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 2010

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 high 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.

This announcement, for which the directors of Great World Company Holdings Ltd collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange for the purpose of giving information with regard to Great World Company Holdings Ltd. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

HIGHLIGHTS

For the fiscal year ended 31 March 2010, the Group recorded a total turnover of approximately HK$34,876,000 and a loss attributable to owners of the Company of approximately HK$6,892,000.

The directors do not recommend the payment of a dividend for the fiscal year ended 31 March 2010.

AUDITED RESULTS

The board of directors (the "Board") of Great World Company Holdings Ltd (the "Company") announces the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2010 together with the comparative audited figures for the year ended 31 March 2009 as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2010

	Notes	**2010** **HK$'000**	2009 HK$'000
Turnover	*3(a)*	**34,876**	16,808
Cost of sales		**(27,147)**	(11,986)
Gross profit		**7,729**	4,822
Other revenue and net income	*3(b)*	**7,584**	4,694
Selling and distribution costs		**(1,754)**	(1,272)
Administrative and other operating expenses		**(21,905)**	(19,473)
Finance costs	*4*	**(16)**	(18)
Share of results of associate		**1,904**	1,350
Impairment losses on interests in associate		**–**	(1,968)
Loss before tax	*5*	**(6,458)**	(11,865)
Income tax	*6*	**308**	(22)
LOSS FOR THE YEAR		**(6,150)**	(11,887)
Loss for the year attributable to:			
Owners of the Company		**(6,892)**	(12,081)
Non-controlling interests		**742**	194
		(6,150)	(11,887)
Dividend	*7*	**–**	–
Loss per share	*8*		
– Basic		**1.50 cents**	3.12 cents
– Diluted		**N/A**	N/A

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2010

	Notes	**2010** **HK$'000**	2009 *HK$'000*
Loss for the year		**(6,150)**	(11,887)
Other comprehensive income:			
Exchange difference arising on translation of foreign operations		**102**	465
Merger difference written off		**–**	250
		102	715
Total comprehensive income for the year		**(6,048)**	(11,172)
Total comprehensive income attributable to:			
Owners of the Company		**(6,796)**	(11,493)
Non-controlling interests		**748**	321
		(6,048)	(11,172)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2010

	Notes	2010 HK$'000	2009 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment	10	**3,034**	2,053
Goodwill	11	**10,335**	10,305
Other intangible assets		**864**	976
Interests in associate		**18,015**	16,061
Deferred tax assets		**486**	–
		32,734	29,395
CURRENT ASSETS			
Inventories		**11,589**	5,512
Trade and other receivables	12	**15,244**	8,277
Cash and bank deposits	13	**6,930**	3,030
		33,763	16,819
CURRENT LIABILITIES			
Borrowings		**–**	(235)
Trade and other payables	14	**(29,075)**	(24,813)
Amounts due to directors		**(5,557)**	(3,402)
		(34,632)	(28,450)
NET CURRENT LIABILITIES		**(869)**	(11,631)
NET ASSETS		**31,865**	17,764
CAPITAL AND RESERVES			
Share capital	15	**48,631**	40,631
Reserves	16	**(18,831)**	(24,184)
Equity attributable to owners of the Company		**29,800**	16,447
Non-controlling interests		**2,065**	1,317
EQUITY		**31,865**	17,764

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2010

1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards, which collectively include all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants and accounting principles generally accepted in Hong Kong. These financial statements also include applicable disclosures required by the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

These financial statements have been prepared using the historical cost basis, except for certain financial instruments which are measured at fair values.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Group has applied the following new and revised standards, amendments to standards and interpretations ("New and Revised HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are or have become effective.

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2008, except for the amendments to HKFRS 5 effective for annual periods beginning on or after 1 July 2009
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009 in relation to the amendment to paragraph 80 of HKAS 39
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendments)	Vesting Conditions and Cancellations
HKFRS 7 (Amendments)	Improving Disclosures about Financial Instruments
HKFRS 8	Operating Segments
HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Costs
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation
HK(IFRIC)-Int 9 and HKAS 39 (Amendments)	Embedded Derivatives
HK(IFRIC)-Int 13	Customer Loyalty Programmes
HK(IFRIC)-Int 15	Agreements for the Construction of Real Estate
HK(IFRIC)-Int 16	Hedges of a Net Investment in a Foreign Operation
HK(IFRIC)-Int 18	Transfers of Assets from Customers

The application of the New HKFRSs has no material impact on the Group's financial statements, for those New HKFRSs that are consistent with policies already adopted by the Group, except as discussed below.

