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世大控股有限公司
GREAT WORLD COMPANY HOLDINGS LTD
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8003)

DISCLOSEABLE TRANSACTION
INTRA-GROUP TRANSFER OF
60% OF THE ENTIRE ISSUED SHARE CAPITAL OF
THE TARGET COMPANY

On 30 April 2019, Yenbo Gain and Sunshine Wonder entered into the Share Transfer Agreement, pursuant to which the parties agreed to enter into the Intra-Group Transfer at the consideration of HK\$36,500,000 payable by Sunshine Wonder to the bank account specified by Yenbo Gain within 6 months after completion.

It is expected that immediately after the completion of the Intra-Group Transfer, the effective interest of the Group in the Target Company will increase from 49.092% to 60%, representing a net acquisition of 10.908% of the Target Company by the Group. The financial result of the Target Company will continue to be consolidated into the financial statements of the Group.

As the highest of the applicable percentage ratios (as defined under Rule 19.04(9) of the GEM Listing Rules) in respect of the Intra-Group Transfer exceeds 5% but all of them are less than 25%, the entering into of the Share Transfer Agreement constitutes a discloseable transaction of the Company and is therefore subject to the notification and announcement requirements under Chapter 19 of the GEM Listing Rules.

THE INTRA-GROUP TRANSFER

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The principal terms of the Share Transfer Agreement are summarised as follows:

PRINCIPAL TERMS OF THE SHARE TRANSFER AGREEMENT

Date:

30 April 2019

Parties:

- (1) Yenbo Gain, a subsidiary indirectly owned by the Company as to 81.82%, as the vendor;
and
- (2) Sunshine Wonder, a subsidiary directly and wholly-owned by the Company, as the purchaser

Subject matter:

Pursuant to the terms and conditions of the Share Transfer Agreement, Yenbo Gain conditionally agreed to dispose and Sunshine Wonder conditionally agreed to acquire 60% of the entire issued share capital of the Target Company.

Consideration:

The consideration for the Intra-Group Transfer is HK\$36,500,000 and shall be paid by Sunshine Wonder to the bank account specified by Yenbo Gain within 6 months after completion. The consideration was arrived at based on normal commercial terms after arm's length negotiations between Yenbo Gain and Sunshine Wonder taking into account, among other things, the net asset value of approximately HK\$36,619,000, representing the Group's proportionate interest of 60% of the entire issued share capital of the Target Company, being calculated based on the unaudited consolidated management accounts of the Target Company as at 31 December 2018 and the reasons for and benefits of the Intra-Group Transfer as stated under the section headed "Reasons for and benefits of the Intra-Group Transfer" in this announcement.

Condition precedent:

Completion is subject to Yenbo Gain, Sunshine Wonder and the Target Company having obtained all necessary consents and approvals in relation to the Intra-Group Transfer (including but not limited to the approvals from their members, the Stock Exchange, SFC, relevant government departments or regulatory authorities (if required) in relation to the Intra-Group Transfer) on or before Long Stop Date.

Sunshine Wonder may at any time waive the condition precedent on the basis of any terms that Sunshine Wonder might further impose. The Share Transfer Agreement will lapse if the said condition precedent is not met on or before the Long Stop Date.

Completion:

Completion shall take place on the Completion Date or such other time as Yenbo Gain and Sunshine Wonder may agree. Upon completion, the Target Company will become a non-wholly owned subsidiary of Sunshine Wonder.

INFORMATION ABOUT THE GROUP, YENBO GAIN AND SUNSHINE WONDER

The Group is principally engaged in (i) property investment and development, operating and managing residential and commercial properties, (ii) research and growing of forestry products for clean energy sector, cultivation, promotion and application of agricultural technologies, and (iii) sales of information technology products.

Both Yenbo Gain and Sunshine Wonder are principally engaged in investment holding activities.

FINANCIAL INFORMATION ABOUT THE TARGET COMPANY

The Target Company is a company incorporated in the British Virgin Islands with limited liability with an issued share capital of 100 shares of US\$1 each. It is principally engaged in investment holding activities. Its operating subsidiary is principally engaged in cultivation, promotion and application of agricultural technologies and information consultation. The Target Company was acquired by the Group following the completion of the transaction on 19 May 2017. Details of such acquisition could be referred to in the announcements of the Company dated 25 November 2016 and 19 May 2017.

