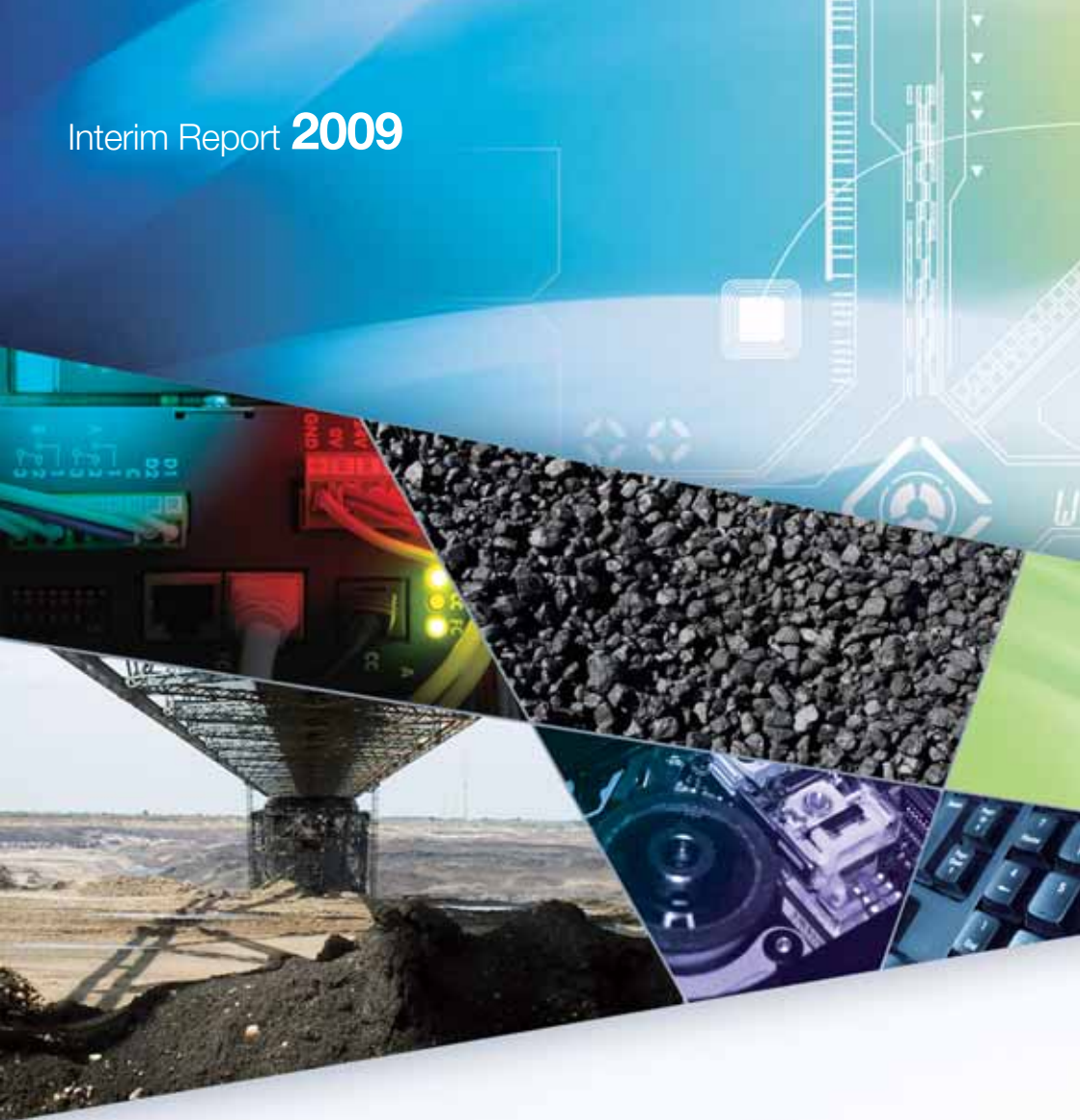


# Interim Report 2009



世大控股有限公司  
Great World Company Holdings Ltd

(Formerly known as TS Telecom Technologies Limited)  
(incorporated in the Cayman Islands with limited liability)