As a result of the adoption of HKAS 1 (Revised), details of changes in equity during the period arising from transactions with equity owners in their capacity as such have been presented separately from all other income and expenses in a revised consolidated statement of changes in equity. All other items of income and expense are presented in the consolidated income statement, if they are recognised as part of profit or loss for the period, or otherwise in a new primary statement, the consolidated statement of comprehensive income. Corresponding amounts have been restated to conform to the new presentation. This change in presentation has no effect on reported profit or loss, total income and expense or net assets for any period presented.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

The Improvements to HKFRSs comprise a number of minor and non-urgent amendments to a range of HKFRSs which the HKICPA has issued as an omnibus batch of amendments. Of these, amendments to HKAS 28 *Investments in Associates* have resulted in changes to the Group's accounting policies as to impairment losses recognised in respect of the associates and jointly controlled entities carried under the equity method that are no longer allocated to the goodwill inherent in that carrying value. As a result, when there has been a favourable change in the estimates used to determine the recoverable amount, the impairment loss will be reversed. Previously, the Group allocated impairment losses to goodwill and, in accordance with the accounting policy for goodwill, did not consider the loss to be reversible. In accordance with the transitional provisions in the amendments, this new policy will be applied prospectively to any impairment losses that arise in the current or future periods and previous periods have not been restated.

As a result of the adoption of the amendments to HKFRS 7, the financial statements include expanded disclosures about the fair value measurement of the Group's financial instruments, categorising these fair value measurements into a three-level fair value hierarchy according to the extent to which they are based on observable market data. The Group has taken advantage of the transitional provisions set out in the amendments to HKFRS 7, under which comparative information for the newly required disclosures about the fair value measurements of financial instruments has not been provided.

HKFRS 8 requires segment disclosure to be based on the way that the Group's chief operating decision maker regards and manages the Group, with the amounts reported for each reportable segment being the measures reported to the Group's chief operating decision maker for the purposes of assessing segment performance and making decisions about operating matters. This contrasts with the presentation of segment information in prior years which was based on a disaggregation of the Group's financial statements into segments based on related products and services and on geographical areas. The adoption of HKFRS 8 has resulted in the presentation of segment information in a manner that is more consistent with internal reporting provided to the Group's most senior executive management. Corresponding amounts have been provided on a basis consistent with the revised segment information being identified and presented.

The Group has not early applied the following new and revised standards, amendments or interpretations that have been issued but not yet effective.

HKFRSs (Amendments)	Amendments to HKFRS 5 as part of Improvements to HKFRSs issued in 2008[1]
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009[2]
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2010[6]
HKFRS 1 (Revised)	First-time Adoption of HKFRSs[1]
HKFRS 1 (Amendments)	Additional Exemptions for First-time Adopters[3]
HKFRS 1 (Amendment)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters[5]
HKFRS 2 (Amendments)	Group Cash-settled Share-based Payment Transactions[3]
HKFRS 3 (Revised)	Business Combinations[1]
HKFRS 9	Financial Instruments[8]
HKAS 24 (Revised)	Related Party Disclosures[7]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[1]
HKAS 32 (Amendments)	Classification of Rights Issues[4]
HKAS 39 (Amendments)	Eligible Hedged Items[1]
HK(IFRIC)-Int 14 (Amendment)	Prepayments of Minimum Funding Requirement[7]
HK(IFRIC)-Int 17	Distributions of Non-cash Assets to Owners[1]
HK(IFRIC)-Int 19	Extinguishing Financial Liabilities with Equity Instruments[5]

(1) Effective for annual periods beginning on or after 1 July 2009
(2) Effective for annual periods beginning on or after 1 July 2009 and 1 January 2010, as appropriate
(3) Effective for annual periods beginning on or after 1 January 2010
(4) Effective for annual periods beginning on or after 1 February 2010
(5) Effective for annual periods beginning on or after 1 July 2010
(6) Effective for annual periods beginning on or after 1 July 2010 and 1 January 2011, as appropriate
(7) Effective for annual periods beginning on or after 1 January 2011
(8) Effective for annual periods beginning on or after 1 January 2013

2. **APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)**

The application of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary.

