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 2012

The Board of Directors of the Company announces the audited consolidated results of the Company and its subsidiaries (the "**Group**") for the year ended 31 March 2012 together with the comparative figures of year 2011 as follows:–

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2012

	Notes	**2012** **HK$'000**	2011 *HK$'000*
Revenue	*5*	**1,384**	1,855
Cost of sales		**(1,313)**	(1,754)
Gross profit		**71**	101
Other income	*6*	**1**	2
Administrative expenses		**(4,155)**	(4,043)
Other operating expenses, net		**(3)**	(21)
Finance costs	*7*	**(786)**	(1,616)
Impairment loss recognised in respect of mining rights	*11*	**–**	(265,473)
Loss before taxation		**(4,872)**	(271,050)
Taxation	*8*	**–**	66,368
Loss for the year	*9*	**(4,872)**	(204,682)
Other comprehensive (expense)/income			
Exchange difference arising on translation		**(122)**	196
Total comprehensive expenses for the year		**(4,994)**	(204,486)
Loss per share	*10*		
Basic		**(0.17 HK cents)**	(9.43 HK cents)
Diluted		**N/A**	N/A

* *For identification purposes only*

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2012

	Notes	2012 HK$'000	2011 HK$'000
Non-current assets			
Property, plant and equipment		**208**	314
Exploration and evaluation assets		**2,546**	2,837
Mining rights	*11*	**735,657**	735,657
		738,411	738,808
Current assets			
Trade receivables	*12*	**878**	1,323
Deposits, prepayments and other receivables		**858**	395
Bank balances and cash		**1,792**	6,331
		3,528	8,049
Current liabilities			
Trade and bills payables	*13*	**832**	1,262
Other payables and accruals		**3,240**	3,520
Promissory notes	*14*	**20,000**	–
		24,072	4,782
Net current (liabilities)/assets		**(20,544)**	3,267
Total assets less current liabilities		**717,867**	742,075
Non-current liabilities			
Promissory notes	*14*	**–**	19,214
Deferred tax liabilities		**163,913**	163,913
		163,913	183,127
Net assets		**553,954**	558,948
Capital and reserves			
Share capital		**32,336**	323,357
Reserves		**521,618**	235,591
Total equity		**553,954**	558,948

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2012

1. General

Bestway International Holdings Limited (the "**Company**") is a limited liability company incorporated in Bermuda. The Company's shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The address of the registered office of the Company is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and its principal place of business is located at Room 1102C, 11/F., Tower 1, Admiralty Centre, 18 Harcourt Road, Hong Kong.

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

The Company is engaged in investment holding and trading of cotton yarn.

2. Basis of preparation of consolidated financial statements

In preparing these consolidated financial statements, the directors of the Company have given careful consideration to the future liquidity of the Group in light of the fact that as of 31 March 2012, the Group's current liabilities exceeded its current assets by HK$20,544,000. The directors are of the opinion that, taking into consideration of the net proceeds of approximately HK$24,400,000 upon the completion of new shares placing on 16 April 2012 (details of which are set out in note 15), the Group has sufficient working capital for its present requirements for the next twelve months from the end of the reporting period. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

3. Application of new and revised Hong Kong Financial Reporting Standards ("HKFRSs")

In the current year, the Group has applied the following new and revised standards, amendments and interpretations ("**new and revised HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**").

HKFRSs (Amendments)	Improvements to HKFRSs 2010
HKAS 24 (Revised)	Related Party Disclosures
HK(IFRIC) – Int 14 (Amendment)	Prepayments of a Minimum Funding Requirement
HK(IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments

The application of the new and revised HKFRSs in the current year has had no material effect on the amounts reported in these consolidated financial statements and/or disclosures set out in these consolidated financial statements.