Stock Code: 8003

## **CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

**GEM has been positioned as a market designed to accommodate companies to which a high investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.**

**Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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*This report, 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 the Growth Enterprise Market of the Stock Exchange 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: (1) the information contained in this report is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this report misleading; and (3) all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

## HIGHLIGHTS

- Turnover was approximately HK\$5,099,000 and HK\$8,965,000 respectively for the three months and six months ended 30 September 2009.
- Loss attributable to equity holders of the Company for the three months ended 30 September 2009 was approximately HK\$1,442,000, versus a loss of approximately HK\$3,023,000 for the corresponding period of last year.

Loss attributable to equity holders of the Company for the six months ended 30 September 2009 was approximately HK\$3,406,000, versus a loss of approximately HK\$4,209,000 for the corresponding period of last year.

- As at 30 September 2009, the Group had approximately HK\$6,470,000 or HK\$0.013 per share of cash on hand and at bank.

## RESULTS

The Board of Directors (the "Board") of Great World Company Holdings Ltd (the "Company") presents the interim financial statements of the Company and its subsidiaries (the "Group"), comprising the consolidated income statement, consolidated statement of changes in equity and consolidated statement of cash flow of the Group for the three months and six months ended 30 September 2009, and the consolidated statement of financial position of the Group as at 30 September 2009, all of which are unaudited and in condensed format, 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	
		2009 HK\$'000	2008 HK\$'000	2009 HK\$'000	2008 HK\$'000
Turnover	2	5,099	2,422	8,965	6,271
Cost of sales		(4,692)	(2,238)	(8,258)	(3,879)
Gross profit		407	184	707	2,392
Other revenue and net income	2	3,490	328	4,715	1,210
Selling and distribution costs		(305)	(398)	(802)	(778)
Administrative and other operating expenses		(4,603)	(4,088)	(8,431)	(6,845)
Operating loss		(1,011)	(3,974)	(3,811)	(4,021)
Finance costs	4	(3)	(5)	(8)	(7)
Share of results of associate		296	522	844	715
Loss before tax	5	(718)	(3,457)	(2,975)	(3,313)
Income tax	6	-	-	(96)	(22)
Loss for the period		(718)	(3,457)	(3,071)	(3,335)
Profit/(loss) attributable to:					
Owners of the Company		(1,442)	(3,023)	(3,406)	(4,209)
Non-controlling interests		724	(434)	335	874
		(718)	(3,457)	(3,071)	(3,335)
Loss per share – Basic	7	(0.3) cents	(0.8) cents	(0.8) cents	(1.1) cents
Loss per share – Diluted	7	N/A	N/A	N/A	N/A
Dividend	8	-	-	-	-

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	(Unaudited) Three months ended 30 September		(Unaudited) Six months ended 30 September	
	2009 HK\$'000	2008 HK\$'000	2009 HK\$'000	2008 HK\$'000
Loss for the period	<b>(718)</b>	(3,457)	<b>(3,071)</b>	(3,335)
Other comprehensive income:				
Exchange differences arising on translation of foreign operations	<b>20</b>	(68)	<b>33</b>	476
Merger difference written off	-	-	-	250
	<b>20</b>	(68)	<b>33</b>	726
Total comprehensive income for the period	<b>(698)</b>	(3,525)	<b>(3,038)</b>	(2,609)
Total comprehensive income attributable to:				
Owners of the Company	<b>(1,424)</b>	(3,084)	<b>(3,375)</b>	(3,611)
Non-controlling interests	<b>726</b>	(441)	<b>337</b>	1,002
	<b>(698)</b>	(3,525)	<b>(3,038)</b>	(2,609)

