



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

2ND QUARTERLY RESULTS ANNOUNCEMENT 2013/2014

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 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.

HIGHLIGHTS

- Turnover from continuing operations was approximately HK\$778,000 for the six months ended 30 September 2013, compared with a turnover from the same business operation of approximately HK\$218,000 for the corresponding period of last year. No turnover from discontinued operation was recorded for the six months ended 30 September 2013 and for the corresponding period of last year.
- Loss attributable to owners of the Company from continuing operations for the six months ended 30 September 2013 was approximately HK\$5,061,000, versus a loss attributable to owners of the Company from continuing and discontinued operations of approximately HK\$5,124,000 for the corresponding period of last year.
- The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2013 (six months ended 30 September 2012: nil).

RESULTS

The board of directors (the "Board") of Great World Company Holdings Ltd (the "Company") presents the financial information of the Company and its subsidiaries (the "Group"), comprising the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the three months and six months ended 30 September 2013 and the consolidated statement of financial position of the Group as at 30 September 2013, all of which are unaudited and in condensed format, (collectively referred to as the "Unaudited Condensed Financial Statements") along with selected explanatory notes and comparative information as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

	Notes	(Unaudited) Three months ended 30 September		(Unaudited) Six months ended 30 September	
		2013 HK\$'000	2012 HK\$'000	2013 HK\$'000	2012 HK\$'000
Continuing operations					
Turnover	2	390	164	778	218
Direct costs		(267)	(139)	(551)	(208)
Gross profit		123	25	227	10
Other revenue	2	1	6	3	13
Selling and distribution costs		(14)	(420)	(28)	(605)
Administrative and other operating expenses		(2,248)	(3,095)	(4,375)	(5,695)
Finance costs		(647)	(619)	(1,275)	(1,183)
Loss before tax	4	(2,785)	(4,103)	(5,448)	(7,460)
Income tax credit	5	202	183	387	334
Loss for the period from continuing operations		(2,583)	(3,920)	(5,061)	(7,126)
Discontinued operation					
Profit for the period from discontinued operation	6	–	–	–	2,438
Loss for the period		(2,583)	(3,920)	(5,061)	(4,688)

CONDENSED CONSOLIDATED INCOME STATEMENT *(continued)*

	(Unaudited) Three months ended 30 September		(Unaudited) Six months ended 30 September	
Notes	2013 HK\$'000	2012 HK\$'000	2013 HK\$'000	2012 HK\$'000
(Loss)/profit for the period attributable to owners of the Company				
from continuing operations	(2,583)	(3,920)	(5,061)	(7,126)
from discontinued operation	–	–	–	2,002
	(2,583)	(3,920)	(5,061)	(5,124)
Profit for the period attributable to non-controlling interests				
from continuing operations	–	–	–	–
from discontinued operation	–	–	–	436
	–	–	–	436
	(2,583)	(3,920)	(5,061)	(4,688)
(Loss)/earnings per share				
From continuing and discontinued operations				
– Basic and diluted	HK(0.23) cents	HK(0.35) cents	HK(0.45) cents	HK(0.45) cents
From continuing operations				
– Basic and diluted	HK(0.23) cents	HK(0.35) cents	HK(0.45) cents	HK(0.63) cents
From discontinued operation				
– Basic and diluted	–	–	–	HK0.18 cents

