BESTWAY INTERNATIONAL HOLDINGS LIMITED
百威國際控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock code: 718)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2013

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2013

The board of directors (the "**Directors**") (the "**Board**") of Bestway International Holdings Limited (the "**Company**") announces the consolidated results of the Company and its subsidiaries (the "**Group**") for the year ended 31 March 2013 together with the comparative figures of year 2012 as follows:–

	Notes	2013 HK$'000	2012 HK$'000
Revenue	5	**524**	1,384
Cost of sales		**(500)**	(1,313)
Gross profit		**24**	71
Other income	6	**1**	1
Administrative expenses		**(8,837)**	(4,155)
Other operating expenses, net		**(1)**	(3)
Finance costs	7	**(144)**	(786)
Loss before taxation		**(8,957)**	(4,872)
Taxation	8	**–**	–
Loss for the year	9	**(8,957)**	(4,872)
Other comprehensive expense			
Exchange difference arising on translation		**(108)**	(122)
Total comprehensive expenses for the year		**(9,065)**	(4,994)
Loss per share	10		
Basic		**(0.24 HK cent)**	(0.17 HK cent)
Diluted		**N/A**	N/A

* *For identification purposes only*

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2013

	Notes	**2013** **HK$'000**	2012 *HK$'000*
Non-current assets			
Property, plant and equipment		**127**	208
Exploration and evaluation assets		**2,409**	2,546
Mining rights	*11*	**735,657**	735,657
		738,193	738,411
Current assets			
Trade receivables	*12*	**–**	878
Deposits, prepayments and other receivables		**875**	858
Bank balances and cash		**444**	1,792
		1,319	3,528
Current liabilities			
Trade and bills payables	*13*	**–**	832
Other payables and accruals		**2,710**	3,240
Promissory notes	*14*	**–**	20,000
Loans from shareholders	*15*	**3,000**	–
		5,710	24,072
Net current liabilities		**(4,391)**	(20,544)
Total assets less current liabilities		**733,802**	717,867
Non-current liability			
Deferred tax liabilities		**163,913**	163,913
Net assets		**569,889**	553,954
Capital and reserves			
Share capital		**37,336**	32,336
Reserves		**532,553**	521,618
Total equity		**569,889**	553,954

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2013

1. General

Bestway International Holdings Limited (the "**Company**") is a limited liability company incorporated in Bermuda. The Company's shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The address of the registered office of the Company is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and its principal place of business is located at Room 1102C, 11/F., Tower 1, Admiralty Centre, 18 Harcourt Road, Hong Kong.

The Company is engaged in investment holding and trading of cotton yarn.

The consolidated financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company.

2. Basis of preparation of consolidated financial statements

In preparing these consolidated financial statements, the directors of the Company (the "**Directors**") have given careful consideration to the future liquidity of the Group in light of the fact that as at 31 March 2013, the Group's current liabilities exceeded its current assets by approximately HK$4,391,000. The Directors have reviewed the Group's financial and liquidity position, and taken into consideration the followings:

- ongoing financial support by a substantial shareholder of the Company to enable the Group to continue as a going concern and to settle its liabilities as and when they fall due in the foreseeable future;
- implementing cost control measures to improve the Group's financial performance and cash flows; and
- exploring the availability of external funding.

The Directors believe that, taking into account the above factors, the Group will be able to meet in full its financial obligations as and when they fall due for the foreseeable future, and accordingly, have prepared the consolidated financial statements on a going concern basis.

3. Application of new and revised Hong Kong Financial Reporting Standards ("HKFRSs")

In the current year, the Group has applied the following new and revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**").