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<i>Notes</i>	<b>(Unaudited) 30 September 2009 HK\$'000</b>	(Audited) 31 March 2009 HK\$'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	<b>2,726</b>	2,053
Goodwill	10	<b>10,316</b>	10,305
Other intangible assets	11	<b>920</b>	976
Interests in associate		<b>16,923</b>	16,061
		<b>30,885</b>	29,395
<b>CURRENT ASSETS</b>			
Inventories		<b>7,785</b>	5,512
Trade and other receivables	12	<b>8,785</b>	8,277
Cash and bank deposits		<b>6,470</b>	3,030
		<b>23,040</b>	16,819
<b>CURRENT LIABILITIES</b>			
Borrowings	13	-	(235)
Trade and other payables	14	<b>(18,458)</b>	(24,813)
Amounts due to directors		<b>(592)</b>	(3,402)
		<b>(19,050)</b>	(28,450)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<b>3,990</b>	(11,631)
<b>NET ASSETS</b>		<b>34,875</b>	17,764
<b>CAPITAL AND RESERVES</b>			
Share capital	15	<b>48,631</b>	40,631
Reserves	16	<b>(15,410)</b>	(24,184)
Equity attributable to owners of the Company		<b>33,221</b>	16,447
Non-controlling interests		<b>1,654</b>	1,317
<b>TOTAL EQUITY</b>		<b>34,875</b>	17,764

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company							Non-controlling interests		Total
	Share capital	Share premium	Share options reserve	PRC statutory reserves	Merger difference	Translation reserve	Accumulated losses	Total	Total	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2008 (audited)	33,860	96,898	706	3,808	(250)	3,112	(129,999)	8,135	-	8,135
Loss for the period	-	-	-	-	-	-	(4,209)	(4,209)	874	(3,335)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	348	-	348	128	476
Merger difference written off	-	-	-	-	250	-	-	250	-	250
Total comprehensive income for the period	-	-	-	-	250	348	(4,209)	(3,611)	1,002	(2,609)
Shares issued pursuant to a placing agreement	6,771	13,544	-	-	-	-	-	20,315	-	20,315
Cost attributable to issue of new shares	-	(510)	-	-	-	-	-	(510)	-	(510)
At 30 September 2008 (unaudited)	40,631	109,932	706	3,808	-	3,460	(134,208)	24,329	1,002	25,331
At 1 April 2009 (audited)	40,631	109,932	706	3,808	-	3,450	(142,080)	16,447	1,317	17,764
Loss for the period	-	-	-	-	-	-	(3,406)	(3,406)	335	(3,071)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	31	-	31	2	33
Total comprehensive income for the period	-	-	-	-	-	31	(3,406)	(3,375)	337	(3,038)
Shares issued pursuant to a subscription agreement	8,000	13,200	-	-	-	-	-	21,200	-	21,200
Cost attributable to issue of new shares	-	(1,051)	-	-	-	-	-	(1,051)	-	(1,051)
At 30 September 2009 (unaudited)	48,631	122,081	706	3,808	-	3,481	(145,486)	33,221	1,654	34,875

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	(Unaudited) Six months ended 30 September	
	2009 HK\$'000	2008 HK\$'000
Net cash outflow from operating activities	(15,694)	(10,316)
Net cash outflow from investing activities	(774)	(59)
Net cash inflow from financing activities	19,906	19,291
	<hr/>	<hr/>
Increase in cash and cash equivalents	3,438	8,916
Cash and cash equivalents at 1 April	3,030	824
Effect of foreign exchange rate changes	2	842
	<hr/>	<hr/>
Cash and cash equivalents at 30 September	6,470	10,582
	<hr/>	<hr/>
Analysis of balances of cash and cash equivalents:		
Cash and bank deposits	6,470	10,582
	<hr/>	<hr/>



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

### 1. Basis of preparation

The unaudited condensed interim financial statements have been prepared 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 interim financial statements also comply with the applicable disclosure provisions 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 2009. The accounts 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	
	2009 HK\$'000	2008 HK\$'000	2009 HK\$'000	2008 HK\$'000
An analysis of the Group's turnover is as follows:				
Sale of goods, net of discounts and value-added tax	5,099	2,422	8,965	6,271
An analysis of the Group's other revenue and net income is as follows:				
Interest income	2	5	4	7
Other service income	1,187	321	1,989	1,023
Provision for impairment losses on inventories reversed	872	-	1,162	-
Provision for impairment losses on trade and other receivables reversed	1,429	-	1,429	63
Sundry income	-	2	131	117
	3,490	328	4,715	1,210
Total revenue	8,589	2,750	13,680	7,481

### 3. Operating segments

The Group determines its operating segments based on the reports reviewed by the chief operating decision-makers that are used to make strategic decisions.