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

HKFRS 7 (Amendments)	Disclosures – Transfers of Financial Assets[1]
HKFRS 7 (Amendments)	Disclosures – Offsetting Financial Assets and Financial Liabilities[4]
HKFRS 7 and HKFRS 9 (Amendments)	Mandatory Effective Date of HKFRS 9 and Transition Disclosures[6]
HKFRS 9	Financial Instruments[6]
HKFRS 10	Consolidated Financial Statements[4]
HKFRS 11	Joint Arrangements[4]
HKFRS 12	Disclosures of Interests in Other Entities[4]
HKFRS 13	Fair Value Measurements[4]
HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income[3]
HKAS 12 (Amendments)	Deferred Tax – Recovery of Underlying Assets[2]
HKAS 32 (Amendments)	Presentation – Offsetting Financial Assets and Financial Liabilities[5]
HKAS 19 (as revised in 2011)	Employee Benefits[4]
HKAS 27 (as revised in 2011)	Separate Financial Statements[4]
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures[4]
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine[4]

[1] *Effective for annual periods beginning on or after 1 July 2011*
[2] *Effective for annual periods beginning on or after 1 January 2012*
[3] *Effective for annual periods beginning on or after 1 July 2012*
[4] *Effective for annual periods beginning on or after 1 January 2013*
[5] *Effective for annual periods beginning on or after 1 January 2014*
[6] *Effective for annual periods beginning on or after 1 January 2015*

The directors anticipate that the application of these new and revised HKFRSs will have no material impact on the results and the financial position of the Group.

4. Segment information

The Group determines its operating segment based on the internal reports reviewed by the chief operating decision maker (the "**CODM**") in order to allocate resources and to assess segment performance.

All of the Group's activities are engaged in the trading of cotton yarn business. On 31 December 2009, the Group completed its acquisitions of entire interest in mining companies established in the Mongolia and henceforth became engaged in the mining business. However, no active operation took place between the date of acquisition and the end of the reporting period. Therefore, the Group's CODM considers there to be only one operating segment under the requirements of HKFRS 8.

No geographical segment analysis is provided as over 90% of the Group's revenue and contribution to results are derived from the PRC/Mongolia (including Hong Kong) and substantial amount of the Group's assets and liabilities are located in the PRC/Mongolia.

For the year ended 31 March 2012, revenue from a customer of the Group amounting HK$1,384,305 had accounted for over 10% of the Group's total revenue.

For the year ended 31 March 2011, revenue from two customers of the Group amounting to HK$1,323,000 and HK$532,000 had individually accounted for over 10% of the Group's total revenue.

5. Revenue

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts. Revenue recognised during the year is as follows:

	2012	2011
	HK$'000	*HK$'000*
Sales of goods	**1,384**	1,855

6. Other income

	2012	2011
	HK$'000	*HK$'000*
Bank interest income	**1**	2

7. Finance costs

	2012	2011
	HK$'000	*HK$'000*
Interest on promissory notes *(note 14)*	**786**	1,616

8. Taxation

	2012	2011
	HK$'000	*HK$'000*
Deferred taxation		
– current year	**–**	(66,368)

No Hong Kong Profits Tax has been provided as the Group had no assessable profit for the year (2011: Nil).

9. Loss for the year

Loss for the year has been arrived at after charging/(crediting):

	2012	2011
	HK$'000	*HK$'000*
Auditor's remuneration	**580**	565
Cost of inventories sold	**1,313**	1,754
Depreciation	**76**	75
Rental paid under operating lease	**422**	63
Employee benefits expense (excluding directors' emoluments)		
Wages and salaries	**457**	463
Pension scheme contributions	**54**	79
Net exchange (gain)/loss*	**(6)**	12

* *Included in "Other operating expenses, net" on the face of the consolidated statement of comprehensive income.*

10. Loss per share

The calculation of the basic loss per share attributable to the owners of the Company is based on the following data:

	2012	2011
	HK$'000	*HK$'000*
Loss		
Loss for the year attributable to the owners of the Company for the purpose of basic loss per share	**(4,872)**	(204,682)

	2012	2011
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of basic loss per share	**2,922,283**	2,170,220

No diluted loss per share for the year ended 31 March 2012 and 2011 has been presented as there were no diluted potential shares.

11. Mining rights

	HK$'000
COST	
At 1 April 2010, 31 March 2011 and 31 March 2012	1,001,130
AMORTISATION	
At 1 April 2010	–
Impairment loss recognised	265,473
At 31 March 2011 and 31 March 2012	265,473
CARRYING VALUE	
At 31 March 2012	735,657
At 31 March 2011	735,657

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 21 to 26 years, expiring in July 2031, March 2033, December 2035 and July 2036, respectively. The mining operating 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 operation licenses at minimal charges, until all the proven and probable minerals have been mined.