Amendments to HKFRS 7	Disclosures – Transfers of Financial Assets
Amendments to HKAS 12	Deferred Tax – Recovery of Underlying Assets

The application of the new and revised HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or the 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:

HKFRS 9	Financial Instruments[4]
HKFRS 10	Consolidated Financial Statements[2]
HKFRS 11	Joint Arrangements[2]
HKFRS 12	Disclosure of Interests in Other Entities[2]
HKFRS 13	Fair Value Measurement[2]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2009-2011 Cycle[2]
Amendments to HKFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities[2]
Amendments to HKFRS 9 and HKFRS 7	Mandatory Effective Date of HKFRS 9 and Transition Disclosures[4]
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance[2]
Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities[3]
HKAS 19 (as revised in 2011)	Employee Benefits[2]
HKAS 27 (as revised in 2011)	Separate Financial Statements[2]
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures[2]
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income[1]
Amendments to HKAS 32	Presentation – Offsetting Financial Assets and Financial Liabilities[3]
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine[2]

[1] *Effective for annual periods beginning on or after 1 July 2012*
[2] *Effective for annual periods beginning on or after 1 January 2013*
[3] *Effective for annual periods beginning on or after 1 January 2014*
[4] *Effective for annual periods beginning on or after 1 January 2015*

The Directors anticipate that the application of these new and revised HKFRSs will have no material impact on the financial performance and positions of the Group.

4. Segment information

The Group determines its operating segment based on the internal reports reviewed by the chief operating decision maker (the "**CODM**") in order to allocate resources and to assess segment performance.

All of the Group's activities are engaged in the trading of cotton yarn business. On 31 December 2009, the Group completed its acquisitions of entire interest in mining companies established in the Mongolia and henceforth became engaged in the mining business. However, no active operation took place between the date of acquisition and the end of the reporting period. Therefore, the Group's CODM considers there to be only one operating segment under the requirements of HKFRS 8.

No geographical segment analysis is provided as over 90% of the Group's revenue and contribution to results are derived from the People's Republic of China (the "**PRC**")/Mongolia (including Hong Kong) and substantial amount of the Group's assets and liabilities are located in the PRC/Mongolia.

For the year ended 31 March 2013, revenue from a customer of the Group amounting to HK$524,000 (2012: HK$1,384,000) had accounted for over 10% of the Group's total revenue.

5. Revenue

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts. Revenue recognised during the year is as follows:

	2013	2012
	HK$'000	*HK$'000*
Sales of goods	**524**	1,384

6. Other income

	2013	2012
	HK$'000	*HK$'000*
Bank interest income	**1**	1

7. Finance costs

	2013	2012
	HK$'000	*HK$'000*
Interest on promissory notes *(note 14)*	**–**	786
Interest on other borrowings	**144**	–
	144	786

8. Taxation

No Hong Kong Profits Tax has been provided as the Group had no assessable profit for the year (2012: Nil).

9. Loss for the year

Loss for the year has been arrived at after charging:

	2013	2012
	HK$'000	*HK$'000*
Auditor's remuneration	**630**	580
Cost of inventories sold	**500**	1,313
Depreciation	**72**	76
Rental paid under operating lease	**914**	422
Employee benefits expense (excluding directors' emoluments):		
Wages and salaries	**466**	457
Pension scheme contributions	**48**	54

10. Loss per share

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

	2013	2012
	HK$'000	*HK$'000*
Loss		
Loss for the year attributable to the owners of the Company for the purpose of basic loss per share	**(8,957)**	(4,872)

	2013	2012
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of basic loss per share	**3,713,014**	2,922,283

No diluted loss per share for the year ended 31 March 2013 and 2012 has been presented as there were no diluted potential shares.

11. Mining rights

	HK$'000
Cost	
At 1 April 2011, 31 March 2012 and 31 March 2013	1,001,130
Impairment	
At 1 April 2011, 31 March 2012 and 31 March 2013	265,473
Carrying value	
At 31 March 2013	735,657
At 31 March 2012	735,657

The mining rights represent the rights to conduct mining activities in the location of Nogoonnuur Soum and Tsengel Soum of Bayan-Ulgii Aimag in Mongolia, and have legal lives of 21 to 26 years, expiring in July 2031, March 2033, December 2035 and July 2036, respectively. The mining operating licenses are issued by Mineral Resources and Petroleum Authority of Mongolia and may be extended for two successive additional periods of 20 years each. In the opinion of the Directors, the application for extension is procedural and the Group should be able to renew its mining operation licenses at minimal charges, until all the proven and probable minerals have been mined.