HKFRS 9 *Financial Instruments* introduces new requirements for the classification and measurement of financial assets and will be effective from 1 January 2013, with earlier application permitted. The standard requires all recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* to be measured at either amortised cost or fair value. Specifically, debt investments that (i) are held within a business model whose objective is to collect the contractual cash flows and (ii) have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost. All other debt investments and equity investments are measured at fair value. The application of HKFRS 9 might affect the classification and measurement of the Group's financial assets.

The directors of the Company anticipate that the application of the other new and revised standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

3. **REVENUE**

(a) Turnover

	2010	2009
	HK$'000	*HK$'000*
Sales of goods, net of discounts and value-added tax	**34,876**	16,808

(b) Other revenue and net income

	2010	2009
	HK$'000	*HK$'000*
Bank interest income	**9**	12
Net foreign exchange gain	**–**	5
Other service income	**4,615**	2,013
Reversal of impairment loss on trade and other receivables	**2,390**	6
Reversal of write-down of inventories	**–**	594
Sundry income	**570**	2,064
	7,584	4,694

4. **FINANCE COSTS**

	2010	2009
	HK$'000	*HK$'000*
Interest and other finance expenses on unsecured borrowings wholly repayable within 5 years	**16**	18
	16	18

5. LOSS BEFORE TAX

Loss before tax has been arrived at after charging:–

	2010	2009
	HK$'000	*HK$'000*
Staff costs (including directors' remuneration)		
– salaries and other benefits	**6,732**	6,476
– contributions to defined contributions retirement benefits schemes	**144**	94
	6,876	6,570
Inventories recognised as an expense		
– carrying amount of inventories sold	**27,147**	11,986
– write-down of inventories	**900**	3,674
	28,047	15,660
Auditors' remuneration		
– audit services	**280**	300
– other services	**170**	520
Depreciation and amortisation	**327**	129
Operating lease charges in respect of land and buildings	**1,053**	873
Impairment loss on trade and other receivables	**828**	2,321

The impairment loss on trade and other receivables is included in administrative and other operating expenses disclosed in the consolidated income statement.

6. INCOME TAX

	2010	2009
	HK$'000	*HK$'000*
Current tax:		
Hong Kong profits tax	**–**	–
PRC enterprise income tax	**(178)**	(22)
Deferred tax	**486**	–
Tax income/(expense) for the year	**308**	(22)

Hong Kong profits tax is calculated at the rate of 16.5% on the estimated assessable profit for the year. PRC subsidiaries are subject to PRC enterprise income tax at the rate of 25%. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

6. INCOME TAX (Continued)

The tax income/(expense) for the year can be reconciled to the accounting profit/(loss) as follows:–

	2010	2009
	HK$'000	*HK$'000*
Loss before tax and before share of results of associate	**(8,362)**	(13,215)
Notional tax on profit/(loss) before tax, calculated at the tax rates applicable to profit in the jurisdictions concerned	**3,269**	2,415
Tax effect of income not taxable	**56**	310
Tax effect of expenses not deductible and losses not allowable	**(2,923)**	(537)
Tax effect of estimated tax losses not recognised	**–**	(2,185)
Tax effect of other temporary differences not recognised	**2**	(3)
Tax under-provided in previous year	**(96)**	(22)
Tax income/(expense) for the year	**308**	(22)

7. DIVIDEND

No dividend has been paid during the year nor proposed for the year (2009: Nil).

8. LOSS PER SHARE

The basic loss per share is calculated based on the loss attributable to owners of the Company of approximately HK$6,892,000 (2009: approximately HK$12,081,000) and the weighted average number of 458,259,205 (2009: 387,019,008) ordinary shares in issue during the year.

Diluted loss per share has not been disclosed for both years ended 31 March 2010 and 2009 as the share options outstanding had no dilutive effect while there were no dilutive potential ordinary shares.

9. 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 has 2 reportable segments – (1) assembly, distribution and integration of telecommunications products and (2) exploration, mining and processing of iron. These segments are managed separately as they belong to different industries and require different operating systems and strategies. There were no sales and other transactions between those reportable segments for both years ended 31 March 2010 and 2009. Information regarding the Group's reportable segments is presented below.