The mining rights are amortised using the units of production method based on the proven and probable mineral reserves under the assumption that the Group can renew the mining rights indefinitely till all proven reserves have been mined.

During the year, the directors of the Company reassessed the recoverable amount of the mining rights with reference to the valuation performed by Messers. Peak Vision Appraisals Limited, an independent qualified professional valuer and determined that no impairment loss in respect of mining rights was identified for the year ended 31 March 2012. The recoverable amount of the mining rights was approximately HK$791,076,000 based on value-in-use calculations and key assumptions adopted including estimated mine reserve based on technical assessment reports and the expectation for market development.

12. Trade receivables

	2012	2011
	HK$'000	*HK$'000*
Trade receivables	**878**	1,323

The Group's trading terms with its customers generally ranging from 60 – 90 days. Overdue balances are reviewed regularly by senior management.

The aging analysis of the trade receivables (net of allowance for doubtful debts) at the end of the reporting period is as follows:

	2012	2011
	HK$'000	*HK$'000*
Within 30 days	**878**	–
31 to 60 days	**–**	1,323
	878	1,323

The Group's trade receivables balance are neither past due nor impaired as at the reporting date. The Group does not hold any collateral over these balances. Based on past experience, the directors of the Company believe that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

13. Trade and bills payables

The aging analysis of the trade and bills payables presented based on the invoice date at the end of the reporting period is as follows:

	2012	2011
	HK$'000	*HK$'000*
31 to 60 days	**832**	–
61 to 90 days	**–**	1,262
	832	1,262

14. Promissory notes

The movement of the promissory notes are set out as below:

	HK$'000
At 1 April 2010	18,607
Interest charge *(Note 7)*	1,616
Interest payment	(9)
Early repayment	(1,000)
At 31 March 2011	19,214
Interest charge *(Note 7)*	786
At 31 March 2012	20,000

The promissory notes carry a coupon interest rate of 1% per annum and will be matured on 31 December 2012. On 18 April 2012, the Group has fully settled the promissory notes with an amount of HK$20,000,000 pursuant to an early redemption proposal offered by the holder of promissory notes.

15. Event after the reporting period

On 16 April 2012, the Company successfully completed a placing of 500,000,000 new shares at a price of HK$0.05 per placing shares, with net proceeds of approximately HK$24,400,000. Details of the placing were disclosed in the Company's announcement on 26 March 2012 and 16 April 2012.

BUSINESS REVIEW

Capital reorganization

Pursuant to a special resolution passed by the shareholders of the Company at a special general meeting held on 8 December 2011, each authorised ordinary share and preference share of HK$0.1 were subdivided into 10 ordinary shares and 10 preference shares of HK$0.01 each, respectively. Furthermore, the issued share capital was reduced by canceling paid up capital to the extent of HK$0.09 on each ordinary share of HK$0.1. The credit arising from capital reduction was transferred to share premium account. The capital reorganisation gave greater flexibility to the Company to raise fund through the issue of new shares in the future since the Company is not permitted to issue new shares below par value under the laws of Bermuda and its Bye-laws.

Trading of goods

The Group recorded a revenue of HK$1,384,000 (2011: HK$1,855,000) which represented decrease in turnover of approximately 25% over the corresponding last year. Gross profit margin had decreased to 5.13% (2011: 5.44%). A decrease of revenue and gross profit margin were mainly due to the absence of PVC film trading income. The loss attributable to the owners of the Company was HK$4,872,000 (2011 : HK$204,682,000. The Group's basic loss per share for the year was HK$0.17 cents (2011 : HK$9.43 cents).

Mining Business

During the year ended 31 March 2012, there was no active operation of the Group's mining business. In order to obtain a more reliable estimation for the development of the Mongolian tungsten resources, the management has intended to engage a qualified mineral technical adviser to obtain a resource estimation based on international reporting standards, which is in line with the requirements under chapter 18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and to provide further assistance in the design of the exploration programs in respect of the tungsten mines. The management was given to understand that the additional exploration work for the purpose of the resource estimation will include re-drilling and re-sampling. Considering the addition work to be done as described above, the estimated time required to obtain a technical report on the tungsten mines and the relevant fundraising activities of the Company, the expected production schedule will not commence within the next 12 months. In this respect, the Group will continue to renew the mining licences and comply with the requirements of the Law on Mineral Resources of Mongolia.

