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

(incorporated in Bermuda with limited liability)

(Stock code: 718)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2015

The board of directors (the "**Directors**") (the "**Board**") of Bestway International Holdings Limited (the "**Company**") announces the consolidated results of the Company and its subsidiaries (the "**Group**") for the year ended 31 March 2015 together with the comparative figures of year 2014 as follows:–

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 March 2015

	Notes	**2015** **HK$'000**	2014 HK$'000
Revenue	*4*	**7,632**	2,255
Cost of sales		**(4,548)**	(2,062)
Gross profits		**3,084**	193
Other income	*4*	**27**	394
Selling and distribution expenses		**(898)**	–
Administrative expenses		**(10,861)**	(7,430)
Other operating expenses		**(66,098)**	(51)
Loss before income tax	*5*	**(74,746)**	(6,894)
Income tax credit	*6*	**16,479**	–
Loss for the year		**(58,267)**	(6,894)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
– Exchange difference on translation of financial statements of foreign operations		**3**	(156)
Total comprehensive income for the year		**(58,264)**	(7,050)

* *For identification purposes only*

	Notes	**2015** ***HK$'000***	2014 *HK$'000*
Loss for the year attributable to:			
Owners of the Company		**(58,027)**	(6,894)
Non-controlling interests		**(240)**	–
		(58,267)	(6,894)
Total comprehensive income attributable to:			
Owners of the Company		**(58,024)**	(7,050)
Non-controlling interests		**(240)**	–
		(58,264)	(7,050)
Loss per share	*7*		
Basic and diluted *(HK cents)*		**(5.65)**	(0.85)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2015

	Notes	2015 HK$'000	2014 HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		**121**	16
Mining rights	*8*	**671,624**	737,561
		671,745	737,577
Current assets			
Trade receivables	*9*	**2,795**	1,372
Inventories		**1,277**	615
Deposits, other receivables and prepayments		**1,876**	166
Cash and cash equivalents		**97,361**	24,514
		103,309	26,667
Current liabilities			
Trade payables	*10*	**–**	1,248
Accrued liabilities and other payables		**1,812**	2,131
		1,812	3,379
Net current assets		**101,497**	23,288
Total assets less current liabilities		**773,242**	760,865
Non-current liabilities			
Deferred tax liabilities		**147,429**	163,913
Net assets		**625,813**	596,952
EQUITY			
Equity attributable to owners of the Company			
Share capital		**52,296**	44,796
Reserves		**570,632**	552,156
		622,928	596,952
Non controlling interests		**2,885**	–
Total equity		**625,813**	596,952

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 March 2015

1. General

Bestway International Holdings Limited (the "**Company**") was incorporated in Bermuda as an exempted company with limited liability under the Companies Act 1981 of Bermuda on 18 August 1995. The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The principal place of business of the Company is located at Suite 1018, 10th Floor, Central Tower, 28 Queen's Road Central, Hong Kong. The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**HKEx**") on 2 October 1995.

The Company and its subsidiaries (the "**Group**") are principally engaged in trading of goods and mining business of natural resources of tungsten.

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

2. Applications of Hong Kong Financial Reporting Standards ("HKFRSs")

(a) Adoption of new/revised HKFRSs – effective on 1 April 2014

In the current year, the Company and its subsidiaries (the "**Group**") has applied for the first time the following new and revised standards issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"), which are relevant to and effective for the Group's financial statements for the annual period beginning on 1 April 2014:

Amendments to HKAS 32	Offsetting Financial Assets and Liabilities
HK (IFRIC) – Int 21	Levies

Amendments to HKAS 32 – Offsetting Financial Assets and Liabilities

The amendments clarify the offsetting requirements by adding appliance guidance to HKAS 32 which clarifies when an entity "currently has a legally enforceable right to set off" and when a gross settlement mechanism is considered equivalent to net settlement. The amendments are applied retrospectively.

The adoption of the amendments has no impact on these financial statements as the Group does not have any offsetting arrangements.

HK (IFRIC) – Int 21 – Levies

HK (IFRIC) – Int 21 clarifies that an entity recognises a liability to pay a levy imposed by government when the activity that triggers payment, as identified by the relevant legislation, occurs. The interpretation has been applied retrospectively.

The adoption of HK (IFRIC) – Int 21 has no impact on these financial statements as the interpretation is consistent with the Group's previous application of its accounting policies on provisions.

(b) New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group.