The Group has appointed a qualified mineral technical adviser to prepare a resource estimation based on the international standards. The Group has also engaged a Mongolian professional firm to update the feasibility study report and the environmental impact assessment report on above tungsten mines. No active mining operation of the Group has taken place yet.

Subsequent to the year ended 31 March 2013, the Group received a letter issued by a Mongolian Province Governor which required the Group to submit the time of commencing mining operations or otherwise certain mining licenses might be revoked. On 22 May 2013, the Group entered into a memorandum of understanding (the "**MOU**") with China Metallurgical Geology Bureau of Shandong (the "**Contractor**"), pursuant to which the Group agreed to engage the Contractor to conduct mining activities, including development and exploitation of all of its Mongolian tungsten mines. The Group and the Contractor will negotiate the relevant mining terms and consideration for incorporation into a formal cooperation agreement which, however, is not yet concluded and entered into up to the reporting date. Once the Group has reached an agreement with the Contractor on all mining terms and consideration, the Contractor will commence exploitation of the mines, which the Directors believe, would not be later than the end of December 2013. Based on the cooperation plan by entering into of MOU and the advices from the Group's Mongolian legal adviser, the Directors are of the opinion that the Group can continue to extract the resources covered by its mining operating licenses.

The Directors reassessed the recoverable amount of the mining rights with reference to the valuation performed by Messers. Peak Vision Appraisals Limited, an independent qualified professional valuer and determined that no impairment loss in respect of mining rights was identified for the year ended 31 March 2013. The recoverable amount of the mining rights was based on value-in-use calculations and key assumptions adopted include estimated mine reserve based on technical assessment reports and the expectation for market development.

12. Trade receivables

	2013	2012
	HK$'000	*HK$'000*
Trade receivables	**–**	878

The Group's trading terms with its customers generally range from 60 – 90 days. Overdue balances are reviewed regularly by senior management.

The aging analysis of the trade receivables net of allowance for doubtful debts at the end of the reporting period is as follows:

	2013	2012
	HK$'000	*HK$'000*
Within 30 days	**–**	878

The Group's trade receivables balance are neither past due nor impaired as at the reporting date. The Group does not hold any collateral over these balances. Based on past experience, the Directors believe that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

13. Trade and bills payables

The aging analysis of the trade and bills payables presented based on the invoice date at the end of the reporting period is as follows:

	2013	2012
	HK$'000	*HK$'000*
31 to 60 days	**–**	832

14. Promissory notes

The movement of the promissory notes are set out as below:

	HK$'000
At 1 April 2011	19,214
Interest charge	786
At 31 March 2012	20,000
Early repayment	(20,000)
At 31 March 2013	–

The promissory notes carry a coupon interest rate of 1% per annum and set to be matured on 31 December 2012. On 18 April 2012, the Group has fully settled the promissory notes with an amount of HK$20,000,000 pursuant to an early redemption proposal offered by the holder of promissory notes.

15. Loans from shareholders

The loans due are unsecured, interest free and will be matured in November 2013 and January 2014. Subsequent to the year ended 31 March 2013, the Company entered into supplemental loan agreements in which the repayment dates are both extended to 30 June 2014.

16. Event after the reporting period

On 22 May 2013, the Group entered into the MOU with the Contractor pursuant to which the Group agreed to engage the Contractor to conduct mining activities of all of its Mongolian tungsten mines. Details of which are disclosed in note 11 and the Company's announcement dated 23 May 2013.

On 13 June 2013, the Group and the vendor entered into a supplemental agreement to the share purchase agreement dated 17 August 2012 (the "**Supplemental Agreement**") in relation to an acquisition of a group of companies which is principally engaged in the business of exploitation and sale of iron ore in the PRC (the "**Agreement**"). Pursuant to the Supplemental Agreement, the Group and the vendor agreed to extend the long stop date under the Agreement from 28 February 2013 to 31 December 2013. Details of which were disclosed in the Company's announcements dated 7 January 2013 and 13 June 2013.

