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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 INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009

The Board of Directors (the "Board") of Bestway International Holdings Limited (the "Company") is pleased to announce the unaudited interim financial statements of the Company and its subsidiaries (collectively known as the "Group") for the six months ended 30 September 2009. The unaudited condensed consolidated financial statements were not audited but have been reviewed by the Company's audit committee (the "Audit Committee").

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 September 2009

		Six months ended 30 September	
		2009	2008
		(Unaudited)	(Unaudited)
	Note	***HK$'000***	*HK$'000*
			(Restated)
Continuing operations:			
Turnover	*5*	**6,250**	4,834
Cost of sales		**(5,531)**	(4,375)
Gross profit		**719**	459
Other revenue	*5*	**279**	3,528
Gain on disposal of subsidiaries	*6*	**11,293**	–
Selling and distribution costs		**(95)**	(31)
Administrative expenses		**(5,066)**	(5,103)
Other operating expenses, net		**(67)**	(6)
Finance costs	*8*	**–**	–
Profit/(Loss) before taxation	*9*	**7,063**	(1,153)
Taxation	*10*	**–**	–

* *For identification purposes only*

	Note	Six months ended 30 September 2009 (Unaudited) HK$'000	2008 (Unaudited) HK$'000 (Restated)
Profit/(Loss) for the period from continuing operations		**7,063**	(1,153)
Discontinued operations:			
Profit/(Loss) for the period from discontinued operations	*12*	**2,080**	(8,650)
Profit/(Loss) for the period		**9,143**	(9,803)
Profit/(Loss) for the period attributable to:			
Owners of the Company			
Continuing operations		**7,063**	(1,153)
Discontinued operations		**2,080**	(8,567)
		9,143	(9,720)
Non-controlling interests			
Continuing operations		**–**	–
Discontinued operations		**–**	(83)
		–	(83)
		9,143	(9,803)
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE COMPANY			
– Basic *(HK cents)*	*13*		
From continuing and discontinued operations		**1.96**	(2.22)
From continuing operations		**1.52**	(0.26)
From discontinued operations		**0.44**	(1.96)
– Diluted *(HK cents)*	*13*		
From continuing and discontinued operations		**N/A**	N/A
From continuing operations		**N/A**	N/A
From discontinued operations		**N/A**	N/A

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2009

		Six months ended 30 September	
		2009	2008
		(Unaudited)	(Unaudited)
	Note	***HK$'000***	*HK$'000*
			(Restated)
Profit/(Loss) for the period		**9,143**	(9,803)
Other comprehensive income/(loss)			
Exchange gain on translating foreign operations		**–**	3,374
Realised on disposals of subsidiaries		**(4,963)**	–
Other comprehensive loss for the period, net of tax		**(4,963)**	3,374
Total comprehensive income/(loss) for the period		**4,180**	(6,429)
Total comprehensive income/(loss) for the period attributable to:			
Owners of the Company		**4,180**	(6,397)
Non-controlling interests		**–**	(32)
		4,180	(6,429)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2009

	Note	30 September 2009 (Unaudited) *HK$'000*	31 March 2009 (Audited) *HK$'000*
Non-current assets			
Property, plant and equipment		**–**	8
Long term receivables		**2,287**	2,436
Deposit for acquisition of subsidiaries	*14*	**102,000**	–
		104,287	2,444
Current assets			
Trade receivables	*15*	**656**	2,669
Prepayments, deposits and other receivables		**1,473**	16,479
Cash at bank and in hand		**15,084**	3,854
		17,213	23,002
Assets of disposal group classified as held for sale	*17*	**–**	143,419
		17,213	166,421
Current liabilities			
Trade payables	*16*	**–**	458
Other payables and accruals		**1,943**	4,095
Provision		**314**	314
		2,257	4,867
Liabilities of disposal group associated with assets classified as held for sale	*17*	**–**	71,495
		2,257	76,362
Net current assets		**14,956**	90,059
Net assets		**119,243**	92,503
EQUITY			
Equity attributable to owners of the Company			
Share capital	*18*	**51,690**	43,690
Reserves		**67,553**	48,813
		119,243	92,503
Non-controlling interests		**–**	–
Total equity		**119,243**	92,503

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

For the six months ended 30 September 2009

1. General information

Bestway International Holdings Limited (the "Company") is a limited liability company incorporated in Bermuda. The principal place of business of the Company is located at Room 1102C, 11th Floor, Tower I, Admiralty Centre,18 Harcourt Road, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The principal activity of the Company is investment holding. The principal activities of its subsidiaries (together with the Company, collectively referred to as the "Group") consisted of investment holding and trading of plastic products, mainly PVC films.