Amendments to HKAS 1	Disclosure Initiative[1]
Amendments to HKAS 27	Equity Method in Separate Financial Statements[1]
HKFRS 9 (2014)	Financial Instruments[3]
HKFRS 15	Revenue from Contracts with Customers[2]

[1] Effective for annual periods beginning on or after 1 January 2016
[2] Effective for annual periods beginning on or after 1 January 2017
[3] Effective for annual periods beginning on or after 1 January 2018

Information on new and amended HKFRSs that are expected to have impact on the Group is explained as follows. Other new or revised HKFRSs that have been issued but are not yet effective are unlikely to have material impact on the Group's results and financial position upon application.

Amendments to HKAS 1 – Disclosure Initiative

The amendments are designed to further encourage companies to apply professional judgement in determining what information to disclose in their financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. Furthermore, the amendments clarify that companies should use professional judgement in determining where and in what order information is presented in the financial disclosures.

Amendments to HKAS 27 – Equity Method in Separate Financial Statements

The amendments allow an entity to apply the equity method in accounting for its investments in subsidiaries, joint ventures and associates in its separate financial statements.

HKFRS 9 (2014) – Financial Instruments

HKFRS 9 introduces new requirements for the classification and measurement of financial assets. Debt instruments that are held within a business model whose objective is to hold assets in order to collect contractual cash flows (the business model test) and that have contractual terms that give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (the contractual cash flow characteristics test) are generally measured at amortised cost. Debt instruments that meet the contractual cash flow characteristics test are measured at fair value through other comprehensive income ("**FVTOCI**") if the objective of the entity's business model is both to hold and collect the contractual cash flows and to sell the financial assets. Entities may make an irrevocable election at initial recognition to measure equity instruments that are not held for trading at FVTOCI. All other debt and equity instruments are measured at fair value through profit or loss ("**FVTPL**").

HKFRS 9 includes a new expected loss impairment model for all financial assets not measured at FVTPL replacing the incurred loss model in HKAS 39 and new general hedge accounting requirements to allow entities to better reflect their risk management activities in financial statements.

HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities designated at FVTPL, where the amount of change in fair value attributable to change in credit risk of the liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities.

HKFRS 15 – Revenue from Contracts with Customers

The new standard establishes a single revenue recognition framework. The core principle of the framework is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. HKFRS 15 supersedes existing revenue recognition guidance including HKAS 18 Revenue, HKAS 11 Construction Contracts and related interpretations.

HKFRS 15 requires the application of a 5 steps approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to each performance obligation
- Step 5: Recognise revenue when each performance obligation is satisfied

HKFRS 15 includes specific guidance on particular revenue related topics that may change the current approach taken under HKFRS. The standard also significantly enhances the qualitative and quantitative disclosures related to revenue.

The Group is in the process of making an assessment of the potential impact of these new pronouncements. The Directors so far concluded that the application of these new pronouncements will have no material impact on the Group's financial statements.

3. Segment Information

The chief operating decision-makers have been identified as the Company's executive directors. Since no active operation took place between the date of acquisition and the end of the reporting period as to the Group's mining business. Therefore, the executive directors consider there to be only one operating segment (i.e. trading business) under the requirements of HKFRS 8.

Revenue of the Group was generated from trading business in the People's Republic of China (the "**PRC**") and Hong Kong. The geographical location of customers is determined based on the location at which the goods were delivered. The geographical location of the non-current assets is based on the physical and operating locations of the assets. The following table sets out information about the geographical location of the Group's revenue from external customers and its non-current assets.

	Turnover from external customers		**Non-current assets**	
	2015	2014	**2015**	2014
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
The Republic of Mongolia ("**Mongolia**")	**–**	–	**671,624**	737,563
The PRC	**7,473**	1,173	**74**	7
Hong Kong	**159**	1,082	**47**	7
	7,632	2,255	**671,745**	737,577

For the year ended 31 March 2015, approximately HK$2,308,000 or 30.2% and HK$2,427,000 or 31.8% of the Group's revenue were derived from Customer A and Customer B respectively in the trading business. For the year ended 31 March 2014, revenue from a single customer amounting to HK$1,173,000 had accounted for over 10% of the Group's revenue.