9. SEGMENT INFORMATION (Continued)

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

2010

	Assembly, distribution and integration of telecommunications products *HK$'000*	**Exploration, mining and processing of iron** *HK$'000*	**Total** *HK$'000*
Revenue from external customers	**34,876**	**–**	**34,876**
Interest revenue	**8**	**1**	**9**
Interest expense	**–**	**8**	**8**
Depreciation and amortisation	**12**	**280**	**292**
Write-down of inventories	**900**	**–**	**900**
Reportable segment profit/(loss)	**6,666**	**(2,319)**	**4,347**
Share of results of associate	**1,904**	**–**	**1,904**
Tax income/(expense)	**(178)**	**486**	**308**
Reportable segment assets	**28,788**	**18,328**	**47,116**
Interests in associate	**18,015**	**–**	**18,015**
Expenditures for reportable segment non-current assets	**14**	**1,170**	**1,184**
Reportable segment liabilities	**20,529**	**7,114**	**27,643**

2009

	Assembly, distribution and integration of telecommunications products *HK$'000*	Exploration, mining and processing of iron *HK$'000*	Total *HK$'000*
Revenue from external customers	16,808	–	16,808
Interest revenue	12	–	12
Interest expense	9	5	14
Depreciation and amortisation	16	78	94
Impairment loss on trade and other receivables	2,321	–	2,321
Write-down of inventories	3,674	–	3,674
Reportable segment loss	(2,534)	(242)	(2,776)
Share of results of associate	1,350	–	1,350
Impairment loss on interests in associate	(1,968)	–	(1,968)
Tax income/(expense)	(22)	–	(22)
Reportable segment assets	12,073	17,686	29,759
Interests in associate	16,061	–	16,061
Expenditures for reportable segment non-current assets	17	–	17
Reportable segment liabilities	10,321	5,587	15,908

9. SEGMENT INFORMATION (Continued)

(b) Reconditions of reportable segment revenues, profit or loss, assets and liabilities

	2010	2009
	HK$'000	*HK$'000*
Revenue		
Total revenue for reportable segments	**34,876**	16,808
Consolidated turnover	**34,876**	16,808
Profit or loss		
Total profit or loss for reportable segments	**4,347**	(2,776)
Share of results of associate	**1,904**	1,350
Impairment loss on interests in associate	**–**	(1,968)
Unallocated interest revenue	**–**	1
Unallocated corporate income	**342**	1,891
Unallocated finance costs	**(8)**	(4)
Unallocated corporate expenses	**(13,043)**	(10,359)
Consolidated loss before tax	**(6,458)**	(11,865)
Assets		
Total assets for reportable segments	**47,116**	29,759
Interests in associate	**18,015**	16,061
Unallocated corporate assets	**1,366**	394
Consolidated total assets	**66,497**	46,214
Liabilities		
Total liabilities for reportable segments	**27,643**	15,908
Unallocated corporate liabilities	**6,989**	12,542
Consolidated total liabilities	**34,632**	28,450

(c) Geographical information

The following table sets out information about the geographical location of (i) the Group's revenues from external customers and (ii) the Group's property, plant and equipment, intangible assets, goodwill and interests in associate ("specified non-current assets"). The geographical location of customers 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, (ii) the location of the operation to which they are allocated, in the case of intangible assets and goodwill, and (iii) the location of operations, in the case of interests in associates.

	Revenues from external customers		**Specified non-current assets**	
	2010	2009	**2010**	2009
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
PRC	**34,876**	16,808	**32,650**	29,279
Hong Kong	**–**	–	**84**	116
	34,876	16,808	**32,734**	29,395

9. **SEGMENT INFORMATION (Continued)**

(d) **Information about major customers**

The total amounts of revenues from each of the 3 (2009: 4) major customers of the Group, the revenues from each such customer amount to 10% or more of the Group's revenues, are approximately HK$12,281,000, HK$10,143,000 and HK$6,360,000 (2009: HK$6,674,000, HK$2,331,000, HK$1,912,000 and HK$1,840,000) attributed to the assembly, distribution and integration of telecommunications products segment.