2. Re-statement of comparative financial information

The Group has made the following adjustments to the comparative financial information:

On 20 June 2008, Bestway Group International Limited ("Bestway GI"), a wholly-owned subsidiary of the Company, have entered into a sale and purchase agreement with Eastern Wide Investments Limited (the "Disposal Purchaser"), pursuant to which Bestway GI has agreed to sell the entire issued shares and sale loans of Best Faith Plastic Products Limited, Bestway Plastic Products Limited and Bestget Plastic Products Limited, (collectively as the "Disposal Group") to the Disposal Purchaser. For further details, please refer to the circular dated 29 November 2008. The disposal transaction has been completed on 30 July 2009.

As described the above, it was noted that the reclassification was found in the interim report for the six months ended 30 September 2008 (the "2008 Interim Report") on the discontinued operations in Disposal Group. Adjustments have been made to restate these reclassification and the comparative figures were amended accordingly.

3. Basis of preparation

These unaudited interim condensed consolidated financial statements of the Group which comprise the interim condensed consolidated statement of financial position as at 30 September 2009, and the related interim condensed consolidated income statement, statements of comprehensive income, changes in equity and cash flows for the six months period ended 30 September 2009, and explanatory notes, have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange.

The unaudited interim condensed consolidated financial statements have been prepared in accordance with the same accounting policies adopted in the annual financial statements for the year ended 31 March 2009, except for the adoption of the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") (which include individual Hong Kong Financial Reporting Standards, HKAS and Interpretations) as disclosed in note 4.

The unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 March 2009.

4. Adoption of new or amended HKFRSs

In the current period, the Group has applied for the first time the following new and revised HKFRSs issued by the HKICPA, which are relevant to and effective for the Group's financial statements for the annual financial period beginning on 1 April 2009.

HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Costs
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments
HKFRS 8	Operating Segments
HK(IFRIC) – Int 9 & 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
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2008 except for the amendment to HKFRS 5 that is 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 to HKAS 39

Other than as noted below, the adoption of these new and revised HKFRSs did not change the Group's accounting policies as followed in the preparation of the Group's annual financial statements for the year ended 31 March 2009.

HKAS 1 (Revised) Presentation of financial statements

The adoption of HKAS 1 (Revised) makes certain changes to the format and titles of the primary financial statements and to the presentation of some items within these statements. It also gives rise to additional disclosures. The measurement and recognition of the Group's assets, liabilities, income and expenses is unchanged. However, some items that were recognised directly in equity are now recognised in other comprehensive income. HKAS 1 (Revised) affects the presentation of owner changes in equity and introduces a "Statement of comprehensive income". Comparatives have been restated to conform with the revised standard.

HKFRS 8 Operating segments

The Group also adopted HKFRS 8 "Operating segments" which has become effective for annual periods beginning on or after 1 January 2009. As the Group's operating segments reported to chief operating decision-maker as required by HKFRS 8 are the same as the business segments reported in accordance with the predecessor standard (HKAS 14 "Segment Reporting"), the adoption of HKFRS 8 has not resulted in a redesignation of the Group's reportable segments.

Impact of new and revised HKFRSs which are issued but not effective

The Group had not early adopted the following new and revised HKFRSs that have been issued but are not yet effective in the current period:

HKFRSs (Amendments)	Amendment to HKFRS 5 as part of improvements to HKFRSs issued in 2008 [1]
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009 [2]
HKAS 24 (Revised)	Related Party Disclosures [3]
HKAS 27 (Revised in 2008)	Consolidated and Separate Financial Statements [1]
HKAS 32 (Amendment)	Classifications of Rights Issues [4]
HKAS 39 (Amendment)	Eligible Hedged Items [1]
HKFRS 1 (Revised in 2008)	First-time Adoption of HKFRS [1]
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopters [5]
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions [5]
HKFRS 3 (Revised in 2008)	Business Combinations [1]
HKFRS 9	Financial Instruments [6]
HK(IFRIC) – INT 14 (Revised)	Prepayments of a Minimum Funding Requirement [3]
HK(IFRIC) – INT 17	Distribution of non-cash assets to Owners [1]
HK(IFRIC) – INT 18	Transfer of Assets from Customers [7]
HK(IFRIC) – INT 19	Extinguishing Financial Liabilities with Equity Instruments [8]