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	(Unaudited) Three months ended 30 September		(Unaudited) Six months ended 30 September	
	2013 HK\$'000	2012 HK\$'000	2013 HK\$'000	2012 HK\$'000
Loss for the period	(2,583)	(3,920)	(5,061)	(4,688)
Other comprehensive income:				
Exchange differences arising on translation of foreign operations				
– Exchange differences arising during the period	214	855	1,288	(16)
– Reclassification adjustments relating to foreign operations disposed of during the period	–	–	–	(5,097)
	214	855	1,288	(5,113)
Total comprehensive loss for the period	(2,369)	(3,065)	(3,773)	(9,801)
Total comprehensive loss attributable to:				
Owners of the Company	(2,369)	(3,065)	(3,773)	(10,135)
Non-controlling interests	–	–	–	334
	(2,369)	(3,065)	(3,773)	(9,801)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		(Unaudited) 30 September 2013 HK\$'000	(Audited) 31 March 2013 HK\$'000
	Notes		
Non-current assets			
Property, plant and equipment	9	4,892	5,027
Investment property	10	74,751	73,286
Goodwill	11	–	–
Other intangible asset	12	–	–
Deferred tax assets		2,624	2,416
		82,267	80,729
Current assets			
Properties held for sale	13	96,320	93,556
Trade and other receivables	14	1,752	1,886
Cash and bank deposits		1,512	4,754
		99,584	100,196
Assets of disposal group classified as held for sale		–	–
		99,584	100,196
Current liabilities			
Trade and other payables	15	(13,748)	(18,905)
Amounts due to directors	16	(2,953)	(2,729)
Amounts due to related companies	16	(54,389)	(49,427)
		(71,090)	(71,061)
Liabilities of disposal group classified as held for sale		–	–
		(71,090)	(71,061)
Net current assets		28,494	29,135
Non-current liabilities			
Amount due to a shareholder	16	(31,474)	(28,174)
Convertible note	17	(25,060)	(23,788)
Deferred tax liabilities		(25,362)	(25,264)
		(81,896)	(77,226)
Net assets		28,865	32,638
Capital and reserves			
Share capital	18	112,763	112,763
Reserves	19	(83,898)	(80,125)
Equity attributable to owners of the Company		28,865	32,638
Non-controlling interests		–	–
Equity		28,865	32,638

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company										
	Share capital	Share premium	Convertible note equity reserve	Share options reserve	PRC statutory reserves	Translation reserve	Other reserve	Accumulated loss	Total	Non-controlling interests	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2012 (audited)	112,763	125,624	6,430	385	3,808	6,801	314	(212,092)	44,033	(2,149)	41,884
Total comprehensive income/(loss) for the period (unaudited)	-	-	-	-	-	(5,011)	-	(5,124)	(10,135)	334	(9,801)
Disposal of subsidiaries	-	-	-	-	(3,808)	-	-	3,808	-	1,815	1,815
At 30 September 2012 (unaudited)	112,763	125,624	6,430	385	-	1,790	314	(213,408)	33,898	-	33,898
At 1 April 2013 (audited)	112,763	125,624	6,430	-	-	2,907	314	(215,400)	32,638	-	32,638
Total comprehensive income/(loss) for the period (unaudited)	-	-	-	-	-	1,288	-	(5,061)	(3,773)	-	(3,773)
At 30 September 2013 (unaudited)	112,763	125,624	6,430	-	-	4,195	314	(220,461)	(28,865)	-	(28,865)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	(Unaudited) Six months ended 30 September	
	2013 HK\$'000	2012 HK\$'000
Net cash generated from operating activities	3,596	4,027
Net cash used in investing activities	(6,891)	(3,085)
Net cash generated from/(used in) financing activities	1	(37)
Net (decrease)/increase in cash and cash equivalents	(3,294)	905
Cash and cash equivalents at 1 April	4,754	5,267
Cash and bank deposits included in assets of disposal group classified as held for sale	–	667
Effect of foreign exchange rate changes	52	(90)
Cash and cash equivalents at 30 September	1,512	6,749
Analysis of cash and cash equivalents at 30 September:		
Cash and bank deposits	1,512	6,749

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

1. Basis of preparation

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

The accounting policies and methods of computation adopted are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2013.

In the current period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 April 2013. HKFRSs comprise Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies and results reported for the current or prior accounting periods.

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

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

2. Revenue

	(Unaudited) Three months ended 30 September		(Unaudited) Six months ended 30 September	
	2013 HK\$'000	2012 HK\$'000	2013 HK\$'000	2012 HK\$'000
Continuing operations				
Turnover				
Sales of goods	–	164	–	218
Processing income	390	–	778	–
	390	164	778	218
Other revenue				
Bank interest income	1	6	3	11
Sundry income	–	–	–	2
	1	6	3	13
Total revenue	391	170	781	231

3. 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 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 on 15 May 2012. The segment information reported below does not include any amounts for that discontinued operation, which is described in more detail in note 6.