4. Revenue and other income

Revenue of the Group, which is also the turnover of the Group, represents the net invoiced value of goods sold, net of allowances for returns, trade discounts and value-added tax. An analysis of the Group's revenue and other income is as follows:

	2015	2014
	HK$'000	*HK$'000*
Revenue		
Sale of goods	**7,632**	2,255
Other income		
Interest income on bank deposits	**27**	–
Rental and management fee income	**–**	394
	27	394

5. Loss before income tax

Loss before income tax is arrived at after charging:

	2015	2014
	HK$'000	*HK$'000*
Auditor's remuneration	**588**	580
Cost of inventories recognised as expenses	**4,548**	2,062
Depreciation of property, plant and equipment	**16**	63
Impairment loss on mining rights *(note 8)*	**65,937**	–
Impairment loss on property, plant and equipment	**–**	44
Staff costs (excluding directors' emoluments)	**2,080**	883
Defined contribution costs	**62**	38
Total staff costs	**2,142**	921
Operating lease charges in respect of office premises	**1,094**	706

6. Income tax credit

	2015	2014
	HK$'000	*HK$'000*
PRC enterprise income tax		
– Current year	**4**	–
Hong Kong profits tax		
– Under provision in prior year	**1**	–
Deferred tax credit	**(16,484)**	–
Total income tax credit	**(16,479)**	–

Hong Kong profits tax is calculated at 16.5% on the estimated assessable profits for the year (2014: Nil).

Enterprise Income Tax ("**EIT**") arising from the PRC is calculated on the estimated assessable profits for the year according to the relevant laws and regulations in the PRC. The applicable tax rate for the EIT is 25%. No EIT was provided for the year ended 31 March 2014 as the Group had no assessable profit.

Subsidiaries incorporated in Mongolia are subject to Mongolian income tax which is calculated at the rate of 10% on the first 3 billion Mongolian Turgrik ("**MNT**") of taxable income and 25% on the amount in excess thereof. No income tax was provided as these Mongolian subsidiaries have not derived any taxable income during the year ended 31 March 2015 (2014: Nil).

7. Loss per share

The calculation of basic loss per share is based on the loss for the year attributable to owners of the Company of HK$58,027,000 (2014: HK$6,894,000) and the weighted average number of ordinary shares in issue during the year of 1,027,420,000 (2014: 814,159,000) ordinary shares.

Diluted loss per share for years ended 31 March 2015 and 2014 are the same as the basic losses per share as the Company has no dilutive potential ordinary shares outstanding during both years.

8. Mining rights

	2015	2014
	HK$'000	*HK$'000*
Opening net carrying amount	**737,561**	735,657
Transfer from exploration and evaluation assets	**–**	1,904
Impairment loss	**(65,937)**	–
Closing net carrying amount	**671,624**	737,561

The mining rights represent the rights to conduct mining activities in the location of Nogoonnuur Soum and Tsengel Soum of Bayan-Ulgii Aimag in Mongolia, and have legal lives of 16 to 21 years, expiring in July 2031, March 2033, December 2035 and July 2036, respectively. The mining licenses are issued by Mineral Resources and Petroleum Authority of Mongolia and may be extended for two successive additional periods of 20 years each. In the opinion of the Directors, the application for extension is procedural and the Group should be able to renew its mining licenses at minimal charges, until all the proven and probable minerals have been mined. In 2013, the Group appointed a qualified mineral technical adviser to prepare a resource estimation and engaged a Mongolian professional firm to review and update the feasibility study report and the environmental impact assessment report on the above tungsten mines. No active mining operation of the Group has taken place yet.

In last financial year, in response to a letter issued by a Mongolian Province Governor which required the Group to make submission on the timing of commencement of mining operations or otherwise certain mining licenses might be revoked, the Group entered into a memorandum of understanding with China Metallurgical Geology Bureau of Shandong (the "**Contractor**") on 22 May 2013, pursuant to which the Group agreed to engage the Contractor to conduct mining activities, including development and exploitation of all of its Mongolian tungsten mines. Subsequently on 2 October 2013, the Group engaged Mongolia Zhenyuan Company Limited ("**Mongolia Zhenyuan**"), an associated company of the Contractor, to conduct mining area geological survey, tunnel investigation and sample collection. However, the Group and Mongolia Zhenyuan is still in the process of negotiation of the relevant mining terms and consideration for incorporation into a formal and legally binding cooperation agreement which, however, is not yet concluded and entered into up to the reporting date. During the current year, the Group has further engaged a mining professional to prepare an updated feasibility study report for the tungsten mines. Based on the foregoing, the Directors expect that the exploitation of the mines will take place no later than the end of 2017.