1 *Effective for annual periods beginning on or after 1 July 2009*
2 *Amendments that are effective for annual periods beginning on or after 1 July 2009 or 1 January 2010, as appropriate*
3 *Effective for annual periods beginning on or after 1 January 2011*
4 *Effective for annual periods beginning on or after 1 February 2010*
5 *Effective for annual periods beginning on or after 1 January 2010*
6 *Effective for annual periods beginning on or after 1 January 2013*
7 *Effective for transfers on or after 1 July 2009*
8 *Effective for annual periods beginning on or after 1 July 2010*

The Group is in the process of assessing the impact of these new and revised HKFRSs upon initial application but is not yet in a position to state whether these new and revised HKFRSs would have a significant impact on its results of operations and financial position.

5. Turnover and other revenue

The Group's turnover, represents the net invoices value of goods sold, after allowances for returns and trade discounts.

An analysis of turnover and other revenue is as follows:

	Continuing operations Six months ended 30 September		**Discontinued operations Six months ended 30 September**		**Consolidated Six months ended 30 September**	
	2009 (Unaudited) *HK$'000*	2008 (Unaudited) *HK$'000* (Restated)	**2009 (Unaudited) *HK$'000***	2008 (Unaudited) *HK$'000* (Restated)	**2009 (Unaudited) *HK$'000***	2008 (Unaudited) *HK$'000* (Restated)
Turnover						
Sales of goods	**6,250**	4,834	**52,011**	132,886	**58,261**	137,720
Other revenue						
Bank interest income	**–**	1	**–**	136	**–**	137
Investment income from long term receivables	**135**	149	**–**	–	**135**	149
Management fee income	**–**	3,300	**–**	–	**–**	3,300
Net exchange gain	**–**	–	**579**	–	**579**	–
Sundry income	**144**	78	**666**	5	**810**	83
	279	3,528	**1,245**	141	**1,524**	3,669

6. Disposal of subsidiaries

As mentioned in notes 2, 12 and 17, the Disposal Group had been disposed on 30 July 2009.

	Six months ended 30 September 2009 (Unaudited) *HK$'000*
Net assets disposed of:	
Property, plant and equipment	**57,730**
Prepaid lease payments	**3,113**
Inventories	**15,945**
Trade receivables	**24,789**
Prepayments, deposits and other receivables	**3,075**
Pledged deposits	**11,546**
Cash at bank and in hand	**7,689**
Assets of disposal group classified as held for sale	**123,887**
Trade payables	**9,820**
Other payables and accruals	**2,930**
Tax payable	**10,676**
Interest-bearing bank and other borrowings	**26,985**
Provision	**264**
	50,675
Non-controlling interests	**1,998**
Liabilities of disposal group associated with assets classified as held for sale	**52,673**
Net assets of disposal group classified as held for sale	**71,214**
Release of exchange reserve upon the disposal	**(4,963)**
Gain on disposal of subsidiaries	**11,293**
Total consideration	**77,544**
Satisfied by:	
Cash	**77,544**

7. Segment information

The Group has adopted HKFRS 8 Operating Segments with effect from 1 April 2009. HKFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker, the Group's directors, in order to allocate resources to the segments and to assess their performance. In contrast, the predecessor Standard (HKAS 14 Segment Reporting) required an entity to identify two sets of segments (business and geographical) using a risks and returns approach, with the entity's "system of internal financing reporting to key management personnel" serving only as the starting point for the identification of such segments. No segmental analysis was presented in prior years as the Group is principally engaged in manufacturing and trading of plastic products, mainly PVC films. The application of HKFRS 8 has not resulted in a redesignation of the Group's reportable segments as compared with the reportable segments determined in accordance with HKAS 14.

The Group's operating segments are aggregated into a single reportable segment and accordingly no separate segment information is prepared.