For the six months ended 30 September 2009, the Group has 2 reportable segments – (1) assembly, distribution and integration of telecommunication products and (2) exploration, mining and processing of iron. These segments are managed separately as they belong to different industries and require different operating systems and strategies. There are no sales or other transactions between these reportable segments. An analysis of the Group's segment information for the six months ended 30 September 2009 is presented below:

	(Unaudited)		
	Assembly, distribution and integration of telecommunication products HK\$'000	Exploration, mining and processing of iron HK\$'000	Total HK\$'000
Turnover:			
Revenues from external customers	8,965	–	8,965
Interest income	4	–	4
Other revenues	4,581	130	4,711
	<u>13,550</u>	<u>130</u>	<u>13,680</u>
Total income			
Depreciation and amortisation	5	158	163
	<u>3,066</u>	<u>(832)</u>	<u>2,234</u>
Reportable segment profit/(loss) before tax			
Unallocated corporate expenses			(6,053)
Share of results of associate			844
Loss before tax			<u>(2,975)</u>

For the six months ended 30 September 2008, the Group had 1 reportable segment – assembly, distribution and integration of telecommunication products. An analysis of the Group's segment information for the six months ended 30 September 2008 is presented below:

	(Unaudited)	
	Assembly, distribution and integration of telecommunication products <i>HK\$'000</i>	Total <i>HK\$'000</i>
Turnover:		
Revenues from external customers	6,271	6,271
Interest income	7	7
Other revenues	1,203	1,203
Total income	<u>7,481</u>	<u>7,481</u>
Depreciation and amortisation	<u>8</u>	<u>8</u>
Reportable segment profit before tax	<u>127</u>	127
Unallocated corporate income		2
Unallocated corporate expenses		(4,157)
Share of results of associate		715
Loss before tax		<u>(3,313)</u>

#### 4. Finance costs

	(Unaudited) Three months ended 30 September		(Unaudited) Six months ended 30 September	
	2009 <i>HK\$'000</i>	2008 <i>HK\$'000</i>	2009 <i>HK\$'000</i>	2008 <i>HK\$'000</i>
Bank charges	–	2	–	4
Interest on secured short-term borrowings	3	–	8	–
Other interest paid	–	3	–	3
	<u>3</u>	<u>5</u>	<u>8</u>	<u>7</u>

5. **Loss before tax**

	<b>(Unaudited)</b> <b>Three months ended</b> <b>30 September</b>		<b>(Unaudited)</b> <b>Six months ended</b> <b>30 September</b>	
	<b>2009</b> <b>HK\$'000</b>	2008 <i>HK\$'000</i>	<b>2009</b> <b>HK\$'000</b>	2008 <i>HK\$'000</i>
Loss before tax is arrived at after charging:				
Staff costs (including directors' remuneration)	<b>1,812</b>	1,465	<b>3,552</b>	2,790
Operating lease charges in respect of land and buildings	<b>105</b>	179	<b>353</b>	327
Depreciation and amortisation	<b>81</b>	1	<b>163</b>	3
Impairment loss on inventories	-	1,353	-	1,591
Impairment loss on trade and other receivables	-	1	-	1
Merger difference written off	-	-	-	250
	<b>_____</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>

6. **Income tax**

	<b>(Unaudited)</b> <b>Three months ended</b> <b>30 September</b>		<b>(Unaudited)</b> <b>Six months ended</b> <b>30 September</b>	
	<b>2009</b> <b>HK\$'000</b>	2008 <i>HK\$'000</i>	<b>2009</b> <b>HK\$'000</b>	2008 <i>HK\$'000</i>
Hong Kong profits tax	-	-	-	-
Income tax of other jurisdictions	-	-	<b>96</b>	22
	<b>_____</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>
	<b>_____</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>

- (i) No Hong Kong profits tax has been provided for as the companies operating in Hong Kong did not have any assessable profits arising in Hong Kong for the three months and six months ended 30 September 2009 (three months and six months ended 30 September 2008: nil).
- (ii) Income tax of other jurisdictions has been calculated on the estimated assessable profits for the period at the rate(s) of taxation prevailing in the relevant jurisdictions in which the Group operates.