EXTRACT OF THE INDEPENDENT AUDITOR'S REPORT

The following is an extract of the independent auditor's report on the Group's annual audited financial statements for the year ended 31 March 2013 which has included an emphasis of matter, but without qualification.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 March 2013, and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Emphasis of matter

Without qualifying our opinion, we draw attention to note 17* to the consolidated financial statements of the Group. As disclosed therein, the Group entered into a memorandum of understanding with a contractor pursuant to which the Group agreed to engage the contractor to conduct mining activities, including development and exploitation, of all of its Mongolian tungsten mines. The Group and the contractor will negotiate the relevant mining terms and consideration for incorporation into a formal cooperation agreement which, however, is not yet concluded and entered up to our reporting date.

The carrying value of the mining rights of the Group was HK$735,657,000 as at 31 March 2013, with impairment assessment using discounted cash flow method based on the existing exploitation plan. Should there be any reach an agreement on the relevant mining terms and consideration with the contractor, the value of the mining rights of the Group may possibly be affected.

In addition, we draw attention to note 2 to the consolidated financial statements which indicates that as of 31 March 2013, the Group's current liabilities exceeded its current assets by approximately HK$4,391,000. This condition indicates the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

BUSINESS REVIEW

Capital structure

The Company completed the placing of 500,000,000 new shares at the placing price of HK$0.05 per placing share under general mandate on 16 April 2012. The new shares rank equally among themselves and with the existing shares. The 500,000,000 new shares represented about 15.46% of the issued share capital of the Company prior to the placing and about 13.39% of the enlarged share capital of the Company immediately after the placing.

The Directors believe that the above fund raising exercise provided an opportunity to broaden the shareholder base and strengthened the capital base and working capital of the Group. The Group used the net proceeds of the placing as general working capital.

* *As reproduced in note 11*

As at 31 March 2013, 3,733,562,180 ordinary shares with par value of HK$0.01 each were in issue.

Trading of goods

The Group recorded a revenue of HK$524,000 (2012: HK$1,384,000) which represented a decrease in turnover of approximately 62% over the corresponding period last year. Gross profit margin had decreased to 4.58% (2012: 5.13%). The decrease of revenue and gross profit margin was mainly due to high competition environment. The net loss attributable to the owners of the Company was HK$8,957,000 (2012: HK$4,872,000). The Group's basic loss per share for the year was HK0.24 cent (2012: HK0.17 cent).

Mining Business

Since completion of the acquisitions of the Mongolia subsidiaries in December 2009, the operation of the Mongolian tungsten mines has remained stagnant. The Group has re-engaged Ms. Yang Lee (our-former executive Director who has extensive experience in the resources industry) as consultant and has engaged a Mongolian professional firm to prepare a feasibility study report and an environmental report for the Group to reconsider the overall operating strategy for the mining business in Mongolia. In addition, we have appointed a qualified mineral technical adviser to prepare a resource estimation based on the international reporting standards which are in line with the requirements under chapter 18 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"), and to provide further assistance in the design of the exploration programs in respect of Mongolian tungsten mines. At the same time, the Company is still seeking for and liaising with several financial advisers in relation to the financing of the capital expenditure for the Mongolian tungsten mines.

Due to the implementation of the Law of Mongolia on Prohibiting Mineral Exploration and Mining in the Area of the River and Water Stream Origin and Basins and in the areas of the Forests, approximately 56 hectares of the mineral mining license (no. 11863A) currently held by the Group covering approximately 689 hectares located in Hovd Gol, Tsengel Soum, Bayan-Ulgii Aima, Mongolia (the "**License**") representing approximately 8% of the total areas covered by the License was cancelled (the "**Cancellation**"). Following the Cancellation, the area covered by the License was revised to approximately 633 hectares.

The management requested a Mongolian geologist to assess the impact of Cancellation on the mine resources and according to the geologist report issued, the cancelled area does not influence the reserves of mine. In addition, the Mongolian legal adviser was in the opinion that the License is still in effect and in good standing after the Cancellation.