8. Finance costs

	Continuing operations Six months ended 30 September		Discontinued operations Six months ended 30 September		Consolidated Six months ended 30 September	
	2009	2008	**2009**	2008	**2009**	2008
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
		(Restated)		(Restated)		(Restated)
Interest on:						
Bank loans and other loans wholly repayable within five years	**–**	–	**794**	1,959	**794**	1,959
Finance leases	**–**	–	**12**	20	**12**	20
	–	–	**806**	1,979	**806**	1,979

9. Profit/(loss) before taxation

Profit/(Loss) before taxation is arrived at after charging/(crediting):

	Continuing operations Six months ended 30 September		Discontinued operations Six months ended 30 September		Consolidated Six months ended 30 September	
	2009	2008	**2009**	2008	**2009**	2008
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
		(Restated)		(Restated)		(Restated)
Charging:						
Cost of inventories sold	**5,531**	4,375	**37,418**	125,935	**42,949**	130,310
Depreciation	**2**	10	**–**	5,647	**2**	5,657
Net exchange loss/(gain)*	**54**	(79)	**–**	2,925	**54**	2,846
Bad debts*	**–**	–	**–**	769	**–**	769
Staff costs and wages, including directors' emoluments	**2,570**	2,700	**2,261**	3,455	**4,831**	6,155

* *These items are included in "Other operating expenses, net" on the face of the condensed consolidated income statement.*

10. Taxation

No Hong Kong profits tax has been provided as the Group had sufficient tax losses brought forward to set off against the assessable profits for the six months ended 30 September 2009.

No Hong Kong profits tax has been provided as the Group had no estimated assessable profits arising in or derived from Hong Kong for the six months ended 30 September 2008. PRC foreign enterprise income tax has not been provided as the PRC subsidiaries incurred a loss for taxation purposes for both periods.

11. Dividends

The Board do not recommend any payment of interim dividends for the six months ended 30 September 2009 (Six months ended 30 September 2008: Nil).

12. Discontinued operations

On 20 June 2008, Bestway Group International Limited ("Bestway GI"), a wholly-owned subsidiary of the Company, have entered into a sale and purchase agreement with Eastern Wide Investments Limited (the "Disposal Purchaser"), pursuant to which Bestway GI has agreed to sell the entire issued shares and sale loans of Best Faith Plastic Products Limited, Bestway Plastic Products Limited and Bestget Plastic Products Limited, (collectively as the "Disposal Group") to the Disposal Purchaser. For further details, please refer to the circular dated 29 November 2008. The disposal has been completed on 30 July 2009.

The combined results of the discontinued operations included in the condensed consolidated income statement of are set out below.

	Six months ended 30 September	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
		(Restated)
Profit/(Loss) for the period from discontinued operations		
Turnover	**52,011**	132,886
Cost of sales	**(44,703)**	(126,031)
Gross profit	**7,308**	6,855
Other revenue	**1,245**	141
Selling and distribution costs	**(1,365)**	(2,900)
Administrative expenses	**(4,264)**	(6,910)
Other operating expenses, net	**(38)**	(3,857)
Finance costs	**(806)**	(1,979)
Profit/(Loss) before taxation	**2,080**	(8,650)
Taxation	**–**	–
Profit/(Loss) for the period from discontinued operations	**2,080**	(8,650)

13. Earnings/(loss) per share attributable to the owners of the company

The calculations of basic earnings/(loss) per share is based on the profit/(loss) attributable to the owners of the Company for the periods ended 30 September 2009 and 2008 and the weighted average number of ordinary shares in issue during these periods.

From continuing and discontinued operations

	Six months ended 30 September	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Earnings/(Loss)		
Profit/(Loss) for the period attributable to the owners of the Company for the purpose of basic earnings/(loss) per share	**9,143**	(9,720)

	Six months ended 30 September	
	2009	2008
	(Unaudited)	(Unaudited)
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings/(loss) per share	**465,748**	436,896

From continuing operations

	Six months ended 30 September	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Earnings/(Loss)		
Profit/(Loss) for the purpose of basic earnings/(loss) per share from continuing operations	**7,063**	(1,153)

	Six months ended 30 September	
	2009	2008
	(Unaudited)	(Unaudited)
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings/(loss) per share	**465,748**	436,896

From discontinued operations

	Six months ended 30 September	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Earnings/(Loss)		
Profit/(Loss) for the purpose of basic earnings/(loss) per share from discontinued operations	**2,080**	(8,567)

	Six months ended 30 September	
	2009	2008
	(Unaudited)	(Unaudited)
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings/(loss) per share	**465,748**	436,896

No diluted earnings/(loss) per share is presented as there were no diluted options and other dilutive potential shares outstanding during the six months ended 30 September 2009 and 2008.