## 7. Earnings/loss per share

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

	(Unaudited) Three months ended 30 September		(Unaudited) Six months ended 30 September	
	2009 HK\$'000	2008 HK\$'000	2009 HK\$'000	2008 HK\$'000
Earnings:				
Earnings for the purposes of basic and diluted earnings/loss per share – loss for the period attributable to owners of the Company	<b>(1,442)</b>	(3,023)	<b>(3,406)</b>	(4,209)
Numbers of shares:	'000	'000	'000	'000
Issued ordinary shares at beginning of the period	<b>406,314</b>	338,596	<b>406,314</b>	338,596
Effect of ordinary shares issued	<b>47,826</b>	58,149	<b>24,043</b>	29,233
Weighted average number of ordinary shares for the purpose of basic earnings/loss per share	<b>454,140</b>	396,745	<b>430,357</b>	367,829
Effect of dilutive share options	–	600	–	160
Weighted average number of ordinary shares for the purposes of diluted earnings/loss per share	<b>454,140</b>	397,345	<b>430,357</b>	367,989

Diluted loss per share has not been disclosed for the three months and six months ended 30 September 2009 as there were no potential ordinary shares on the share options outstanding of which the exercise price is above the average market price of the Company's shares during the periods. Diluted loss per share has not been disclosed for the three months and six months ended 30 September 2008 because the effect of potential ordinary shares arising from the exercise of the Company's share options is regarded as anti-dilutive while it would decrease the loss per share of the Group for the periods.

## 8. Interim dividend

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2009 (six months ended 30 September 2008: nil).

**9. Property, plant and equipment**

*HKS'000*

Cost:	
At 1 April 2009 (audited)	3,197
Additions	778
Disposals	(1)
Exchange adjustments	3
	<hr/>
At 30 September 2009 (unaudited)	3,977
	<hr/>
Accumulated depreciation and impairment:	
At 1 April 2009 (audited)	1,144
Provided for the period	106
Eliminated on disposals	(1)
Exchange adjustments	2
	<hr/>
At 30 September 2009 (unaudited)	1,251
	<hr/>
Carrying amounts:	
At 30 September 2009 (unaudited)	2,726
	<hr/>
At 31 March 2009 (audited)	2,053
	<hr/>

**10. Goodwill**

*HKS'000*

Cost:	
At 1 April 2009 (audited)	10,305
Exchange adjustments	11
	<hr/>
At 30 September 2009 (unaudited)	10,316
	<hr/>
Accumulated impairment losses:	
At 1 April 2009 (audited) and 30 September 2009 (unaudited)	-
	<hr/>
Carrying amounts:	
At 30 September 2009 (unaudited)	10,316
	<hr/>
At 31 March 2009 (audited)	10,305
	<hr/>

11. Other intangible assets

	<b>Mining rights</b> HK\$'000
Cost:	
At 1 April 2009 (audited)	1,148
Exchange adjustments	2
	<hr/>
At 30 September 2009 (unaudited)	1,150
	<hr/>
Accumulated amortisation and impairment:	
At 1 April 2009 (audited)	172
Provided for the period	57
Exchange adjustments	1
	<hr/>
At 30 September 2009 (unaudited)	230
	<hr/>
Carrying amounts:	
At 30 September 2009 (unaudited)	920
	<hr/>
At 31 March 2009 (audited)	976
	<hr/>