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

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

	(Unaudited) Three months ended 30 September 2013			(Unaudited) Six months ended 30 September 2013		
	Iron mine business HK\$'000	Property business HK\$'000	Total HK\$'000	Iron mine business HK\$'000	Property business HK\$'000	Total HK\$'000
Continuing operations						
Revenue from external customers	390	–	390	778	–	778
Interest income	–	1	1	–	3	3
Depreciation	(115)	(2)	(117)	(228)	(4)	(232)
Total loss of reportable segments	(176)	(379)	(555)	(318)	(702)	(1,020)
Income tax credit	–	95	95	–	176	176
	(Unaudited) Three months ended 30 September 2012			(Unaudited) Six months ended 30 September 2012		
	Iron mine business HK\$'000	Property business HK\$'000	Total HK\$'000	Iron mine business HK\$'000	Property business HK\$'000	Total HK\$'000
Continuing operations						
Revenue from external customers	164	–	164	218	–	218
Interest income	–	6	6	–	11	11
Depreciation	(114)	(1)	(115)	(228)	(4)	(232)
Total loss of reportable segments	(832)	(347)	(1,179)	(1,222)	(579)	(1,801)
Income tax credit	–	87	87	–	145	145

3. **Segment information** (continued)

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

	(Unaudited) Three months ended 30 September		(Unaudited) Six months ended 30 September	
	2013 HK\$'000	2012 HK\$'000	2013 HK\$'000	2012 HK\$'000
Continuing operations				
Revenue				
Total revenue for reportable segments	390	164	778	218
Consolidated turnover	390	164	778	218
Profit or loss				
Total loss for reportable segments	(555)	(1,179)	(1,020)	(1,801)
Unallocated corporate expenses	(2,230)	(2,924)	(4,428)	(5,659)
Consolidated loss before tax	(2,785)	(4,103)	(5,448)	(7,460)
			(Unaudited) 30 September 2013 HK\$'000	(Audited) 31 March 2013 HK\$'000
Assets				
Total assets for reportable segments			180,433	179,406
Unallocated corporate assets			1,418	1,519
Assets relating to discontinued operation			–	–
Consolidated total assets			181,851	180,925
Liabilities				
Total liabilities for reportable segments			(119,195)	(89,744)
Unallocated corporate liabilities			(33,791)	(58,543)
Liabilities relating to discontinued operation			–	–
Consolidated total liabilities			(152,986)	(148,287)

(c) **Geographical information**

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

	(Unaudited) Revenues from external customers Three months ended 30 September		(Unaudited) Revenues from external customers Six months ended 30 September	
	2013 HK\$'000	2012 HK\$'000	2013 HK\$'000	2012 HK\$'000
Continuing operations				
PRC	390	164	778	218

4. Loss before tax

	(Unaudited) Three months ended 30 September		(Unaudited) Six months ended 30 September	
	2013 HK\$'000	2012 HK\$'000	2013 HK\$'000	2012 HK\$'000

Loss before tax has been arrived at after charging:

Continuing operations

Staff costs (including directors' remuneration)	929	1,339	1,841	2,473
Operating lease charges in respect of land and buildings	308	330	597	669
Depreciation	147	175	292	293

5. Income tax credit

	(Unaudited) Three months ended 30 September		(Unaudited) Six months ended 30 September	
	2013 HK\$'000	2012 HK\$'000	2013 HK\$'000	2012 HK\$'000

Continuing operations

Current tax:

Hong Kong Profits Tax	–	–	–	–
PRC Enterprise Income Tax	–	–	–	–

Deferred tax	202	183	387	334
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Income tax credit for the period	202	183	387	334
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Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the three months and six months ended 30 September 2013 and 2012.

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 applicable to the PRC subsidiaries is 25% from 1 January 2008 onwards.

No provision for current tax has been made for the three months and six months ended 30 September 2013 and 2012 as the Group has no assessable profit from its continuing operations.

