>HK\$'000</i> |

Gain on disposal of China Bond Group:

|  |         |
|--|---------|
| Consideration received   | 492     |
| Net assets disposed of China Bond Group  | (2,264) |
| Non-controlling interests  | (1,706) |
| Cumulative exchange differences in respect of the net assets of China Bond Group<br>reclassified from equity to profit or loss | 4,988   |
| Direct expenses in relation to the disposal  | (816)   |
|  | <hr/>   |
| Gain on disposal   | 694     |
|  | <hr/>   |

The gain on disposal is included in the profit for the year from discontinued operation.

|   | <i>HK\$'000</i> |
|---|-----------------|
| Net cash outflow on disposal of a subsidiary        |                 |
| Consideration received in cash and cash equivalents | 492             |
| Less: cash and cash equivalents disposed of         | (2,101)         |
|   | <hr/>           |
|   | (1,609)         |
|   | <hr/>           |

## **RESULTS OF OPERATIONS**

For the year ended 31 March 2013, the Group recorded a turnover of approximately HK\$963,000, representing a decrease of approximately 81.7% as compared to the turnover of approximately HK\$5,273,000 for last year. Loss for the year was approximately HK\$7,065,000 (2012: HK\$34,280,000). The Board did not recommend the payment of any dividend for the year (2012: Nil).

## **BUSINESS REVIEW**

### **Iron mine business**

For the year ended 31 March 2013, a turnover of approximately HK\$963,000 was generated from the sales and processing of iron ores. The construction of the processing factory was completed and the iron mine commenced trial commercial production in August 2011. Revenue from the iron mine business is below expectation due to the decline in iron ore market. Once the market situation improved, full effort will be put to develop the iron mine and increase the production of the processing factory. There was no material change in mineral resources and/or reserves of the iron mine for the year.

### **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 27,213.33 sq. m. (inclusive of a basement floor) and comprises 4 portions with different functions, namely residential, commercial, basement car park and facilities.

Revenues are expected to be derived from (i) leasing of the commercial portion of the property; (ii) leasing of certain residential portion of the property and/or basement car park area; and (iii) selling part of the residential portion of the property. The selling and leasing programme has not been launched due to the continuing tightening of monetary policies and other measures imposed by the PRC government which restrict the growth of the PRC property market. The Board expects to commence the property selling and leasing programme when the property market appears to revive.

## **PROSPECT**

Even the property market in the PRC showed signs of recovery from the tightened control, 2012 was still a difficult year for many businesses with PRC based projects.

With improvement on global financial environment and the continuous growing per capita wealth of Chinese citizen, the Board expects an increase in iron ore consumption and a steady growth on demand in real estate market which will strengthen the Group’s financial performance for the benefit of the Company and shareholders.



## **FINANCIAL REVIEW**

### **Liquidity and financial resources**

As at 31 March 2013, cash and bank deposits of the Group amounted to approximately HK\$4,754,000, representing a decrease of 9.7% comparing with the cash and bank deposits of approximately HK\$5,267,000 as at 31 March 2012. The Group's net current assets as at 31 March 2013 amounted to approximately HK\$29,135,000, which comprised properties held for sale, trade and other receivables, cash and bank deposits, trade and other payables, amounts due to directors, a shareholder and related companies; whereas the Group's net current assets as at 31 March 2012 amounted to approximately HK\$11,263,000, which comprised properties held for sale, inventories, trade and other receivables, cash and bank deposits, trade and other payables, amounts due to directors, a shareholder and related companies.

The Group's gearing ratio, which was defined as the ratio of long term borrowings to total equity, was 72.9% as at 31 March 2013 (31 March 2012: 51.2%).

The increase in gearing ratio as at 31 March 2013 as compared to that of 31 March 2012 is mainly attributable to decrease in equity.

### **Treasury policies**

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 risk. Since most of the trading transactions, assets and liabilities of the Group were denominated in Hong Kong dollars and Renminbi, the Group did not experience any material difficulties or effects on its operations or liquidity as a result of fluctuations in currency exchange rates during the year under review. As at 31 March 2013, the Group had no foreign exchange contracts, interest or currency swaps or other financial derivatives for hedging purpose.

