

GREAT WORLD

Company Holdings Ltd

世大控股有限公司

(incorporated in the Cayman Islands with limited liability)

Stock Code: 8003



FIRST QUARTERLY REPORT 2011

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

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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 GEM for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this report misleading.

HIGHLIGHTS

- Turnover was approximately HK\$1,620,000 for the three months ended 30 June 2011, compared with a turnover of approximately HK\$3,646,000 for the corresponding period of last year.
- Loss attributable to owners of the Company for the three months ended 30 June 2011 was approximately HK\$3,948,000, versus a loss attributable to owners of the Company of approximately HK\$1,728,000 for the corresponding period of last year.
- The Board does not recommend the payment of quarterly dividend for the three months ended 30 June 2011 (three months ended 30 June 2010: Nil).

RESULTS

The board of directors (the “Board”) of Great World Company Holdings Ltd (the “Company”) presents the financial information of the Company and its subsidiaries (the “Group”), comprising the consolidated income statement and consolidated statement of comprehensive income of the Group for the three months ended 30 June 2011, all of which are unaudited and in condensed format, (collectively referred to as the “Unaudited Condensed Financial Statements”) along with selected explanatory notes and comparative information as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

		(Unaudited) Three months ended 30 June	
		2011 HK\$'000	2010 HK\$'000
	Notes		
Turnover	2	1,620	3,646
Cost of sales		<u>(1,786)</u>	<u>(3,455)</u>
Gross (loss)/profit		(166)	191
Other revenue and net income	2	888	16
Selling and distribution costs		(584)	(566)
Administrative and other operating expenses		<u>(4,413)</u>	<u>(2,492)</u>
Operating loss		(4,275)	(2,851)
Share of profits of associate		<u>290</u>	<u>552</u>
Loss before tax	4	(3,985)	(2,299)
Income tax	5	236	297
Loss for the period		<u>(3,749)</u>	<u>(2,002)</u>
Loss attributable to:			
Owners of the Company		(3,948)	(1,728)
Non-controlling interests		<u>199</u>	<u>(274)</u>
		(3,749)	(2,002)
Loss per share			(Restated)
— Basic and diluted	6	<u>HK0.41 cents</u>	<u>HK0.27 cents</u>

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Unaudited)
Three months ended
30 June

	2011 HK\$'000	2010 HK\$'000
Loss for the period	(3,749)	(2,002)
Other comprehensive income:		
Exchange differences arising on translation of foreign operations	340	353
Total comprehensive income for the period	(3,409)	(1,649)
Total comprehensive income attributable to:		
Owners of the Company	(3,574)	(1,397)
Non-controlling interests	165	(252)
	(3,409)	(1,649)

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

1. Basis of preparation

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

The accounting policies and methods of computation adopted are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2011.

In the current period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 April 2011. HKFRSs comprise Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies and results reported for the current or prior accounting periods.

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

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

2. Revenue

	(Unaudited) Three months ended 30 June	
	2011 HK\$'000	2010 HK\$'000
Turnover:		
Sales of goods, net of discounts and value-added tax	1,620	3,646
Other revenue and net income:		
Bank interest income	3	3
Other service income	—	13
Reversal of impairment loss on trade and other receivables	885	—
	888	16
Total revenue	2,508	3,662

3. Segment information

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

The Group has 2 reportable segments — (1) assembly, distribution and integration of telecommunications products and (2) exploration, mining and processing of iron. These segments are managed separately as they belong to different industries and require different operating systems and strategies. There were no sales or other transactions between those reportable segments. Information regarding the Group's reportable segments is presented below.

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

Three months ended 30 June 2011

	(Unaudited)		
	Assembly, distribution and integration of telecom- munications products HK\$'000	Exploration, mining and processing of iron HK\$'000	Total HK\$'000
Revenue from external customers	—	1,620	1,620
Interest income	3	—	3
Depreciation and amortisation	—	(43)	(43)
Total (loss)/profit of reportable segment other than associate	798	(946)	(148)
Share of profits of associate	290	—	290
Tax income	—	236	236

Three months ended 30 June 2010

	(Unaudited)		
	Assembly, distribution and integration of telecom- munications products HK\$'000	Exploration, mining and processing of iron HK\$'000	Total HK\$'000
Revenue from external customers	3,646	—	3,646
Interest income	3	—	3
Depreciation and amortisation	(3)	(78)	(81)
Total loss of reportable segment other than associate	(1,003)	(184)	(1,187)
Share of profits of associate	552	—	552
Tax income	251	46	297