6. Discontinued operation

Telecommunication 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 revenues and results of the China Bond Group were as follows:

	(Unaudited) Three months ended 30 September		(Unaudited) Six months ended 30 September	
	2013 HK\$'000	2012 HK\$'000	2013 HK\$'000	2012 HK\$'000
Turnover	-	-	-	-
Cost of sales	-	-	-	-
Gross profit	-	-	-	-
Other revenue	-	-	-	3,477
Administrative and other operating expenses	-	-	-	(1,733)
Share of result of associate	-	-	-	-
Profit before tax	-	-	-	1,744
Income tax expense	-	-	-	-
Gain on disposal of telecommunication business (including reclassification of translation reserve of approximately HK\$4,988,000 from equity to profit and loss on disposal of the operation)	-	-	-	1,744
	-	-	-	694
Profit for the period from discontinued operation	-	-	-	2,438

7. (Loss)/earnings per share

The calculation of basic and diluted (loss)/earnings per share is based on the following data:

		(Unaudited) Three months ended 30 September		(Unaudited) Six months ended 30 September	
		2013	2012	2013	2012
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
(i)	Unaudited consolidated (loss)/profit attributable to owners of the Company				
	from continuing operations	(2,583)	(3,920)	(5,061)	(7,126)
	from discontinued operation	–	–	–	2,002
	from continuing and discontinued operations	(2,583)	(3,920)	(5,061)	(5,124)
		'000	'000	'000	'000
(ii)	Weighted average number of ordinary shares in issue	1,127,628	1,127,628	1,127,628	1,127,628

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 the periods or since their conversion/exercise would result in an decrease in loss per share and thus anti-dilutive for the three months and six months ended 30 September 2013 and 2012.

8. Interim dividend

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2013 (six months ended 30 September 2012: nil).

9. Property, plant and equipment

	HK\$'000
Cost:	
At 1 April 2013 (audited)	7,347
Additions	97
Disposals	–
Derecognised on disposal of subsidiaries	–
Exchange adjustments	79
At 30 September 2013 (unaudited)	7,523
Accumulated depreciation and impairment:	
At 1 April 2013 (audited)	(2,320)
Depreciation provided for the period	(292)
Eliminated on disposal of subsidiaries	–
Exchange adjustments	(19)
At 30 September 2013 (unaudited)	(2,631)
Carrying amounts:	
At 30 September 2013 (unaudited)	4,892
At 31 March 2013 (audited)	5,027

10. Investment property

	<i>HK\$'000</i>
Fair value:	
At 1 April 2013 (audited)	73,286
Additions	506
Exchange adjustments	959
At 30 September 2013 (unaudited)	74,751

11. Goodwill

	<i>HK\$'000</i>
Cost:	
At 1 April 2013 (audited)	11,364
Exchange adjustments	148
At 30 September 2013 (unaudited)	11,512
Accumulated impairment:	
At 1 April 2013 (audited)	(11,364)
Exchange adjustments	(148)
At 30 September 2013 (unaudited)	(11,512)
Carrying amounts:	
At 30 September 2013 (unaudited)	–
At 31 March 2013 (audited)	–

12. Other intangible asset

	Mining right <i>HK\$'000</i>
Cost:	
At 1 April 2013 (audited)	1,266
Exchange adjustments	17
At 30 September 2013 (unaudited)	1,283
Accumulated amortization and impairment:	
At 1 April 2013 (audited)	(1,266)
Exchange adjustments	(17)
At 30 September 2013 (unaudited)	(1,283)
Carrying amounts:	
At 30 September 2013 (unaudited)	–
At 31 March 2013 (audited)	–

13. Properties held for sale

	<i>HK\$'000</i>
At 1 April 2013 (audited)	93,556
Additions	1,540
Exchange adjustments	1,224
At 30 September 2013 (unaudited)	96,320

14. Trade and other receivables

	(Unaudited) 30 September 2013 HK\$'000	(Audited) 31 March 2013 <i>HK\$'000</i>
Trade receivables	–	–
Less: Provision for impairment of trade receivables	–	–
	–	–
Other receivables	724	868
Prepayments	314	310
Deposits	714	708
	1,752	1,886

15. Trade and other payables

	(Unaudited) 30 September 2013 HK\$'000	(Audited) 31 March 2013 <i>HK\$'000</i>
Trade payables	8,233	10,814
Other payables	4,157	6,536
Accruals	902	1,105
Deposits received	456	450
	13,748	18,905

An aged analysis of the trade payables is as follows:

Within 3 months	–	–
Over 3 months but within 1 year	–	–
Over 1 year	8,233	10,814
	8,233	10,814

16. Amounts due to directors/a shareholder/related companies

The amounts due to directors/related companies are non-trade nature, unsecured, interest-free and have no fixed repayment terms.