10. PROPERTY, PLANT AND EQUIPMENT

	Buildings	Leasehold improvements	Furniture, fixtures and equipment	Motor vehicles	Construction in progress	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Cost:						
At 1 April 2008	–	18	309	331	–	658
Additions	–	32	39	–	177	248
Acquired on acquisition of subsidiary	169	–	1,185	791	66	2,211
Exchange adjustments	–	–	30	49	1	80
At 31 March 2009 and 1 April 2009	169	50	1,563	1,171	244	3,197
Additions	–	–	112	–	1,075	1,187
Disposals	–	–	(2)	–	–	(2)
Exchange adjustments	–	–	6	3	2	11
At 31 March 2010	169	50	1,679	1,174	1,321	4,393
Accumulated depreciation and impairment:						
At 1 April 2008	–	4	194	329	–	527
Provided for the year	–	10	69	22	–	101
Acquired on acquisition of subsidiary	169	–	135	137	–	441
Exchange adjustments	–	–	26	49	–	75
At 31 March 2009 and 1 April 2009	169	14	424	537	–	1,144
Provided for the year	–	10	142	60	–	212
Eliminated on disposals	–	–	(1)	–	–	(1)
Exchange adjustments	–	–	1	3	–	4
At 31 March 2010	169	24	566	600	–	1,359
Carrying amounts:						
At 31 March 2010	–	26	1,113	574	1,321	3,034
At 31 March 2009	–	36	1,139	634	244	2,053

11. GOODWILL

	2010	2009
	HK$'000	*HK$'000*
Cost:		
At beginning of the year	**10,305**	–
Acquired on acquisition of subsidiary	**–**	10,316
Exchange adjustments	**30**	(11)
At end of the year	**10,335**	10,305

12. TRADE AND OTHER RECEIVABLES

	2010	2009
	HK$'000	*HK$'000*
Trade receivables	**13,717**	2,800
Other receivables, prepayments and deposits	**1,527**	5,477
	15,244	8,277

An aged analysis of trade receivables is as follows:–

	2010	2009
Within 3 months	**11,147**	276
Over 3 months but within 1 year	**2,570**	2,524
	13,717	2,800

13. CASH AND BANK DEPOSITS

	2010	2009
	HK$'000	*HK$'000*
Deposits with banks and other financial institutions	**6,407**	3,030
Cash in hand	**523**	–
	6,930	3,030

14. TRADE AND OTHER PAYABLES

	2010	2009
	HK$'000	*HK$'000*
Trade payables	**17,782**	9,928
Other payables and accrued charges	**11,293**	14,885
	29,075	24,813

An aged analysis of the trade payables is as follows:–

	2010	2009
Within 3 months	**11,484**	1,482
Over 3 months but within 1 year	**6,298**	8,156
Over 1 year	**–**	290
	17,782	9,928

15. SHARE CAPITAL

	Number of shares		**Amount**	
	2010	2009	**2010**	2009
	'000	*'000*	***HK$'000***	*HK$'000*
Authorised:				
Ordinary shares of HK$0.1 each				
– At beginning and end of the year	**800,000**	800,000	**80,000**	80,000
Issued and fully paid:				
Ordinary shares of HK$0.1 each				
– At beginning of the year	**406,314**	338,596	**40,631**	33,860
– Shares issued under a placing agreement (note (i))	**–**	67,718	**–**	6,771
– Shares issued under a subscription agreement (note (ii))	**80,000**	–	**8,000**	–
– At end of the year	**486,314**	406,314	**48,631**	40,631

Notes:

(i) On 14 July 2008, 67,718,000 new shares were issued, pursuant to a placing agreement entered into by the Company with a placing agent on 23 June 2008 with a view to raise further capital to broaden the capital base and to strengthen the financial position of the Group, at a placing price of HK$0.3 per placing share to provide general working capital for the Company. The market price of the Company's shares at the close of business on 23 June 2008 was HK$0.345 per share. The net price of the shares issued was HK$0.292 per share.

(ii) On 7 August 2009, 80,000,000 new ordinary shares were issued, in accordance with the terms of a subscription agreement dated 27 July 2009, to the vendor from whom 80,000,000 placing shares were placed to the placees on 30 July 2009, pursuant to a placing agreement entered into by the Company with a placing agent on 27 July 2009 with a view to raise further capital to broaden the capital base and to strengthen the financial position of the Group at a placing price of HK$0.265 per placing share, for the purpose of providing general working capital for the Company. The market price of the Company's shares at the close of business on 24 July 2009 was HK$0.31 per share. The net price of the shares issued was HK$0.254 per share.