14. Deposit for acquisition of subsidiaries

Pursuant to the Acquisition Agreement dated 3 July 2009, Tectron Pacific Limited ("Tectron"), a wholly-owned subsidiary of the Company, agreed to acquire and Global Grand Resources Corporation ("Global Grand") has agreed to sell (a) the entire issued shares of Prolific Rich Limited ("Prolific Rich"), a wholly-owned subsidiary of Global Grand and the face value of the loans outstanding as at the completion date made by or on behalf of Global Grand to Prolific Rich (collectively, the "First Acquisition"); (b) the entire issued shares of Grand Shining Limited ("Grand Shining"), a wholly-owned subsidiary of Global Grand and the face value of the loans outstanding as at the completion date made by or on behalf of Global Grand to Grand Shining (collectively, the "Second Acquisition") at an aggregate consideration of HK$940 million (subject to adjustment). The details are set out in the Company's circular dated 31 October 2009.

As at 30 September 2009, certain conditions precedent to completion specified in the Acquisition Agreement have not been fulfilled and, accordingly, the refundable deposit paid by the Group amounted to HK$102 million is classified as deposit for the acquisition of subsidiaries.

15. Trade receivables

Group

	30 September 2009 (Unaudited) *HK$'000*	31 March 2009 (Audited) *HK$'000*
Trade receivables	**656**	2,669

The Group's trading terms with its customers generally have credit terms of up to 60 days and non-interest bearing (except for certain well-established customers having strong financial strength, good repayment history and credit worthiness, where the credit terms are extended to 90 days). Overdue balances are reviewed regularly by senior management.

The ageing analysis of the trade receivables net of allowance for doubtful debts was as follows:

Group

	30 September 2009 (Unaudited) *HK$'000*	31 March 2009 (Audited) *HK$'000*
Within 30 days	**–**	1,700
31 to 60 days	**282**	486
61 to 90 days	**374**	483
	656	2,669

The ageing analysis of trade receivables that are past due but not impaired are as follows:

	30 September 2009 (Unaudited) *HK$'000*	31 March 2009 (Audited) *HK$'000*
Within 30 days	**374**	483

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. 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. The Group does not hold any collateral over these balances.

16. Trade payables

An ageing analysis of the trade payables as at the end of the reporting period, based on the receipts of goods purchased, is as follows:

	30 September 2009 (Unaudited) ***HK$'000***	31 March 2009 (Audited) *HK$'000*
Within 30 days	**–**	313
31 to 60 days	**–**	99
61 to 90 days	**–**	–
Over 90 days	**–**	46
	–	458

The carrying amounts of the Group's trade payables approximate to their fair values.

17. Non-current assets held for sale

As described in notes 2 and 12 to the condensed consolidated financial statements, the major classes of assets and liabilities comprising the major plastic products business and machineries classified as held for sale at 31 March 2009 are as follow:

	Carrying amount as at 31 March 2009 (Audited) *HK$'000*
Property, plant and equipment	57,854
Prepaid lease payments	3,770
Inventories	14,533
Trade receivables	34,076
Prepayments, deposits and other receivables	6,007
Pledged deposits	11,545
Cash at bank and in hand	15,634
Assets of disposal group classified as held for sale	143,419
Trade payables	9,901
Other payables and accruals	9,105
Tax payable	5,928
Interest-bearing bank and other borrowings	44,302
Provision	261
	69,497
Non-controlling interests	1,998
Liabilities of disposal group associated with assets classified as held for sale	71,495
Net assets of disposal group classified as held for sale	71,924
Asset revaluation reserve	3,069
Exchange fluctuation reserve	4,963
Reserves of disposal group classified as held for sale	8,032

As the expected disposal proceeds exceed the carrying amounts of the assets and liabilities of the disposal group, no impairment loss has been recognised immediately before the reclassification of the assets of the disposal group held for sale as at 31 March 2009.

18. Share capital

	30 September 2009		31 March 2009	
	Number of shares (Unaudited) *'000*	**(Unaudited) *HK$'000***	Number of shares (Audited) *'000*	(Audited) *HK$'000*
Authorised:				
Ordinary shares of HK$0.1 each	**20,000,000**	**2,000,000**	20,000,000	2,000,000
Issued and fully paid:				
At the beginning of period/year, ordinary shares of HK$0.1 each	**436,896**	**43,690**	436,896	43,690
Issue of shares *(note)*	**80,000**	**8,000**	–	–
At the end of period/year, ordinary shares of HK$0.1 each	**516,896**	**51,690**	436,896	43,690

Note:

On 8 July 2009, the Company entered into a subscription agreement with Excellent Create International Limited ("Excellent Create") as subscriber, pursuant to which an aggregate of 80,000,000 new ordinary shares were subscribed by Excellent Create. Immediately after the completion of this subscription, the Company issued 80,000,000 new ordinary shares at HK$0.282 per share to Excellent Create on 27 July 2009. These issued new ordinary shares rank pari passu with other shares in issue in all respects.