With reference to the opinion from the Group's Mongolian legal advisers dated 26 June 2015, the Directors are of the opinion that the Group is in compliance with all laws and governmental rules and regulations in Mongolia and the Group's mining rights are still in effect and in good standing as at the reporting date.

At 31 March 2015, the Directors re-assessed the recoverable amount of the cash generating unit that holds mining rights (the "**Mining CGU**") by using fair value less costs of disposal, which is derived by using discounted cash flow analysis. The discount cash flow analysis has incorporated assumptions that a typical market participant would use in estimating the fair value of the Mining CGU. The discount cash flows analysis uses cash flow projection for a period of 3 to 7 years and the discount rates applied to the cash flow projection are 22.71%-24.63% (2014: 22.10%-24.31%). In determining the discount rates, the weighted average cost of capital was used, which is determined with reference to the industry capital structure of market comparables with mining projects, and have taken into account the specific risks encountered by the Mining CGU. Other key assumptions adopted include estimated selling price with nil growth rate, industry average gross margin, estimated mine reserve based on technical assessment reports and the expectation for market development. The fair value of the Mining CGU is a level 3 fair value measurement. There was no change to the valuation technique during the year.

With reference to the assessment, the Directors are of the view that the recoverable amount of the Mining CGU is estimated to be HK$524,195,000 and therefore an impairment loss of HK$49,453,000 (net of tax) in respect of the Mining CGU was identified for the year ended 31 March 2015. The impairment loss is allocated to write down the carrying amount of the mining rights by HK$65,937,000, together with a tax effect of HK$16,484,000 credited to profit or loss. The impairment is primarily due to decline in the estimated selling price of tungsten concentrate products during the year.

9. Trade receivables

Ageing analysis of the Group's trade receivables as of the end of reporting period, based on invoice date, is as follows:

	2015	2014
	HK$'000	*HK$'000*
Within 30 days	**1,170**	1,372
61-90 days	**1,625**	–
	2,795	1,372

Trade receivables are non-interest bearing. Normal credit period ranging from 30 to 90 days is allowed on sales of goods (2014: 60 to 90 days).

The Group's trade receivables are neither past due nor impaired and they are related to customers for whom there are no recent history of default.

10. Trade payables

Ageing analysis of the Group's trade payables, based on invoice date, is as follows:

	2015	2014
	HK$'000	*HK$'000*
Within 30 days	**–**	1,248

Trade payables are non-interest bearing and normally settled on terms of 30 days.

11. Events after the reporting date

(i) On 29 May 2015, the Company and a placing agent (the "**Placing Agent**") entered into a deed of termination ("**2015 Placing Termination Deed**") in respect of the placing agreement ("**the Placing Agreement**"), pursuant to which the Company has conditionally agreed to place through the Placing Agent up to 420,000,000 placing shares ("**Placing Shares**") at a price of HK$0.56 per Placing Share, subject to adjustment. With effect of the 2015 Placing Termination Deed on 29 May 2015, it was agreed among the parties that the Placing Agreement would be irrevocably and unconditionally terminated in all respects by the mutual consent of the parties and would be of no further force.

On 29 May 2015, being the long stop date, the subscription agreement dated 3 February 2015 (the "**Subscription Agreement**"), pursuant to which a subscriber has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue a total of 880,000,000 shares ("**Subscription Shares**") at an issue price of HK$0.56 per Subscription Share, was lapsed due to the conditions to completion of the Subscription Agreement have not been fulfilled on the same date.

The Directors consider that the termination of the Placing Agreement and the lapse of the Subscription Agreement has no material adverse impact on the existing business operation and financial position of the Group.

(ii) On 13 June 2015, the Company and another placing agent entered into a placing agreement pursuant to which the Company has conditionally agreed to place a maximum of 205,000,000 placing shares to independent investors at a price of HK$0.88 per share. The net proceeds are intended to be used as general working capital of the Group and for potential acquisition activities as identified by the Group from time to time, details of which have been set out in the Company's announcement dated 15 June 2015.

BUSINESS REVIEW

Capital structure

On 15 May 2014, the Company completed the subscription of 150,000,000 new shares at the subscription price of HK$0.56 per subscription share under Specific Mandate on 8 May 2014. The 150,000,000 new shares represented about 16.74% of the issued share capital of the Company prior to the placing and about 14.34% of the enlarged share capital of the Company immediately after the subscription. The directors believe that the above fund raising exercise provided an opportunity to broaden the shareholder base and strengthened the capital base of the Group. The net proceeds derived from the Subscription is approximately HK$83,700,000, of which up to RMB57.5 million (equivalent to approximately HK$71,875,000) will be used for the joint venture (the "**JV**") set up by the Company to develop the business relating to medical devices and equipment in the PRC.