16. RESERVES

	Share premium *HK$'000*	Share options reserve *HK$'000*	PRC statutory reserves *HK$'000*	Merger difference *HK$'000*	Translation reserve *HK$'000*	Accumulated losses *HK$'000*	Total *HK$'000*
At 1 April 2008	96,898	706	3,808	(250)	3,112	(129,999)	(25,725)
Total comprehensive income for the year	–	–	–	250	338	(12,081)	(11,493)
Shares issued pursuant to a placing agreement	13,544	–	–	–	–	–	13,544
Cost attributable to issue of new shares	(510)	–	–	–	–	–	(510)
At 31 March 2009 and 1 April 2009	109,932	706	3,808	–	3,450	(142,080)	(24,184)
Total comprehensive income for the year	–	–	–	–	96	(6,892)	(6,796)
Shares issued pursuant to a subscription agreement	13,200	–	–	–	–	–	13,200
Cost attributable to issue of new shares	(1,051)	–	–	–	–	–	(1,051)
At 31 March 2010	122,081	706	3,808	–	3,546	(148,972)	(18,831)

17. CAPITAL COMMITMENTS

The Group did not have any material capital commitments as at 31 March 2010 (2009: Nil).

RESULTS OF OPERATIONS

For the fiscal year ended 31 March 2010, the Group reported a total turnover of approximately HK$34,876,000 and loss attributable to owners of the Company of approximately HK$6,892,000 as compared to a turnover of approximately HK$16,808,000 and loss attributable to equity holders of the Company of approximately HK$12,081,000 in the previous year.

Our gross margin was approximately 22% for the current fiscal year as compared to a gross margin of 29% for the last fiscal year.

The Group posted a loss of approximately HK$6,150,000 for the current fiscal year, which was 48% lower than the loss incurred for the last fiscal year. The decrease of the loss was mainly attributable to increasing gross profit, other revenue and net income and share of results of associate.

During the current fiscal year, the Group continued to control costs and expenses tightly. Selling and distribution costs increased by 38% as a result of increase in turnover by 107%. Administrative and other operating expenses slightly increased by 12%, as compared with the last fiscal year.

BUSINESS REVIEW

The Group continued to operate under increasing competition from domestic telecom manufacturing suppliers in the mainland. While the Group had addressed the competition by way of offering customized versions of our base station monitoring systems to suit specific customer needs, the intensified competition and delay in business activity due to continued restructuring of the telecommunications bureau and policies had adversely affected the Group's business momentum in the market place.

The Group completed its acquisition of 51% of the entire issued capital of Feng Shan Xian Qian Xing Mining Industry Company Limited on 20 January 2009, the principal activities of which are the exploration, mining and processing of iron.

SEGMENT INFORMATION

Sales of telecommunications products accounted for 100% of the turnover of the Group for the year ended 31 March 2010. There was no sale of iron ores for the year ended 31 March 2010 as the construction of processing factory has not yet been completed.

MAINLAND CHINA MARKET

Business from the Mainland China accounted for 100% of the Group's turnover for the year ended 31 March 2010.

TELECOMMUNICATIONS PRODUCTS

The turnover and the operating profit of telecommunications products for the current year was approximately HK$34,876,000 and approximately HK$6,666,000, respectively, as compared to the turnover and operating loss of approximately HK$16,808,000 and approximately HK$2,534,000, respectively for the preceding year.

During the year, the Group continued to encounter pressure from customers demanding for concession of contract terms including lower pricing and longer payment period, causing the Group to take a longer time required to close and sign contracts. It was quite clear that the business environment of the telecommunications products in China has become unfavorable and competitive.

PROSPECT

To sum up, we anticipate that the competition of telecom monitoring equipment market would continue to intensify. The future of the Group will rest on our ability to maintain market share of monitoring equipment, the successful extraction of iron ore and selling of the raw iron at a reasonable price. Our ultimate goal is to return the Group to profitability by seeking additional investment opportunities in more promising businesses.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 31 March 2010, the Group's cash balance of approximately HK$6,930,000 has increased when compared with the cash balance of approximately HK$3,030,000 of last year.

As at 31 March 2010, the Group's net current liabilities was approximately HK$869,000. The directors have taken active measures to improve the liquidity and financial position of the Group.