12. Trade and other receivables

	<b>(Unaudited)</b> <b>30 September</b> <b>2009</b> <b>HK\$'000</b>	(Audited) 31 March 2009 HK\$'000
Trade receivables	5,152	2,800
Other receivables, prepayments and deposits	3,633	5,477
	<hr/>	<hr/>
	<b>8,785</b>	<b>8,277</b>
	<hr/>	<hr/>
An aged analysis of trade receivables is as follows:		
Within 3 months	4,511	276
Over 3 months but within 1 year	641	2,524
	<hr/>	<hr/>
	<b>5,152</b>	<b>2,800</b>
	<hr/>	<hr/>

Provision is made against trade receivables to the extent they are considered to be doubtful. Trade receivables are stated net of such provision.

13. Borrowings

Borrowings represented the balance of purchase price of a machine payable which was subject to interest charge calculated at the rate of 0.8% per month on the outstanding principal at 30 September 2009: nil (31 March 2009: \$235,000)

#### 14. Trade and other payables

	(Unaudited) 30 September 2009 HK\$'000	(Audited) 31 March 2009 HK\$'000
Trade payables	9,174	9,928
Other payables and accrued charges	9,284	14,885
	<b>18,458</b>	<b>24,813</b>
An aged analysis of trade payables is as follows:		
Within 3 months	928	1,482
Over 3 months but within 1 year	7,955	8,156
Over 1 year	291	290
	<b>9,174</b>	<b>9,928</b>

#### 15. Share capital

	(Unaudited) 30 September 2009 HK\$'000	(Audited) 31 March 2009 HK\$'000
Authorised: 800,000,000 ordinary shares of HK\$0.1 each	<b>80,000</b>	80,000
Issued and fully paid: 486,314,000 (31 March 2009: 406,314,000) ordinary shares of HK\$0.1 each	<b>48,631</b>	40,631

On 7 August 2009, 80,000,000 new ordinary shares were issued, in accordance with the terms of a subscription agreement dated 27 July 2009, to the vendor from whom 80,000,000 placing shares were placed to the places on 30 July 2009, pursuant to a placing agreement entered into by the Company with a placing agent on 27 July 2009 at a placing price of HK\$0.265 per placing share, for the purpose of providing general working capital for the Company.

#### 16. 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 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 ("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 merger difference of the Group represents the difference between the nominal value of the share capital of a subsidiary acquired pursuant to the Group's reorganisation which took place during the year ended 31 March 2000 over the nominal value of the share capital of the Company issued in exchange thereof.

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



17. Commitments

(a) Operating lease commitments

At the end of the reporting period, the total future minimum lease payments under non-cancellable operating leases is analysed as follows:

	<b>(Unaudited)</b> <b>30 September</b> <b>2009</b> <i>HK\$'000</i>	(Audited) 31 March 2009 <i>HK\$'000</i>
Properties		
– within one year	491	814
– after one year but within five years	23	43
	<u>514</u>	<u>857</u>

(b) Capital commitments

The Group did not have any material capital commitments as at 30 September 2009 (31 March 2009: Nil).

## MANAGEMENT DISCUSSION AND ANALYSIS

### Results of Operations

The Group's turnover for the six months ended 30 September 2009 was approximately HK\$8,965,000 compared with a turnover of approximately HK\$6,271,000 for the same period of last year.

The gross margin was 8% for the current period as compared to a gross profit margin of 38% for the corresponding period in 2008 due to cut throat competition.

Other revenue and net income is disclosed in Note 2 to the financial statements.

During the period, the Group continued to control the selling and distribution costs and the administrative and other operating expenses tightly.

Finance costs only increased slightly as compared to the same period of last year.

The Group posted a loss attributable to owners of the Company of approximately HK\$3,406,000 for the six months ended 30 September 2009, which was 19% lower than the loss attributable to owners of the Company incurred for the same period of last year.

### Segment Information

Business from telecommunications products accounts for 100% of the turnover of the Group for the six months ended 30 September 2009.

### Telecommunications Products

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

### Mining Products

The Group put full effort to develop the iron mines and expects first extraction before 31 March 2010 due to technical delay.