The amount due to a shareholder is non-trade nature, unsecured, interest-free and has no fixed repayment terms. The amount due to a shareholder is classified as non-current as the shareholder has no intention to demand for repayment within 12 months after the reporting date.

17. Convertible note

The Company issued a zero coupon convertible note with face value of HK\$33,840,000 (the “Convertible Note”) to Mr. Huang Shih Tsai on 15 August 2011 as part of the consideration for the acquisition of Linkful Wise Group Holdings Limited and its subsidiaries. The Convertible Note is unsecured, non-interest bearing and repayable upon maturity which is the fifth anniversary of the date of issue. The holder of the Convertible Note has the right at any time during the conversion period to convert the whole or part of the outstanding principal amount of the Convertible Note into ordinary shares of the Company at an initial conversion price of HK\$0.20 per share. The conversion price of the Convertible Note is subject to anti-dilutive adjustment.

The Convertible Note is a compound financial instrument containing two components, liability and equity elements. The fair value of the liability component was calculated using the discounted cash flows method at a market interest rate for the equivalent non-convertible note. The effective interest rate of the liability component on initial recognition is approximately 11%. The equity component was stated at its fair value using Binomial model which is included in shareholders’ equity as convertible note equity reserve.

18. Share capital

	Number of shares ’000	Nominal value HK\$’000
Ordinary shares of HK\$0.1 each		
Authorised		
As at 1 April 2013 (audited) and 30 September 2013 (unaudited)	2,000,000	200,000
Issued and fully paid		
As at 1 April 2013 (audited) and 30 September 2013 (unaudited)	1,127,628	112,763

19. Reserves

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

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

The share options reserve represents the fair value of the number of unexercised share options granted by the Company recognised in accordance with the accounting policy adopted for equity-settled share-based payments.

The People’s Republic of China (the “PRC”) statutory reserves represent transfers made to the general reserve fund and the enterprise development fund set up by certain subsidiaries in the PRC, pursuant to the relevant regulations. According to the regulations, the general reserve fund may be used for making up losses, if any, and increasing capital while the enterprise development fund may be used for increasing capital.

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

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

20. Commitments

(a) Operating lease commitments

The Group leases certain premises under operating lease arrangements. Leases for premises are negotiated for terms ranging from 1 to 2 years.

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancelable operating leases which fall due as follows:

	(Unaudited) 30 September 2013 HK\$'000	(Audited) 31 March 2013 HK\$'000
As a lessee		
Premises		
– within 1 year	574	1,148
– after 1 year but within 5 years	–	–
	574	1,148

(b) Capital commitments

	(Unaudited) 30 September 2013 HK\$'000	(Audited) 31 March 2013 HK\$'000
Capital expenditure contracted for but not provided for in the consolidated financial statements in respect of:		
– investment property	2,232	3,489
– properties held for sale	6,801	10,628
	9,033	14,117

21. Related party transactions

(a) Remuneration for key management personnel of the Group, including the Company's directors and certain senior management staff, is as follows:

	(Unaudited) Three months ended 30 September 2013 HK\$'000	2012 HK\$'000	(Unaudited) Six months ended 30 September 2013 HK\$'000	2012 HK\$'000
Fees, salaries and other benefits	566	618	1,092	1,236

(b) Amounts due to directors/a shareholder/related companies of the Company as at 30 September 2013 and 31 March 2013 are disclosed in the condensed consolidated statement of financial position; other details are disclosed in note 16.

MANAGEMENT DISCUSSION AND ANALYSIS

Results of operations

For the six months ended 30 September 2013, the Group recorded a turnover of approximately HK\$778,000 from its continuing operations, representing an increase of approximately 257% as compared with a turnover of approximately HK\$218,000 from the same business operations for the corresponding period of last year.