Most of the trading transactions, assets and liabilities of the Group were denominated in Hong Kong dollars 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 minimize exposure to foreign exchange risks. As at 31 March 2010, the Group had no foreign exchange contracts, interest or currency swaps or other financial derivatives for hedging purposes.

GEARING RATIO

The Group's gearing ratio, which was defined as the ratio of total borrowings to total equity, reduced to 0% from 1.32% last year.

FUTURE PLANS FOR MATERIAL INVESTMENTS

As at 31 March 2010, the Group had not authorised or contracted for any capital expenditure commitments and had no future plans for material investments in capital assets.

MATERIAL ACQUISITION AND DISPOSALS

The Group did not have any material acquisitions or other disposals of major subsidiaries and affiliated companies for the year ended 31 March 2010.

CONTINGENT LIABILITIES

As at 31 March 2010, the Group did not have any material contingent liabilities.

FOREIGN EXCHANGE EXPOSURE

Since most of the transactions of the Group were denominated in Renminbi or HK dollars, 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.

EMPLOYEES AND REMUNERATION POLICY

The Group reviewed employee's 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 employee's 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 depending upon the financial performance of the Group.

The remuneration of the directors of the Company are decided by the remuneration committee of the Company, having regard to the Company's operating results, individual performance and comparable market information.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Friday, 30 July 2010 to Wednesday, 4 August 2010, both days inclusive, during which period no transfer of shares will be registered. In order to ascertain the right to attend the 2010 AGM, all share certificates with completed transfer forms either overleap or separately must be lodged with the Company's Hong Kong Branch Share Registrar, Hong Kong Registrars Limited at 17M/F, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Thursday, 29 July 2010.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year.

CORPORATE GOVERNANCE PRACTICES

The Company has complied with the code provisions of the Code on Corporate Governance Practices set out in Appendix 15 of the GEM Listing Rules during the year under review:

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding directors' securities transactions on terms pursuant to the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all directors, the Company's directors have complied with such code of conduct and the required standard of dealings and its code of conduct regarding securities transactions by the directors throughout the year ended 31 March 2010.

AUDIT COMMITTEE

The audit committee comprises three independent non-executive directors, namely Mr. Chung Koon Yan (chairman of the audit committee), Ms. Hui Sin Man, Alice and Mr. Chung Kam Fai, Raymond. Mr. Chung Kam Fai, Raymond ceased to be the member of the committee on 9 May 2010. Mr. Ng Edwin was appointed to the audit committee on 10 May 2010. On 11 November 2005, the Company adopted new terms of reference for the audit committee to include such duties as stipulated in code provision C.3.3 of the CG Code.

The primary duties of the audit committee are to review and supervise the financial report process and internal control system of the Group and to review the Company's annual reports and financial statements, and interim and quarterly reports and the connected transactions. The annual results have been reviewed by the audit committee.

REMUNERATION COMMITTEE

A remuneration committee was established on 11 November 2005 with written terms of reference in accordance with the code provision B.1.1 of the Code of Corporate Governance Practices. The remuneration committee comprises one executive director, namely, Ms. Ng Mui King, Joky (Mr. Wong Kai Tat as her alternate) and the two independent non-executive directors, namely Mr. Chung Kam Fai, Raymond and Ms. Hui Sin Man, Alice (chairman of the remuneration committee). On 9 May 2010, Mr. Chung Kam Fai, Raymond ceased to be the member of the committee. Mr. Ng Edwin was appointed to the committee on 10 May 2010.

The principal responsibilities of the remuneration committee include formulation of the remuneration policy, review and recommending to the Board the annual remuneration policy, and determination of the remuneration of the directors and the senior management.

By Order of the Board
Great World Company Holdings Ltd
NG Mui King, Joky
Chairman

Hong Kong, 30 June 2010

At the date of this announcement, the Board comprises of (i) four Executive Directors, namely Ms. Ng Mui King, Joky, Mr. Wong Kai Tat, Mr. Tong Wang Shun and Ms. Zeng Jieping; (ii) one Non-Executive Director, namely Mr. Pong Shing Ngai, and (iii) three Independent Non-Executive Directors, namely Ms. Hui Sin Man, Alice, Mr. Chung Koon Yan and Mr. Ng Edwin.

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.