### Liquidity, Financial Resources and Capital Structure

As at 30 September 2009, our cash balance of approximately HK\$6,470,000 has increased by approximately 114% when comparing with the cash balance of approximately HK\$3,030,000 as of 31 March 2009.

As at 30 September 2009, the Group had net current assets of approximately HK\$3,990,000 and the Directors have taken active measures to improve the liquidity and financial position of the Group. On 27 July 2009 the Company entered into a Placing Agreement and a Subscription Agreement with the Placing Agent, Sun Hung Kai Financial, on a best effort basis to place up to 80,000,000 Placing Shares at a price of HK\$0.265 per Placing Share to the Placees, who together with their ultimate beneficial owner(s) will be Independent Third Parties. The completion of the Placing took place on 30 July 2009 and the completion of the Subscription took place on 7 August 2009. The net proceeds from this placement amounts to HK\$20.1 million. Therefore, the directors are of the view that the Group will have sufficient working capital for the foreseeable future.

Most of the trading transactions, assets and liabilities of the Group were denominated in Hong Kong dollars and Renminbi. The Group adopted a conservative treasury policy with almost all bank deposits being kept in Hong Kong dollars, or in the local currencies of the operating subsidiaries to minimize exposure to foreign exchange risks. As at 30 September 2009, the Group had no foreign exchange contracts, interest or currency swaps or other financial derivatives for hedging purposes.

Change in the capital structure and issued capital of the Group has been disclosed under Note 15 to the financial statements.

## SHARE OPTION SCHEME

The Company has a share option scheme (the "2002 Share Option Scheme") under which the directors, employees, customers or any individual business or entity providing goods or services may take up options to subscribe for shares in the Company subject to the terms and conditions stipulated in the Scheme. The maximum number of shares which can be granted under the 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 2002 Share Option Scheme during the period under review.

The following table discloses details of options outstanding under the 2002 Share Option Scheme as at 30 September 2009; there is no movement during the period under review.

<b>Grantee</b>	<b>Date of grant</b>	<b>Exercise price</b> <i>HK\$</i>	<b>Exercise period</b>	<b>Outstanding as at 30 September 2009</b> <i>'000</i>
<b>Directors</b>				
Ms. NG Mui King, Joky	29/2/2008	0.319	29/2/2008 to 2/8/2012	338
Mr. WONG Kai Tat	29/2/2008	0.319	29/2/2008 to 2/8/2012	3,380
Ms. HUI Sin Man, Alice	29/2/2008	0.319	29/2/2008 to 2/8/2012	338
Sub-total				4,056
<b>Employees</b>	29/2/2008	0.319	29/2/2008 to 2/8/2012	3,380
Total				7,436

## CORPORATE GOVERNANCE

### Code on Corporate Governance Practices

The Company has complied with the code provisions of the Code on Corporate Governance Practices (the "CG Code") set out in Appendix 15 of the GEM Listing Rules throughout the six months ended 30 September 2009.

## REMUNERATION COMMITTEE

A remuneration committee was established on 11 November 2005 with written terms of reference in accordance with the code provision B.1.1 of the CG Code. The remuneration committee comprises one executive director, namely Ms. Ng Mui King, Joky (Mr. Wong Kai Tat as her alternate), and two independent non-executive directors, namely Mr. Chung Kam Fai, Raymond and Ms. Hui Sin Man, Alice (chairman of the remuneration committee).

The principal responsibilities of the remuneration committee include formulation of the remuneration policy, review and recommending to the Board the annual remuneration policy, and determination of the remuneration of the Executive Directors and members of the Senior Management.

## AUDIT COMMITTEE

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

The primary duties of the audit committee are to review and supervise the financial report process and internal control system of the Group and to review the Company's annual reports and financial statements, interim and quarterly reports and connected transactions. The audit committee has reviewed the draft of this report and has provided advice and comments thereon.