Set out below is a summary of the key financial data of the Target Company for the two years ended 31 March 2018 based on the unaudited consolidated management accounts of the Target Company:

	For the year ended 31 March 2018 (unaudited) HK\$'000	For the year ended 31 March 2017 (unaudited) HK\$'000
Net loss before taxation	10,051	102
Net loss after taxation	10,051	102

Based on the unaudited consolidated management accounts of the Target Company as at 31 December 2018, the net asset value of the Target Company is approximately HK\$61,032,000.

REASONS FOR AND BENEFITS OF THE INTRA-GROUP TRANSFER

As mentioned in “INFORMATION ABOUT THE GROUP, YENBO GAIN AND SUNSHINE WONDER”, the Group is principally engaged in the following segments of business activities: (i) property investment and development, operating and managing residential and commercial properties, (ii) research and growing of forestry products for clean energy sector, cultivation, promotion and application of agricultural technologies, and (iii) sales of information technology products.

By transferring the second aforesaid business segment from Yenbo Gain to Sunshine Wonder, the principal business activities of the Group would be restructured into different investment vehicles.

The Directors are of the view that restructuring the Group into a divisional corporate structure could bring greater flexibility and maneuverability in terms of deployment of capital, personnel and other resources, which allows the Board to have a better grasp of the status and opportunities of each principal business activities and ultimately improve the business efficiency of the Group.

The Directors are also of the view that the terms of the Share Transfer Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATION

As the highest of the applicable percentage ratios (as defined under Rule 19.04(9) of the GEM Listing Rules) in respect of the Intra-Group Transfer exceeds 5% but all of them are less than 25%, the entering into of the Share Transfer Agreement constitutes a discloseable transaction of the Company and is therefore subject to the notification and announcement requirements under Chapter 19 of the GEM Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

“Board”	the board of Directors;
“Business Day(s)”	a day (other than a Saturday, Sunday or public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours;
“Company”	Great World Company Holdings Ltd, a company incorporated in the Cayman Islands whose shares are listed and traded on the GEM of the Stock Exchange;

“Completion Date”	3 Business Days after fulfilling the conditions precedent stated at the Share Transfer Agreement (or at any such later date as Yenbo Gain and Sunshine Wonder may agree in writing);
“connected persons”	has the meaning ascribed to it under the GEM Listing Rules;
“Director(s)”	the director(s) of the Company;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM of the Stock Exchange, as updated, amended and modified from time to time;
“Group”	the Company and its subsidiaries;
“HK\$” or “HKD”	Hong Kong Dollars, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“Intra-Group Transfer”	the intra-group transfer between Yenbo Gain and Sunshine Wonder, where the former conditionally agreed to dispose and the latter conditionally agreed to acquire 60% of the entire issued share capital of the Target Company;
“Long Stop Date”	30 October 2019 (or at any such later date as Yenbo Gain and Sunshine Wonder may agree in writing);
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“SFC”	the Securities and Futures Commission;
“Share Transfer Agreement”	the share transfer agreement dated 30 April 2019 entered into between Yenbo Gain and Sunshine Wonder in relation to the Intra-Group Transfer;
“Shareholders”	the shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Sunshine Wonder”	Sunshine Wonder Limited, a company incorporated in the British Virgin Islands with limited liability and a direct wholly-owned subsidiary of the Company;

“Target Company”	Zhifeng Holdings Limited (志豐控股有限公司), a company incorporated in the British Virgin Islands with limited liability;
“Yenbo Gain”	Yenbo Gain Limited (盈寶利有限公司), a company incorporated in the British Virgin Islands with limited liability and a subsidiary indirectly owned by the Company as to 81.82%; and
“%”	percent

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

Hong Kong, 30 April 2019

As at the date of this announcement, the Board comprises of (i) two executive Directors, namely Mr. Zhang Yanqiang and Ms. Yang Wei, (ii) one Non-executive Director, namely Ms. Ng Mui King, Joky, and (iii) three Independent Non-executive Directors, namely Mr. Chung Koon Yan, Ms. Zhao Yongmei and Dr. Yang Fuyu.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the issuer. The directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement 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 herein or this document misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for at least seven days from the date of its posting and on the Company’s website at <http://www.gwchl.com>.