In May 2012, the Company appointed a qualified technical adviser to advise on the estimated time frame for obtaining a resource estimation and to prepare a technical report on the tungsten mines based on international reporting standards. Details of the time frame of production of the tungsten mines will be provided as soon as it is available.

FUTURE PLAN AND PROSPECTS

On 16 April 2012, the Company successfully completed a placing of 500,000,000 new shares at a price of HK$0.05 per placing shares with net proceeds of approximately HK$24,400,000 to strengthen the working capital of the Group. Details of the placing were disclosed in the Company's announcement on 26 March 2012 and 16 April 2012 respectively.

Looking ahead, the directors of the Company expect that the operating environment in the trading of goods will be challenging as the sustainable recovery of the world's economy is still uncertain. In order to cope with future challenges and staying competitive, the Group will look for new customers in order to improve the profit margins for the businesses. Moreover, we will keep on monitoring the development of mining business and will endeavor to further explore the mining business in order to contribute a return in the future.

For the purpose of sustaining 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 2012 was approximately of HK$1,384,000 and the administrative expenses for the year ended 31 March 2012 were approximately of HK$4,155,000, which represented an increase of 2.77% compared to the administrative expenses incurred in last year.

The loss attributable to the owners of the Company for the year ended 31 March 2012 was HK$4,872,000, as compared to a loss HK$204,682,000 in the previous year. It was mainly due to the absence of the impairment recognition of mining rights of HK$265,473,000 in the last year.

CURRENT AND GEARING RATIOS

As at 31 March 2012, the Group's bank balances and cash amounted to HK$1,792,000 (as at 31 March 2011: HK$6,331,000). The Group's net assets value amounted to approximately of HK$553,954,000 (as at 31 March 2011: HK$558,948,000) with total assets approximately of HK$741,939,000 (as at 31 March 2011: HK$746,857,000). Net current liabilities were approximately of HK$20,544,000 (as at 31 March 2011: net current assets of HK$3,267,000). The current ratio was 0.15 times (as at 31 March 2011: 1.68 times) and gearing ratio was 0.25 (as at 31 March 2011: 0.25) represented on the basis of total liabilities over total assets.

CHARGES ON GROUP'S ASSETS

As at 31 March 2012, the Group pledged bank deposit of HK$869,000 (as at 31 March 2011: HK$1,262,000) to secure a short-term banking facilities of the Group.

CONTINGENT LIABILITIES

As at 31 March 2012, the Group did not have any significant contingent liabilities (as at 31 March 2011: 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 2012, the Group had approximately 15 full time managerial, administrative employees (2011: 18). 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 2012 (2011: Nil).

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

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

AUDIT COMMITTEE

The Company has an Audit Committee which was established in compliance with the Code on Corporate Governance Practices contained in Appendix 14 (the "**CG Codes**") of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (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 2012 has been reviewed by the Audit Committee. The Audit Committee comprises three independent non-executive Directors of the Company and meets at least twice annually to perform their duties.

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

During the year ended 31 March 2012, the Board has adopted and complied with the code provisions of the CG Codes in so far they are applicable except for the following deviations.

CG Codes provision A.1.1, it 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 Codes provision A.2.1, it stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Following the resignation of Mr. Tang Kuan Chien at the meeting of the board of directors of the Company held on 2 November 2009, he ceased to be chairman, chief executive officer, executive director and authorised representative of the Company with effect from 2 November 2009. The Company is still looking for suitable candidates to fill the vacancies of chairman and chief executive officer as soon as practicable and further announcement will be made by the Company upon fulfillment of those requirements under the Listing Rules.

CG Codes provision E.1.2, it stipulates that the chairman of the Board should attend the annual general meeting (the "AGM") of the Company. The chairman did not attend the 2011 AGM due to the chairman is vacated. An executive director had chaired the 2011 AGM and answered questions from the shareholders.

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 2012.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

The result announcement is published on the website of The Stock Exchange of Hong Kong Limited 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 2012 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
Chim Kim Lun Ricky
Executive Director

Hong Kong, 22 June 2012

At as the date of this announcement, the Board comprises:

Executive Directors:	Mr. Chim Kim Lun Ricky Mr. Law Fei Shing
Independent non-executive Directors:	Mr. Au Kwok Yee Benjamin Ms. Lau Siu Ngor Mr. Lum Pak Sum