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

	(Unaudited) Three months ended 30 June	
	2011 HK\$'000	2010 HK\$'000
Revenue		
Total revenue for reportable segments	<u>1,620</u>	<u>3,646</u>
Consolidated turnover	<u>1,620</u>	<u>3,646</u>
Profit or loss		
Total loss for reportable segments other than associate	(148)	(1,187)
Share of profits of associate	290	552
Unallocated corporate expenses	<u>(4,127)</u>	<u>(1,664)</u>
Consolidated loss before tax	<u>(3,985)</u>	<u>(2,299)</u>

(c) *Geographical information*

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

	(Unaudited) Revenues from external customers Three months ended 30 June	
	2011 HK\$'000	2010 HK\$'000
PRC	<u>1,620</u>	<u>3,646</u>

4. Loss before tax

	(Unaudited) Three months ended 30 June	
	2011 HK\$'000	2010 HK\$'000
Loss before tax has been arrived at after charging:		
Staff costs (including directors' remuneration)	2,329	1,765
Operating lease charges in respect of land and buildings	228	188
Depreciation and amortisation	<u>53</u>	<u>90</u>

5. **Income tax**

	(Unaudited) Three months ended 30 June	
	2011 HK\$'000	2010 HK\$'000
Current tax:		
Hong Kong Profits Tax	—	—
PRC Enterprise Income Tax	—	—
Deferred tax	236	297
Tax income for the period	236	297

- (i) Hong Kong Profits Tax and PRC Enterprise Income Tax has not been provided for as the Company and its subsidiaries subject to Hong Kong Profits Tax and PRC Enterprise Income Tax incurred a loss for tax purposes for both three months period ended 30 June 2011 and 2010.
- (ii) Deferred tax represents the benefit arising from the recognition of deferred tax assets on unused tax losses of the Group's PRC operations. The deferred tax for the three months ended 30 June 2011 was approximately HK\$236,000 (three months ended 30 June 2010: HK\$297,000).

6. **Loss per share**

The basic loss per share for the three months ended 30 June 2011 is calculated based on the unaudited consolidated loss attributable to owners of the Company of approximately HK\$3,948,000 (three months ended 30 June 2010: HK\$1,728,000) and the weighted average number of approximately 972,628,000 (2010: 648,418,666) ordinary shares in issue during the periods.

For the purpose of calculating basic loss per share, the number of shares for the three months ended 30 June 2010 has been adjusted and restated to reflect the effect of the rights issue during last financial year.

There were no potential diluting events for both three months period ended 30 June 2011 and 2010 as the impact of exercise of share options was anti-dilutive.

7. Reserves and non-controlling interests

	Attributable to owners of the Company							Non-controlling interests	Total
	Share premium	Share options reserve	PRC statutory reserves	Translation reserve	Other reserve	Accumulated losses	Total		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2010 (audited)	122,081	706	3,808	3,546	—	(148,972)	(18,831)	2,065	(16,766)
Total comprehensive income for the period (unaudited)	—	—	—	331	—	(1,728)	(1,397)	(252)	(1,649)
At 30 June 2010 (unaudited)	122,081	706	3,808	3,877	—	(150,700)	(20,228)	1,813	(18,415)
At 1 April 2011 (audited)	119,735	706	3,808	5,087	314	(177,525)	(47,875)	(2,662)	(50,537)
Total comprehensive income for the period (unaudited)	—	—	—	374	—	(3,948)	(3,574)	165	(3,409)
At 30 June 2011 (unaudited)	119,735	706	3,808	5,461	314	(181,473)	(51,449)	(2,497)	(53,946)

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 (the "PRC") statutory reserves represent transfers made to the general reserve fund and the enterprise development fund set up by certain subsidiaries in the PRC, pursuant to the relevant regulations. According to the regulations, the general reserve fund may be used for making up losses, if any, and increasing capital while the enterprise development fund may be used for increasing capital.

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

8. Capital commitments

The Group did not have any material capital commitments outstanding but not provided for as at 30 June 2011 other than the acquisition of Linkful Wise Group Holdings Limited (2010: Nil).