Loss attributable to owners of the Company was approximately HK\$5,061,000 for the six months ended 30 September 2013, which was approximately 1.23% lower than the loss attributable to owners of the Company incurred for the corresponding period of last year of approximately 5,124,000.

Business review

Iron mine business

For the six months ended 30 September 2013, a turnover of approximately HK\$778,000 was generated from the 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.

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.

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.

Liquidity, financial resources and capital structure

As at 30 September 2013, the Group's cash and bank deposits amounted to approximately HK\$1,512,000 which has decreased by approximately 68% when comparing with the cash and bank deposits of approximately HK\$4,754,000 as at 31 March 2013.

As at 30 September 2013, the Group had net current assets of approximately HK\$28,494,000 (31 March 2013: HK\$29,135,000).

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 minimise exposure to foreign exchange risks. As at 30 September 2013, the Group had no foreign exchange contracts, interest or currency swaps or other financial derivatives for hedging purposes.

For the six months ended 30 September 2013, there was no change in the capital structure and issued share capital of the Company.

Gearing ratio

The Group's gearing ratio, which was defined as the ratio of long term borrowings to total equity, was 196% as at 30 September 2013 (31 March 2013: 159%).

Contingent liabilities

As at 30 September 2013, the Group did not have any material contingent liabilities (31 March 2013: Nil).

Employees and remuneration policy

As at 30 September 2013, the Group had approximately 16 employees (31 March 2013: 17 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.

SHARE OPTION SCHEME

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

No option was granted under the 2012 Share Option Scheme during the six months ended 30 September 2013 and there was no option outstanding as at 30 September 2013.

CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles in and complied with the requirements of the Corporate Governance Code ("CG Code") as set out in Appendix 15 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules") throughout the six months ended 30 September 2013.

BOARD OF DIRECTORS

The Board comprised three executive Directors, namely Ms. Ng Mui King, Joky (chairman of the Board), Mr. Tong Wang Shun and Ms. Zeng Jieping, and three independent non-executive Directors, namely, Mr. Chung Koon Yan, Mr. Chan Ying Cheong and Mr. Lau Ching Wai, Peter (appointed on 30 September 2013 when Ms. Hui Sin Man, Alice resigned).

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

BOARD COMMITTEES

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

Audit Committee

The Audit Committee comprised three independent non-executive Directors, namely Mr. Chung Koon Yan (chairman of the Audit Committee), Mr. Chan Ying Cheong and Mr. Lau Ching Wai, Peter (appointed on 30 September 2013 when Ms. Hui Sin Man, Alice resigned). The Audit Committee meets with the Group's senior management regularly to review the effectiveness of the internal control system and the quarterly, interim and annual reports of the Group.

Nomination Committee

The Nomination Committee comprised one executive Director, namely Ms. Ng Mui King, Joky (chairman of the Nomination Committee), and two independent non-executive Directors, namely Mr. Chung Koon Yan and Mr. Chan Ying Cheong. The Nomination Committee reviews the composition of the Board and nominates suitably qualified candidates to the Board, if necessary.

Remuneration Committee

The Remuneration Committee comprised one executive Director, namely Ms. Ng Mui King, Joky, and two independent non-executive Directors, namely Mr. Chan Ying Cheong (appointed as chairman of the Remuneration Committee on 30 September 2013 when Ms. Hui Sin Man, Alice resigned) and Mr. Lau Ching Wai, Peter (appointed on 30 September 2013 when Ms. Hui Sin Man, Alice resigned). The Remuneration Committee reviews and determines the policy for the remuneration of directors and senior management of the Group.