The Directors, after taking into the consideration of geologist report and legal opinion, were of the view that the Cancellation would not significantly affect the volume of mine resources covered by the License.

The Directors reassessed the recoverable amount of the mining rights with reference to the valuation performed by Messers. Peak Vision Appraisals Limited, an independent qualified professional valuer and determined that no impairment loss in respect of mining rights was identified for the year ended 31 March 2013. The recoverable amount of the mining rights was based on value-in-use calculations and key assumptions adopted include estimated mine reserve based on technical assessment reports and the expectation for market development.

FUTURE PLAN AND PROSPECTS FOR MATERIAL INVESTMENT OR CAPITAL ASSETS

Looking ahead, the Directors expect that the operating environment in the trading of goods will be challenging as a sustainable recovery of the world's economy is still uncertain. In order to cope with future challenges and to stay competitive, the Group will look for new customers in order to improve the profit margins for the business. Moreover, we will keep on monitoring the development of mining business and will endeavor to further explore the mining business for a return in the future.

On 17 August 2012, the Group entered into the Agreement with a connected person of the Company in relation to an acquisition of group of companies which is principally engaged in the business of exploitation and sale of iron ore in Inner Mongolia, the PRC (the "**Acquisition**"). Relevant details are set out in the announcement of the Company dated 7 January 2013.

Pursuant to the Rule 14.54 of the Listing Rules, the Stock Exchange will treat the Company proposing a reverse takeover as if it were a new listing applicant. The enlarged group or the assets to be acquired must be able to meet the requirements of Rule 8.05 of the Listing Rules and the enlarged group must be able to meet all the other basic conditions set out in Chapter 8 of the Listing Rules. The Company is required to submit a new listing application according to Chapter 9 of the Listing Rules.

The Company believes that more comprehensive information in relation to the target group of the Acquisition (the "**Target Group**") enabling the Stock Exchange to reassess the Acquisition once the updated competent person's report and valuation report are ready, with which, the Directors believe that a clear path to the profitability of the Target Group can be demonstrated. Progress of the Acquisition will be announced as and when appropriate accordingly to the Listing Rules and the Securities and Futures Ordinance.

Reference is made to the announcement of the Company dated 26 April 2013. A wholly-owned subsidiary of the Company was questioned by a Mongolian Province Governor for not doing business in relation to its mining licenses in Mongolia. The subsidiary was required to submit the time of commencing mining operations and the Mongolian Province Governor indicated that he may inform the relevant authorities to revoke the mining licences. According to the Group's Mongolian legal advisers, there is no legal evidence about the Group failing to comply with the relevant requirements for the mining licences, therefore, the Mongolian Province Governor's grounds do not fall within the grounds that entitle the Government Agency to revoke the mining licences concerned. In addition, the Company has expedited its overall operating strategies over the Mongolian tungsten mines and entered into the MOU with Contractor on 22 May 2013.

Pursuant to the MOU, the Group agreed to engage the Contractor to conduct mining activities, including development and exploitation, of the Mongolian tungsten mines. Pursuant to the MOU, the Group shall fulfill all requirements from the Mongolian government in order to secure the mining licenses of the Mongolian tungsten mines, including but not limited to, payments of government fees and charges and submission of relevant feasibility study reports for the Mongolian tungsten mines before commencement of the exploitation. The Contractor undertakes to commence exploitation of the Mongolian tungsten mines by no later than the end of December 2013 and to employ local Mongolians to assist in such exploitation in the first place. The Contractor and the Company will negotiate in good faith the terms and consideration to be incorporated into the formal cooperation agreement. The proposed service period from the Contractor is 20 years from the date of the MOU.

For the purpose of sustaining long term growth and maximising the shareholders' wealth, the Directors will continue to explore all potential opportunities to broaden the Group's income and development.

FINANCIAL SUMMARY

The Group's revenue for the year ended 31 March 2013 was approximately of HK$524,000 and the administrative expenses for the year ended 31 March 2013 were approximately of HK$8,837,000, which represented an increase of 113% compared to the administrative expenses incurred in last year.