9. Dividend

The Board does not recommend the payment of quarterly dividend for the three months ended 30 June 2011 (three months ended 30 June 2010: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Results of Operations

For the three months ended 30 June 2011, the Group recorded a turnover of approximately HK\$1,620,000, representing a decrease of approximately 55.6% as compared with a turnover of approximately HK\$3,646,000 for the corresponding period of last year. The decrease in turnover was mainly due to the expiration of the operating period of a subsidiary of the Company which carried out the telecommunications business of the Group. No turnover was derived from the telecommunications segment after the expiration of the operating period which results in a decrease in turnover for the three months ended 30 June 2011 as compared with the corresponding period in 2010. All the turnover was generated from the trading of iron ores which profit margin was relatively low. As such, the Group recorded a gross loss for this period as compared to the gross profit for the corresponding period of 2010. The Company expects to obtain a higher profit margin from the mining business segment after the commencement of commercial production of the iron mine.

The administrative and other operating expenses for the three months ended 30 June 2011 was increased, by approximately 77.1%, from approximately HK\$2,492,000 for the corresponding period of last year to approximately HK\$4,413,000. Such increase was mainly attributable to the cost of the acquisition of Linkful Wise Group Holdings Limited, which constituted a very substantial acquisition for the Company, as well as an increase in the staff cost.

Loss attributable to owners of the Company was approximately HK\$3,948,000 for the three months ended 30 June 2011, which was approximately 128% higher than the loss attributable to owners of the Company incurred for the corresponding period of last year. The increase in loss was mainly resulted from the decrease in turnover and increase in direct cost.

Business Review

Acquisition of a subsidiary

Golden Strategy Limited (“Golden Strategy”), a wholly-owned subsidiary of the Company, entered into an acquisition agreement on 25 February 2011 and a supplemental agreement on 2 March 2011 with Mr. Huang Shih Tsai (“Mr. Huang”), an independent third party, in relation to the acquisition of the entire issued share capital of Linkful Wise Group Holdings Limited (the “Acquisition”), whose principal asset represents interest in a property located in Leshan City, Sichuan Province, the PRC, at an aggregate consideration of HK\$150,800,000 (subject to adjustment).

The consideration is to be satisfied as to (i) HK\$31,000,000 by the issue and allotment of the 155,000,000 consideration shares by the Company at the issue price of HK\$0.20 per share to Mr. Huang (or its nominee(s)) upon completion of the Acquisition; (ii) HK\$33,840,000 by the issue of the convertible note by the Company at an initial conversion price of HK\$0.20 per conversion share to Mr. Huang (or its nominee(s)) upon completion of the Acquisition; (iii) HK\$10,000,000 in cash (HK\$2,000,000 of which has been paid as a refundable deposit within 2 business days after the signing of the acquisition agreement); and (iv) HK\$75,960,000 by the issue of the promissory note by Golden Strategy on the first anniversary of completion of the Acquisition to Mr. Huang.

Such acquisition constituted a very substantial acquisition for the Company under the GEM Listing Rules and is subject to reporting, announcement and shareholders' approval requirements under the GEM Listing Rules. A circular containing further details of the Acquisition and information required under the GEM Listing Rules has been despatched to the shareholders of the Company on 8 April 2011. The Acquisition has been approved by the shareholders of the Company at an extraordinary general meeting of the Company held on 27 April 2011.

As at the date of this report, save for the obtaining of the pre-sales permit, all of the conditions precedent for the completion of the Acquisition have been fulfilled. The Board has engaged a PRC legal adviser to apply for the pre-sales permit and currently expects the completion of the Acquisition will take place shortly within August 2011.

Telecommunications Products Business

No turnover was derived from the telecommunications products business for the three months ended 30 June 2011.

The operating period of 北京康大奈特通信設備有限公司 (Beijing Kong Da Net Telecommunications Equipment Ltd*) ("Beijing Company"), an indirect subsidiary of the Company which is a sino-foreign equity joint venture company primarily engaged in the assembly, distribution and integration of telecommunications products, has expired and could not be extended.

The Board has decided it will proceed to wind up the Beijing Company in order to focus the Company's resources in other business segments with better prospect. The Board will also consider the possibility of disposing the Group's entire interest in the Beijing Company to other independent third parties (where possible).

The Beijing Company has recovered approximately RMB737,000 (equivalent to approximately HK\$885,000) from two major customers, the amount of which has been written off in last annual financial statement.

* For identification purpose only

Mining Business

For the three months ended 30 June 2011, a turnover of approximately HK\$1,620,000 was generated from the trading of iron ores.

The construction of the processing factory of the iron ore is still work-in-progress and is close to completion. It is currently expected that the iron mine will commence commercial production by the end of August. The turnover from the mining sector is originated from the trading of iron ore collected nearby.