After experiencing two unsuccessful fund raising exercises, on 13 June 2015, the Company entered into a Placing Agreement pursuant to which the Company has conditionally agreed to place, through Grand Cartel Securities Company Limited, the Placing Agent, on a best effort basis, a maximum of 205,000,000 Placing Shares to independent investors at the Placing Price of HK$0.88 per Placing Share. The Directors are of the view that the Placing offers the Company a good opportunity to raise funds and to enlarge the shareholders base of the Company and strengthen the Group's financial position. The Board considers the Placing is in the interest of the Company and the Shareholders as a whole. On the assumption that the Placing Shares are fully placed, the net proceeds from the Placing of approximately HK$177.60 million will be applied by the Group as general working capital and for potential acquisition activities as identified by the Group from time to time. Please refer to the announcement dated 15 June 2015 for more details.

Trading of Goods

The Group recorded a revenue of HK$7,632,000 (2014: HK$2,255,000) which represented an increase in turnover of approximately 238% over the corresponding period last year. Gross profit margin had increased to 40.41% (2014: 8.56%). The increase of revenue and gross profit margin was mainly due to the commencement of business in trading of medical equipments during the year. The net loss attributable to the owners of the Company was approximately HK$58,027,000 (2014: HK$6,894,000). The Group's basic loss per share for the year was HK5.65 cent (2014: HK0.85 cent).

Mining Business

Same as per past years, the Group still holds four tungsten mining licenses through two wholly owned Mongolian subsidiaries. Kainarwolfram LLC owns properties under Mining Licenses 11027A and 5518A, which are located in the territory of Nogoonnuur Soum, Bayan-Ulgii province and Ikh Uuliin Erdenes LLC owns the property under the Mining License 3506A, which located in the territory of Nogoonnuur Soum, Bayan-Ulgii province. In order to enhance the communication with province government of Mongolia, the Company newly appointed Mr. Jiang Lixin as the sole director of both the Mongolian subsidiaries. During the year Mr. Jiang and our consultant Ms. Yang Lee have met with a leader of Bayan-Ulgii province to understand the mining site situation. With reference to the opinion from the Group's Mongolian legal advisers, the Directors are of the opinion that the Group is in compliance with all laws and governmental rules and regulations in Mongolia and the Group's mining rights are still in effect and in good standing as at the reporting date. Meanwhile, the Board re-assessed the recoverable amount of the Mining CGU as at the end of the reporting period and details of the impairment assessment are set out in Note 8 to this results announcement.

FUTURE PLAN AND PROSPECTS FOR MATERIAL INVESTMENT OR CAPITAL ASSETS

Reference is made to the announcement of the Company dated 20 March 2014 in relation to, among others, the memorandum of understanding (the "**MOU**") for establishing a Joint Venture entered into between Mr. Li Youqiang ("**Mr. Li**") who has approximately 17 years of experience in medical industry, in particular in the sale, distribution and after-sales services of medical devices and equipment, in the PRC.

The Joint Venture was established in May 2014 with its business license obtained in August 2014. The registered capital of the Joint Venture was contributed as to 75% by the Group and as to 25% by Mr. Li in cash. The Joint Venture has commenced its medical devices trading business in October 2014.

Looking forward, with regard to the increasing of aging population, increasing urbanization, increasing government spending in health care in PRC, the Group will capture the opportunities from the development of the medical industry and will make investments in new acquisitions or business ventures when suitable opportunities arise in the future that will benefit the Company's long-term development.

Meanwhile, the Group will keep a conservative attitude in the mining business in Mongolia and closely monitor the market conditions as well as consider other options such as realization of the investment should the opportunities arise. The Group will strive to achieve sustainable growth and deliver satisfactory returns to shareholders of the Company (the "**Shareholders**").

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

FINANCIAL SUMMARY

The Group's revenue for the year ended 31 March 2015 was approximately HK$7,632,000 and the administrative expenses for the year ended 31 March 2015 were approximately HK$10,861,000, which represented an increase of 46% compared to the administrative expenses incurred in last year.