### **Contingent liabilities**

As at 31 March 2013, the Group did not have any material contingent liabilities (31 March 2012: Nil).

### **Employees and remuneration policy**

As at 31 March 2013, the Group had approximately 17 employees (31 March 2012: 45 employees). The Group reviewed employees' remuneration from time to time and salary adjustment was normally made on an annual basis. Special adjustment based on length of service and good performance could be made at any time when warranted. In addition to salaries, the Group provided employees' benefits such as medical insurance and provident fund. Share options and bonuses were also available to employees of the Group at the discretion of the directors and depending upon the financial performance of the Group.

## **PURCHASE, SALE OR REDEMPTION OF SHARES**

The Company did not redeem any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of its shares during the year.

## **EVENTS AFTER THE REPORTING PERIOD**

The Group does not have material events after the end of the reporting period.

## **CORPORATE GOVERNANCE PRACTICES**

The Board of the Company has been committed to maintaining a high standard of corporate governance within the Group in order to enhance the transparency in disclosure of material information. The Board considers such commitment is essential for internal management, financial management and protection of shareholders' interest and believes that maintaining a high standard of corporate governance benefits all shareholders, investors and the business of the Company as a whole. The Company has applied the principles in and complied with the requirements of the Corporate Governance Code as set out in Appendix 15 of the GEM Listing Rules throughout the year ended 31 March 2013.

## **DIRECTORS' SECURITIES TRANSACTIONS**

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 Director's securities transaction in securities of the Company. Having Made specific enquiry of all Directors, 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 Directors' securities transaction throughout the year ended 31 March 2013.

## **AUDIT COMMITTEE**

As at 31 March 2013, the audit committee of the Company (the "Audit Committee") comprises three Independent Non-Executive Directors of the Company, namely Mr. Chung Koon Yan (chairman of the Audit Committee), Ms. Hui Sin Man, Alice and Mr. Chan Ying Cheong.

The primary responsibilities of the Audit Committee are:

- (i) making recommendation to the Board on the appointment, re-appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor and any resignation and dismissal of that auditor;
- (ii) reviewing and monitoring the independence and objectivity of the external auditor and the effectiveness of the audit process in accordance with applicable standard;

- (iii) liaising with the Board, senior management and the auditors to monitor the integrity of financial statements, the interim and annual reports in particular on accounting policies and practices and compliance with accounting standards, the GEM Listing Rules and other legal requirements in relation to financial reporting;
- (iv) reviewing the financial control, internal control and risk management system to ensure the management of the Company discharges its duty under an effective internal control system; and
- (v) reviewing the report and management letter submitted by external auditors; and considering any findings of major investigations of internal control matters as delegated by the Board or on its own initiative and management's response.

The annual results of the Group have been reviewed by the Audit Committee.

### **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Friday, 26 July 2013 to Friday, 2 August 2013, both days inclusive, during which no transfer of shares will be registered. In order to ascertain the right to attend the annual general meeting of the Company, all share certificates with completed transfer forms either overleaf or separately must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Hong Kong Registrars Limited, at 17M/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Thursday, 25 July 2013.

By order of the Board  
**Great World Company Holdings Ltd**  
**Ng Mui King, Joky**  
*Chairman*

Hong Kong, 28 June 2013

*As at the date of this announcement, the Board comprises (i) three Executive Directors, namely Ms. Ng Mui King, Joky, Mr. Tong Wang Shun and Ms. Zeng Jieping; and (ii) three Independent Non-Executive Directors, namely Ms. Hui Sin Man, Alice, Mr. Chung Koon Yan and Mr. Chan Ying Cheong.*

*This announcement will remain on the "Latest Company Announcements" page of the GEM website (<http://www.hkgem.com>) for at least 7 days from the date of its publication and on the Company's website (<http://www.gwchl.com>).*