The Group will put full effort to develop the iron mines.

Liquidity, Financial Resources and Capital Structure

As at 30 June 2011, the Group's cash balance was approximately HK\$16,156,000 which has decreased by approximately 25.5% when comparing with the cash balance of approximately HK\$21,695,000 as at 31 March 2011.

As at 30 June 2011, the Group had net current liabilities of approximately HK\$13,057,000. The directors will take active measures to improve the liquidity and financial position of the Group.

Most of the trading transactions, assets and liabilities of the Group were denominated in Hong Kong dollars and Renminbi. The Group adopted a conservative treasury policy with almost all bank deposits being kept in Hong Kong dollars, or in the local currencies of the operating subsidiaries to minimise exposure to foreign exchange risks. As at 30 June 2011, the Group had no foreign exchange contracts, interest or currency swaps or other financial derivatives for hedging purposes.

For the three months ended 30 June 2011, there was no change in the capital structure and issued share capital of the Company.

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 2002 Share Option Scheme. The maximum number of shares which can be granted under the 2002 Share Option Scheme may not exceed 10% of the issued share capital of the Company at the time of granting of the option or at the date of approval by the shareholders in general meeting where the limit is refreshed.

No option was granted, exercised, cancelled or lapsed 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 June 2011. There is no movement during the period under review.

Grantee	Date of grant	Exercise price HK\$	Exercise period	Outstanding as at 30 June 2011
Directors				
Ms. Ng Mui King, Joky	29/2/2008	0.23925	29/2/2008 to 2/8/2012	450,667
Mr. Wong Kai Tat (<i>Note</i>)	29/2/2008	0.23925	29/2/2008 to 2/8/2012	4,506,667
Ms. Hui Sin Man, Alice	29/2/2008	0.23925	29/2/2008 to 2/8/2012	450,667
Sub-total				5,408,001
Employee	29/2/2008	0.23925	29/2/2008 to 2/8/2012	4,506,667
Total				9,914,668

Note: Mr. Wong Kai Tat has ceased to be the director of the Company since 1 July 2011. As such, he may exercise his outstanding option within three months after the date of the cessation, and such option to the extent not so exercised shall lapse and determine at the end of the said period of three months.

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 three months ended 30 June 2011.

REMUNERATION COMMITTEE

A remuneration committee was established on 11 November 2005 with written terms of reference in accordance with the code provision B.1.1 of the Code on Corporate Governance Practices. As at the date of this report, the remuneration committee comprises one executive director, namely Ms. Ng Mui King, Joky (Mr. Tong Wang Shun as her alternate) and two independent non-executive directors, namely Ms. Hui Sin Man, Alice (chairman of the remuneration committee) and Mr. Chan Ying Cheong.

The principal responsibilities of the remuneration committee include (i) making recommendations to the Board on the Company's policy and structure for all remuneration of directors and senior management of the Company and on the establishment of a formal and transparent procedure for developing policy on such remuneration; (ii) determining the specific remuneration packages of all executive directors and senior management; (iii) reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time; (iv) reviewing and approving the compensation payable to executive directors and senior management of the Company in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the Company; and (v) reviewing and approving compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate.

AUDIT COMMITTEE

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 Code on Corporate Governance Practices. As at the date of this report, the audit committee comprises three independent non-executive directors, namely Mr. Chung Koon Yan (chairman of the audit committee), Ms. Hui Sin Man, Alice and Mr. Chan Ying Cheong.

The primary duties of the audit committee include (i) making recommendation to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of resignation or dismissal of that auditor; (ii) reviewing and monitoring the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standard; (iii) discussing with the auditor the nature and scope of the audit and reporting obligations before the audit commences; (iv) developing and implementing policy on the engagement of an external auditor to supply non-audit services; and (v) monitoring integrity of financial statements of the Company and the Company's annual report and accounts, half-year report and quarterly reports, and reviewing significant financial reporting judgements contained in them. The audit committee has reviewed the draft of this report and has provided advice and comments thereon.