The loss attributable to the owners of the Company for the year ended 31 March 2013 was HK$8,957,000, as compared a loss HK$4,872,000 in the previous year. The increase in the loss was mainly due to the decrease in the Group's revenue and the increase in administrative expenses.

CURRENT AND GEARING RATIOS

As at 31 March 2013, the Group's bank balances and cash amounted to HK$444,000 (as at 31 March 2012: HK$1,792,000). The Group's net assets value amounted to approximately HK$569,889,000 (as at 31 March 2012: HK$553,954,000) with total assets approximately HK$739,512,000 (as at 31 March 2012: HK$741,939,000). Net current liabilities were approximately HK$4,391,000 (as at 31 March 2012: HK$20,544,000). The current ratio was 0.23 times (as at 31 March 2012: 0.15 times) and gearing ratio was 0.23 (as at 31 March 2012: 0.25) represented on the basis of total liabilities over total assets.

CHARGES ON GROUP'S ASSETS

As at 31 March 2013, no group's assets are charged to secure the borrowings and banking facilities. As at 31 March 2012, the Group pledged bank deposit of HK$869,000 to secure a short-term banking facilities of the Group.

CONTINGENT LIABILITIES

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

FOREIGN CURRENCY EXPOSURE

The Group did not have any significant exposure to and did not hedge against risks associated with foreign currency fluctuation.

EMPLOYEE INFORMATION

As at 31 March 2013, the Group had approximately 9 full time managerial and administrative employees (2012: 15). The Group affords competitive remuneration packages to its employees based on prevailing and industry practice. Compensation policies are reviewed regularly and are designed to reward and motivate productivity and performance.

DIVIDENDS

The Directors do not recommend the payment of any dividend in respect of the year ended 31 March 2013 (2012: Nil).

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year.

AUDIT COMMITTEE

The Company has an Audit Committee which was established in compliance with The Corporate Governance Code (the "**CG Codes**") contained in Appendix 14 of the Listing Rules for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Group's audited financial statements for the year ended 31 March 2013 has been reviewed by the Audit Committee. The Audit Committee comprises the three independent non-executive Directors and one non-executive director of the Company, and meets at least twice annually to perform their duties.

PRELIMINARY ANNOUNCEMENT OF ANNUAL RESULTS

Scope of work of Morison Heng CPA

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 March 2013 as set out in this announcement have been agreed by the Group's auditor, Messrs. Morison Heng CPA, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. Morison Heng CPA in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. Morison Heng CPA on this announcement.

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

During the year ended 31 March 2013, the Board has adopted and complied with the code provisions of the CG Codes in so far they are applicable except for the following deviations.

CG Codes provision A.1.1, it stipulates that the Board should meet regularly and board meeting should be held at least four times a year at approximately quarterly intervals. During the year, only two regular board meetings were held to review and discuss the annual and interim results. The Company does not announce its quarterly results and hence does not consider the holding of quarterly meetings as necessary.

CG Codes provision A.6.7, it stipulates that the independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. An independent non-executive director was unable to attend the annual general meeting of the Company held on 22 August 2012 due to his various work commitments.

MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 of the Listing Rules as its own code of directors' securities transactions. Having made specific enquiry of all directors, the directors have complied with the required standard set out in the Model Code, throughout the year ended 31 March 2013.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

The annual results announcement is published on the website of the Stock Exchange at http://www.hkexnews.hk and the Company's website at http://www.irasia.com/listco/hk/bestway/index.htm. The annual report of the Company for the year ended 31 March 2013 will be despatched to the shareholders of the Company and published on the aforesaid websites in due course.

On behalf of the Board
Bestway International Holdings Limited
Ha Wing Ho, Peter
Executive Director

Hong Kong, 28 June 2013

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Ha Wing Ho, Peter and Mr. Zhang Qianjin; two non-executive Directors, namely Mr. Chee Man Sang, Eric and Mr. Tang Shu Pui Simon and the three independent non-executive Directors, namely Mr. Chan Wai Man, Mr. Tsui Sai Ming, Steven and Mr. Ng Chun Chuen David.