INTERESTS OF DIRECTORS

As at 30 September 2013, the interests and short positions of the Directors or chief executive of the Company in the shares, the underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Future Ordinance ("SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which the Directors and chief executive of the Company were taken or deemed to have under such provisions of the SFO), required to be entered in the register maintained by the Company pursuant to section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

Long position in shares and underlying shares of the Company

Number of ordinary shares of HK\$0.1 each and the underlying shares

Name of Director	Personal interest	Corporate interest	Total number of shares	Approximate percentage of the issued share capital of the Company
Ms. Ng Mui King, Joky	–	337,920,000 (Note)	337,920,000	29.97%

Note: These shares are held by Gold City Assets Holdings Ltd. which is owned as to 51% by Ms. Ng Mui King, Joky and as to 49% by Fine Day asset Holdings Inc.. Ms. Yang Cheng is the 100% beneficial owner of Fine Day Asset Holdings Inc.. Ms. Ng Mui King, Joky is also a director of Gold City Assets Holdings Ltd.

Save as disclosed above, as at 30 September 2013, none of the Directors and chief executive of the Company had interests and short positions in the shares, the underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which the Directors and chief executive of the Company were taken or deemed to have under such provisions of the SFO), required to be entered in the register maintained by the Company pursuant to section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed above, at no time during the six months ended 30 September 2013 was any of the Company or its subsidiaries a party to any arrangements to enable the Directors or chief executives (including their spouses or children under 18 years of age) of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

INTEREST OF SUBSTANTIAL SHAREHOLDERS AND OTHER SHAREHOLDERS

As at 30 September 2013, save as disclosed below, so far is known to the Directors and chief executives of the Company, no person (other than a Director or a chief executive of the Company) had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO or, who is directly or indirectly, interested in 5% or more of the issued share capital of the Company.

(a) Long positions in shares of the Company

Name of shareholder	Capacity	Nature of interest	Total number of ordinary shares of HK\$0.1 each	Approximate percentage of the issued share capital of the Company
Cold City Assets Holdings Ltd. (Note 1)	Beneficial owner	Corporate	337,920,000	29.97%
Fine Day Asset Holdings Inc. (Note 1)	Interest of a controlled corporation	Corporate	337,920,000	29.97%
Mr. Tong Wang Chow (Note 2)	Beneficial owner	Personal	72,904,000	6.47%
	Interest of spouse	Family	5,000,000	0.44%
Mr. Huang Shih Tsai (Note 3)	Beneficial owner	Personal	324,200,000	28.75%

Notes:

- Pursuant to the SFO, Fine Day Asset Holdings Inc. is deemed interested in this shareholding interest through Gold City Assets Holdings Ltd., which is a company owned as to 51% by Ms. Ng Mui King, Joky and 49% by Fine Day Asset Holdings Inc.. Ms. Ng Mui King, Joky is an executive Director of the Company and also a director of Gold City Assets Holdings Ltd.. Ms. Yang Cheng is the 100% beneficial owner of Fine Day Asset Holdings Inc..
- Mr. Tong Wang Chow is the elder brother of Mr. Tong Wang Shun, an executive Director of the Company.
- Mr. Huang Shih Tsai ("Mr. Huang") has a total interest in 324,200,000 shares, of which (i) 155,000,000 shares were allotted to Mr. Huang on 15 August 2011 as partial consideration for the acquisition of 100% equity interest in a company wholly-owned by Mr. Huang; and (ii) 169,200,000 shares relate to Mr. Huang's derivative interests in the convertible note, details of which are disclosed in "Convertible Note" below.

(b) Convertible Note

Name of noteholder	Date of issue	Conversion period	Conversion price per share HK\$	Outstanding as at 30 September 2013	Number of underlying shares	Approximate percentage of the issued share capital of the Company
Mr. Huang Shih Tsai	15 August 2011	15 August 2011– 15 August 2016	0.20	169,200,000	169,200,000	15%

COMPETING INTEREST

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

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company had not redeemed any of its shares during the six months ended 30 September 2013. Neither the Company nor any of its subsidiaries had purchased or sold any of the Company's shares during the six months ended 30 September 2013.

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding the directors' securities transaction in securities of the Company. Having made specific enquiry of all Directors of the Company, each of the Directors has confirmed that he/she has complied with the required standard of dealings as set out in the adopted code of conduct regarding the directors' securities transaction throughout the six months ended 30 September 2013.

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

Hong Kong, 14 November 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 Mr. Chung Koon Yan, Mr. Chan Ying Cheong and Mr. Lau Ching Wai, Peter.