INTERESTS OF DIRECTORS

As at 30 June 2011, the interests and short positions of the directors and chief executive of the Company in the shares, the underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which the directors and chief executive of the Company were taken or deemed to have under such provisions of the SFO) 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 Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

Long position in shares and underlying shares of the Company

Name of directors	Number of ordinary shares of HK\$0.1 each and underlying shares					Total number of shares	Approximate percentage of the issued share capital of the Company
	Personal interest	Family interest	Corporate interest	Other interest			
Ms. Ng Mui King, Joky	450,667 (Note 1)	—	337,920,000 (Note 2)	—	338,370,667	34.79%	
Mr. Wong Kai Tat	11,506,667 (Note 3)	—	—	—	11,506,667	1.18%	
Ms. Hui Sin Man, Alice	450,667 (Note 4)	—	—	—	450,667	0.046%	

Notes:

- Ms. Ng Mui King, Joky holds 450,667 share options (which are unlisted and physically settled equity derivatives) at the exercise price of HK\$0.23925 per share.
- These shares are held by Gold City Assets Holdings Ltd. which is owned as to 51% by Ms. Ng Mui King, Joky and as to 49% by Fine Day Asset Holdings Inc.. Ms. Yang Cheng is 100% beneficial owner of Fine Day Asset Holdings Inc..
- The 11,506,667 shares include (i) 7,000,000 shares for the personal interest of Mr. Wong Kai Tat and (ii) 4,506,667 share options (which are unlisted and physically settled equity derivatives) at the exercise price of HK\$0.23925 per share.
- Ms. Hui Sin Man, Alice holds 450,667 share options (which are unlisted and physically settled equity derivatives) at the exercise price of HK\$0.23925 per share.

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 required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which the directors and chief executive of the Company were taken or deemed to have under such provisions of the SFO) 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 Rules 5.46 to 5.67 of the GEM Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed above, at no time during the 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 OF SUBSTANTIAL SHAREHOLDERS AND OTHER SHAREHOLDERS

As at 30 June 2011, save as disclosed below, so far is known to the directors and the chief executives of the Company, no persons (other than a director or a chief executive of the Company) has an interest or short position in the shares and underlying shares of the Company which will be fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and or were required to be notified to the Company and the Stock Exchange pursuant to section 3 and 4 of the SFO, or, who is directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstance at general meetings of any member of the Group.

Long position in shares of the Company

Name of shareholders	Capacity	Total number of shares of HK\$0.1 each	Approximate percentage of the issued share capital of the Company
Gold City Assets Holdings Ltd. (Note 1)	Beneficial owner	337,920,000	34.74%
Fine Day Asset Holdings Inc. (Note 1)	Interest of a controlled corporation	337,920,000	34.74%
Mr. Tong Wang Chow (Note 2)	Beneficial owner	77,904,000	8.01%
Mr. Huang Shih Tsai (Note 3)	Beneficial owner	324,200,000	33.33%

Notes:

1. Pursuant to the SFO, Fine Day Asset Holdings Inc. is deemed interested in this shareholding interest through Gold City Assets Holdings Ltd., which is a company owned as to 51% by Ms. Ng Mui King, Joky and 49% by Fine Day Asset Holdings Inc.. Ms. Ng Mui King, Joky is an executive director and also a director of Gold City Assets Holdings Ltd.. Ms. Yang Cheng is 100% beneficial owner of Fine Day Asset Holdings Inc..
2. Mr. Tong Wang Chow is the elder brother of Mr. Tong Wang Shun, an executive director of the Company.
3. Pursuant to the SFO, Mr. Huang Shih Tsai is interested in the 155,000,000 consideration shares and the 169,200,000 conversion shares which may be issued upon completion of the acquisition of 100% equity interest in a company wholly-owned by Mr. Huang Shih Tsai. Details have been disclosed in the Company's circular dated 8 April 2011.

COMPETING INTEREST

None of the directors of the Company or their respective associates (as defined in the GEM Listing Rules) had any interests in a business which competes or might compete, either directly or indirectly, with the business of the Group or, any other conflicts of interests with 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 required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding the directors' securities transaction. Having made specific enquiry of all directors of the Company, each of the directors has confirmed that he/she has complied with the required standard of dealings as set out at the adopted code of conduct regarding the directors' securities transaction throughout the three months ended 30 June 2011.

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

Hong Kong, 12 August 2011

As at the date of this report, the Board comprises of (i) three Executive Directors, namely Ms. Ng Mui King, Joky, Mr. Tong Wang Shun and Ms. Zeng Jieping; (ii) one Non-Executive Director, namely Mr. Pong Shing Ngai; and (iii) three Independent Non-Executive Directors, namely Ms. Hui Sin Man, Alice, Mr. Chung Koon Yan and Mr. Chan Ying Cheong.