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 September 2009, the interests of the Directors and Chief Executive and short positions 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 SFO) which were 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 they were taken or deemed to have under such provisions of the SFO) and 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 Rule 5.46 of the GEM Listing Rules were as follows:

### (1) Long position in shares of the Company

Director	Number of ordinary shares of HK\$0.1 each				Total number of shares	Approximate percentage holding of shares %
	Personal interest	Family interest	Corporate interest	Other interest		
Ms. Ng Mui King, Joky (Note 1)	-	-	168,960,000	-	168,960,000	34.74

Note:

1. These shares were held by Gold City Assets Holdings Ltd. which was owned as to 51% by Ms. NG Mui King, Joky and as to 49% by Fine Day Asset Holdings Inc.

(2) Long position in shares of associated corporation

Director	Associated corporation	Nature of interests	Total number of shares	Approximate percentage holding of shares %
Ms. Ng Mui King, Joky	Gold City Assets Holdings Ltd.	Personal	51	51

(3) Long position in the underlying shares of the Company

Director	Personal interest	Family interest	Corporate interest	Other interest	Description of securities	Total number of underlying shares	Approximate percentage of interests %
Ms. Ng Mui King, Joky	338,000	-	-	-	Share options	338,000	0.07
Mr. Wong Kai Tat	3,380,000	-	-	-	Share options	3,380,000	0.70
Ms. Hui Sin Man, Alice	338,000	-	-	-	Share options	338,000	0.07

Save as disclosed above, none of the Directors and the Chief Executive of the Company has interests and short positions in the shares, the underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were 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 they were taken or deemed to have under such provisions of the SFO) and 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 Rule 5.46 of the GEM Listing Rules.

## DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed above, at no time during the period under review was any of the Company, its subsidiaries or holding company 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 DISCLOSABLE UNDER THE SFO AND SUBSTANTIAL SHAREHOLDERS

As at 30 September 2009, the interest of the shareholders in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO and required to be entered in the register maintained by the Company pursuant to section 336 of the SFO were as follows:

(1) Long position in shares of the Company

Name of shareholder	Capacity	Total number of shares of HK\$0.1 each	Approximate percentage holding of shares %
Gold City Assets Holdings Ltd. (Note 1)	Beneficial owner	168,960,000	34.74
Fine Day Asset Holdings Inc. (Note 1)	Interest of a controlled corporation	168,960,000	34.74
Ms. Ng Mui King, Joky (Note 1)	Interest of a controlled corporation	168,960,000	34.74
Mr. Tong Wang Chow	Beneficial owner	36,952,000	7.60

Note:

1. The 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.

(2) **Long position in the underlying shares of the Company**

<b>Name of shareholder</b>	<b>Type of interests</b>	<b>Description of securities</b>	<b>Number of underlying shares</b>	<b>Approximate percentage of interests</b> %
Ms. Ng Mui King, Joky	Beneficial	Share options	338,000	0.07

Save as disclosed above, the Directors are not aware of any other person who had an interest or short position in the shares or underlying shares of the Company as at 30 September 2009 which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO, or, who was expected, directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

### **COMPETING INTEREST**

None of the directors or the management shareholders of the Company (as defined in the GEM Listing Rules) has, at any material time, an interest in a business that competed with or might compete with the business of the Group.

### **PURCHASE, SALE OR REDEMPTION OF SHARES**

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

### **CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the code for securities transactions by Directors set out in Rules 5.48 to 5.67 of the GEM Listing Rules as its own code of conduct regarding securities transactions by Directors. The Company confirmed that, having made specific enquiry from all Directors, the Directors have complied with the required standard of dealings and its code of conduct regarding securities transactions by Directors for the six months ended 30 September 2009.

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

Hong Kong, 13 November 2009

*As at the date of this report, the Board comprises of (i) three Executive Directors, namely Ms. Ng Mui King, Joky, Mr. Wong Kai Tat and Mr. He Zhi Ming; (ii) one Non-Executive Director, namely Mr. Pong Shing Ngai; and (iii) three Independent Non-Executive Directors, namely Mr. Chung Koon Yan, Mr. Chung Kam Fai, Raymond and Ms. Hui Sin Man, Alice.*