19. Related party transactions

Save as disclosed elsewhere in interim financial statements, the Group had the following material transactions with related parties during the period:

Compensation of key management personnel of the Group

	Six months ended 30 September	
	2009 (Unaudited) *HK$'000*	2008 (Unaudited) *HK$'000* (Restated)
Short term employee benefits	**863**	1,198
Contribution to retirement benefit scheme	**16**	18
Total compensation paid to key management	**879**	1,216

20. Commitments

As at 30 September 2009, the Group had no outstanding capital commitments.

21. Event after the statement of financial position date

Pursuant to the Acquisition Agreement dated 3 July 2009, Tectron Pacific Limited ("Tectron"), a wholly-owned subsidiary of the Company, agreed to acquire and Global Grand Resources Corporation ("Global Grand") has agreed to sell (a) the entire issued shares of Prolific Rich Limited ("Prolific Rich"), a wholly-owned subsidiary of Global Grand and the face value of the loans outstanding as at the completion date made by or on behalf of Global Grand to Prolific Rich (collectively, the "First Acquisition"); (b) the entire issued shares of Grand Shining Limited ("Grand Shining"), a wholly-owned subsidiary of Global Grand and the face value of the loans outstanding as at the completion date made by or on behalf of Global Grand to Grand Shining (collectively, the "Second Acquisition") at an aggregate consideration of HK$940 million (subject to adjustment). The details are set out in the Company's circular dated 31 October 2009.

At the special general meeting held on 2 December 2009, the proposed resolutions to approve the First Acquisition and the Second Acquisition were duly passed by the shareholders of the Company by way of poll. The Company is currently finalizing the conditions precedent to completion of the First Acquisition and the Second Acquisition. An announcement will be made upon all conditions precedent set out in the acquisition agreement are fulfilled and the completion take place.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial review

The principal activities for continuing operation of the Group during the six months ended 30 September 2009 ("**period**") was trading of plastic product, mainly PVC films. The Group recorded a turnover of HK$6,250,000 (2008: HK$4,834,000 (restated)) which represented an increase in turnover of approximately 29.29% over that achieved for the corresponding period last year. Gross profit margin had increased to 11.5% as compared with last year of 9.5%. The increase of gross profit margin was mainly due to the sales of high value added post film products were increased. The sales volume and average selling price per ton for the period was 356 tons and HK$17,556 as compared with 333 tons and HK$14,516 for the corresponding period last year which had an increase of 23 tons and increase in the price of HK$3,040 per ton respectively. The net profit attributable to owners of the Company was HK$9,143,000 compared with loss of HK$9,720,000 incurred for the corresponding period last year. The Group's basic earnings per share for the period was HK$1.96 cent when compared with loss of HK$2.22 cent for the corresponding period last year.

The principal activity of the discontinued operation of the Group during the period was manufacturing and trading of the PVC films. The Group recorded a turnover of HK$52,011,000 (2008: HK$132,886,000 (restated)) which represented a decrease in turnover of approximately 60.86% over that achieved for the corresponding period last year. The decrease of turnover for the discontinued operation was due to the disposal was completed on 30 July 2009. The turnover was only accounted for four months basis compared with six months basis for last year.

The Group has completed to dispose the disposal group of held for sale on 30 July 2009 and record a gain on disposal of subsidiaries approximately HK$11,293,000 *(note 6)*.

Events during the period

On 8 July 2009, the Company entered into a subscription agreement with Excellent Create International Limited ("Excellent Create") as subscriber, pursuant to which an aggregate of 80,000,000 new ordinary shares were subscribed by Excellent Create. Immediately after the completion of this subscription, the Company issued 80,000,000 new ordinary shares at HK$0.282 per share to Excellent Create on 27 July 2009. These issued new ordinary shares rank pari passu with other shares in issue in all respects.