The loss attributable to the owners of the Company for the year ended 31 March 2015 was HK$58,027,000, as compared a loss HK$6,894,000 in the previous year. The increase in the loss was mainly due to impairment loss on mining rights and increase in the Group's increase in administrative expenses.

CURRENT AND GEARING RATIOS

As at 31 March 2015, the Group's bank balances and cash amounted to HK$97,361,000 (as at 31 March 2014: HK$24,514,000). The Group's net assets value amounted to approximately HK$625,813,000 (as at 31 March 2014: HK$596,952,000) with total assets approximately HK$775,054,000 (as at 31 March 2014: HK$764,244,000). Net current assets were approximately HK$101,497,000 (as at 31 March 2014: HK$23,288,000). The current ratio was 57.01 times (as at 31 March 2014: 7.89 times) and gearing ratio was 0.19 times (as at 31 March 2014: 0.22 times) represented on the basis of total liabilities over total assets.

CHARGES ON GROUP'S ASSETS

As at 31 March 2015, no assets of the Group are charged to secure the borrowings and banking facilities (as at 31 March 2014: Nil).

CONTINGENT LIABILITIES

As at 31 March 2015, the Group did not have any significant contingent liabilities (as at 31 March 2014: Nil).

FOREIGN CURRENCY EXPOSURE

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

EMPLOYEE INFORMATION

As at 31 March 2015, the Group had approximately 13 full time managerial and administrative employees (2014: 11). The Group affords competitive remuneration packages to its employees based on prevailing and industry practice. Compensation policies are reviewed regularly and are designed to reward and motivate productivity and performance.

DIVIDENDS

The Directors do not recommend the payment of any dividend in respect of the year ended 31 March 2015 (2014: Nil).

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the year ended 31 March 2015, neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

AUDIT COMMITTEE

The Company has an Audit Committee which was established in compliance with the CG Codes contained in Appendix 14 of the Listing Rules for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Group's audited financial statements for the year ended 31 March 2015 has been reviewed by the Audit Committee. The Audit Committee comprises the four independent non-executive Directors and one non-executive director of the Company, and meets at least twice annually to perform their duties.

PRELIMINARY ANNOUNCEMENT OF ANNUAL RESULTS

Scope of work performed by auditor

The figures in respect of the preliminary announcement of the Group's result for the year ended 31 March 2015 have been agreed by the Group's auditor, BDO Limited ("**BDO**"), to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by BDO in this respect did not constitute an assurance engagement in accordance with Hong Kong standard on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by BDO on the preliminary results announcement.

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

During the year ended 31 March 2015, the Board has adopted and complied with the code provisions of the CG Codes in so far as they are applicable except for the following deviations.

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

CG Code provision A.2.1 stipulates that the roles of chairman and chief executive officer (the "**CEO**") should be separate and should not be performed by the same individual. During the year ended 31 March 2015, the Company has not appointed chairman and chief executive officer until 11 July 2014. Up to the date of this announcement, the chairman of the Board is Mr. Hu Yebi and Mr. Liu Xueheng is the CEO.

CG Code provision A.4.1 stipulates that non-executive directors should be appointed for a specific term subject to re-election. Independent non-executive directors of the Company are not appointed for a specific term. However, all directors of the Company are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws of the Company.

CG Codes provision A.6.7 stipulates that the independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of Shareholders. A non-executive Director was unable to attend the annual general meeting of the Company held on 16 September 2014 due to his various work commitments.

COMPLIANCE WITH MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 of the Listing Rules as its own code of directors' securities transactions. Having made specific enquiry of all directors, the directors have complied with the required standard set out in the Model Code, throughout the year ended 31 March 2015.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

The announcement is published on the website of the Stock Exchange at http://www.hkexnews.hk and the Company's website at http://www.irasia.com/listco/hk/bestway/index.htm. The annual report of the Company for the year ended 31 March 2015 will be despatched to the shareholders of the Company and published on the aforesaid websites in due course.

On behalf of the Board
Bestway International Holdings Limited
Hu Yebi
Chairman

Hong Kong, 26 June 2015

As at the date of this announcement, the Board comprises Mr. Hu Yebi, Mr. Liu Xueheng and Mr. Mung Bun Man, Alan as executive Directors, Mr. Chee Man Sang, Eric and Mr. Tang Shu Pui, Simon as non-executive Directors, and Mr. Chan Wai Man, Mr. Tsui Sai Ming, Steven, Mr. Ng Chun Chuen, David and Ms. Liu Yan as independent non-executive Directors.