On 30 July 2009, Bestway Group International Limited ("Bestway GI") and Rich Ocean Limited ("Rich Ocean"), each of which is a wholly-owned subsidiary of the Company, as vendors on the one part, have completed a sale and purchase agreement dated 20 June 2008 with Eastern Wide Investments Limited ("the Disposal Purchaser"), as purchaser of the other part, pursuant to which Bestway GI has agreed to sell the entire issued shares of Best Faith Plastic Products Limited, Bestway Plastic Products Limited and Bestget Plastic Products Limited (collectively as the "Disposal Sale Shares") and the Disposal Sale Loans to the Disposal Purchaser and Rich Ocean has agreed to sell the Sale Machineries to the Disposal Purchaser. Upon finalisation of such adjustments, the final figures of the Disposal Consideration is HK$80,800,000. The said adjusted figures have been confirmed and agreed between the Disposal Vendors and the Disposal Purchaser. The details are set out in the Company's circular dated 29 November 2008.

Liquidity and Financial Resources

As at 30 September 2009, the Group's bank balances and cash amounted to HK$15,084,000 (as at 31 March 2009: HK$3,854,000). The Group's net assets value amounted to approximately HK$119,243,000 (as at 31 March 2009: HK$92,503,000) with total assets approximately HK$121,500,000 (as at 31 March 2009: HK$168,865,000). Net current assets were approximately HK$14,956,000 (as at 31 March 2009: HK$90,059,000). The current ratio was 7.63 times (as at 31 March 2009: 2.18 times). Since the current and non-current bank and other borrowings were classified under liabilities of disposal group associated with assets classified as held for sales *(note 17)*, and the Disposal Group was disposed on 30 July 2009, the gearing ratio expressed as the percentage of total borrowing to total net assets, was 0% at 30 September 2009 and 31 March 2009.

Events after the statement of financial position date

Pursuant to the Acquisition Agreement dated 3 July 2009, Tectron Pacific Limited ("Tectron"), a wholly-owned subsidiary of the Company, agreed to acquire and Global Grand Resources Corporation ("Global Grand") has agreed to sell (a) the entire issued shares of Prolific Rich Limited ("Prolific Rich"), a wholly-owned subsidiary of Global Grand and the face value of the loans outstanding as at the completion date made by or on behalf of Global Grand to Prolific Rich (collectively, the "First Acquisition"); (b) the entire issued shares of Grand Shining Limited ("Grand Shining"), a wholly-owned subsidiary of Global Grand and the face value of the loans outstanding as at the completion date made by or on behalf of Global Grand to Grand Shining (collectively, the "Second Acquisition") at an aggregate consideration of HK$940 million (subject to adjustment). The details are set out in the Company's circular dated 31 October 2009.

At the special general meeting held on 2 December 2009, the proposed resolutions to approve the First Acquisition and the Second Acquisition were duly passed by the shareholders of the Company by way of poll. The Company is currently finalizing the conditions precedent to completion of the First Acquisition and the Second Acquisition. An announcement will be made upon all conditions precedent set out in the acquisition agreement are fulfilled and the completion take place.

Charges on Group Assets

As at 30 September 2009, the Group did not have any charge on group assets.

As at 31 March 2009, the Group's bank deposit of HK$11,545,000 which included in the assets of disposal group classified as held for sale *(note 17)* were pledged for trust receipt loans and other short term trade financing facilities granted to the Group. The pledged deposits are denominated in the United States Dollars, other than functional currency of respective group entities, and subject to currency risk. The deposits carry fixed interest rates ranging from 0.3% to 2.6% per annum. The carrying amounts of the pledged deposits approximate to their fair values.

The leasehold land and the building situated in Mainland China which amounting to HK$3,770,000 and HK$10,081,000 respectively, held under a medium term lease in a non-current assets held for sale as at 31 March 2009 *(note 17)* and were pledge to secure credit facilities granted to the Group.

A legal charge on the plant and machinery with the net book value of approximately HK$29,476,000 as at 31 March 2009. The plant and machinery was classified as assets held for sale *(note 17)* and was pledge to secure credit facilities granted to the Group.

On 30 July 2009, the Group has completed to dispose the subsidiaries and machineries in discontinued operations *(notes 6 and 17).*

Exposure to Foreign Exchange Fluctuation

The Group' monetary assets, liabilities and transactions were principally denominated in Hong Kong dollars ("HKD"), Renminbi ("RMB") and the United States Dollars ("USD"). As all of the Group's production plants are based in the People's Republic of China, most wages and salaries and manufacturing overheads are mainly denominated in RMB in discontinued operations.

During the period under review, the Group did not have any material foreign exchange exposure.

Capital commitments

At 30 September 2009, the Group did not have any capital commitments. At 31 March 2009, the Group had capital commitments relating to HK$30,684,000 capital contribution to a subsidiary and HK$9,525,000 prepaid lease payment.

Contingent Liabilities

As at 30 September 2009, the Group did not give any guarantee to an independent third party for the banking facilities granted (as at 31 March 2009: nil).

Employees

As at 30 September 2009, the Group had approximately 5 full time managerial, administrative employees. 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.

Prospects

Looking forward, the PVC film trading business is still full of challenges in the coming year. With global economic downturn, it will affect consumers demand for PVC products. The escalating trend of crude oil price will directly affect the price of PVC Film. The Group will strengthen its purchasing management to minimize the impact on purchasing costs.

The Directors consider that the Group may broaden its source of income by diversifying its investment into mining natural resources, mainly reserves of tungsten. After the completion of acquisition of mining business in Mongolia, the mining business will explore the opportunities and derive income from the sale of other mineral resources to be extracted.

Interim Dividend

The Board of Directors has decided not to declare interim dividend for the six months ended 30 September 2009 (2008: Nil).

PURCHASE, SALE OR REDEMPTION OF SHARES

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

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with all the code provisions as set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") throughout the accounting period ended 30 September 2009 with deviations from certain code provisions as explained below:

(1) Code provision A.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same person. Mr. Tang Kuan Chien ("**Mr. Tang**") was the Chairman of the Board and also served the function of a Chief Executive. The Board believes that the arrangement enables the Company to make and implement decisions promptly, and thus achieve the Company's objectives efficiently and effectively in response to the changing environment. The Board also believes that the Company already has a strong corporate governance structure in place to ensure effective oversight of management. The Board will continually review the effectiveness of the Group's corporate governance structure to assess whether any changes are necessary.

(2) Following the resignation of Mr. Tang at the meeting of the board of directors of the Company held on 2 November 2009, Mr. Tang resigned as chairman, chief executive officer, executive director and authorized representative of the Company with effect from 2 November 2009. The Company is still looking for a suitable candidate to fill the vacancies of chairman and chief executive officer as soon as practicable and further announcement will be made by the Company upon fulfillment of those requirements under the Listing Rules.

The Board will review the management structure of the Group from time to time and will adopt appropriate measures as may be desirable for future development of the operating activities or business of the Group.

COMPLIANCE WITH MODEL CODE

The Company has adopted the Model Code of Securities Transactions by Directors by Listed Issuers (the "**Model Code**") set out in Appendix 10 of the Listing Rules as its own code of directors. Upon enquiry by the Company, all directors have confirmed that they have complied with the required standards set out in the Model Code throughout the six months ended 30 September 2009.

AUDIT COMMITTEE

The Company has an audit committee which was established in accordance with the requirements of the Code for the purposes of reviewing the Group's financial reporting process and internal controls. The Audit Committee comprises the three independent non-executive directors of the Company. The members of the Audit Committee (Mr. Au Kwok Yee Benjamin, Ms. Leung Sin Man Livia and Ms. Lau Siu Ngor) have reviewed the unaudited financial statements of the Group for the six months ended 30 September 2009 and are of the opinion that such statements comply the applicable accounting standards and the Listing Rules and that adequate disclosures have been made.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This interim results announcement is published on the websites of the Company (http://www.ilinkfin.net/bestway/) and Hong Kong Exchanges and Clearing Limited (http://www.hkex.com.hk). The interim report of the Company for 2009 containing all the information required by the Listing Rules will be dispatched to the shareholders and made available on the above websites in due course.

APPRECIATION

I take this opportunity to express our gratitude to the Shareholders of the Company for their continued support and our Directors and our staff for their contribution to the Company.

On behalf of the Board
Bestway International Holdings Limited
Chim Kim Lun Ricky
Executive Director

Hong Kong, 28 December 2009

As at the date of this announcement, Mr. Chim Kim Lun Ricky and Mr. Law Fei Shing are the executive Directors of the Company and Mr. Au Kwok Yee Benjamin, Ms. Leung Sin Man Livia and Ms. Lau Siu Ngor are the independent non-executive Directors of the Company.