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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)

VOLUNTARY ANNOUNCEMENT
CAPITAL INCREASE AGREEMENT

This announcement is made by the Company on a voluntary basis. This announcement is intended to enable the Shareholders and potential investors to understand the latest business development update of the Group.

The Board is pleased to announce that, on 12 December 2018 (after trading hours), Wonderful Imagine has entered into the Capital Increase Agreement with Mr. Gu, Interactie Group and the Target Company, pursuant to which Wonderful Imagine has agreed to contribute RMB5,100,000 to the Target Company while Mr. Gu and Interactie Group have agreed to waive the rights of pre-emption. Following the registration of Wonderful Imagine as a shareholder of the Target Company in accordance with the Capital Increase Agreement, Wonderful Imagine, Mr. Gu and Interactie Group will hold 50.5%, 47.08% and 2.42% of the total registered capital of the Target Company respectively.

CAPITAL INCREASE AGREEMENT

Date:

12 December 2018

Parties:

1. Wonderful Imagine;
2. Mr. Gu;
3. Interactie Group; and
4. Target Company.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Mr. Gu, Interactie Group (including its ultimate beneficial owners) and the Target Company (including its ultimate beneficial owners) are third parties independent of the Group and connected persons of the Group.

Capital Increase

Pursuant to the Capital Increase Agreement, Wonderful Imagine has agreed to be registered as a shareholder of the Target Company and to contribute a total sum of RMB5,100,000 to the Target Company while Mr. Gu and Interactie Group have agreed to waive the rights of pre-emption. Following the registration of Wonderful Imagine as a shareholder of the Target Company in accordance with the Capital Increase Agreement, Wonderful Imagine, Mr. Gu and Interactie Group will hold 50.5%, 47.08% and 2.42% of the total registered capital of the Target Company respectively.

Contribution

The Contribution for the Capital Increase is RMB5,100,000, which shall be settled by Wonderful Imagine in the following manner pursuant to the Capital Increase Agreement:

1. First payment in the amount of RMB2,000,000 will be provided by Wonderful Imagine to the Target Company as a loan without any interests in accordance with the terms of the Capital Increase Agreement. The loan of RMB2,000,000 will be changed to registered capital of the Target Company upon the completion of business registration with the relevant PRC authorities and thereafter Wonderful Imagine will be registered as a shareholder of the Target Company.
2. Second payment in the amount of RMB3,100,000 will be provided by Wonderful Imagine to the Target Company in accordance with the terms of the Capital Increase Agreement.

The Contribution shall be used in and for the purpose of the ordinary and major business of the Target Company.

After completion of the registration of Wonderful Imagine as a shareholder of the Target Company in accordance with the Capital Increase Agreement, Wonderful Image will be interested in 50.5% of the total registered capital of the Target Company and the Target Company will become a subsidiary of the Company.

INFORMATION ABOUT THE TARGET COMPANY

The Target Company is a private company incorporated in the PRC with limited liabilities and it is principally engaged in the business of advertisement in the PRC.

As at the date of this announcement, Mr. Gu and Interactie Group are the shareholders of the Target Company and their equity interests in the Target Company are 95.1% and to 4.9% respectively.

REASONS FOR AND BENEFITS OF THE CAPITAL INCREASE

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.

The Group has been committed to seek new business opportunities and acquire high quality investment projects with good potential that can enhance the investment return.

It is expected that the Capital Increase in the Target Company will enable the Group to echo and enjoy the new business opportunities in the PRC and allow the Group to participate in investment of business sectors which would generate a favourable return to the Group. The Board believes that the Capital Increase shall enable the Group to grow further, expand and diversify its businesses.

The Directors consider that the terms and conditions of the Capital Increase Agreement are fair and reasonable and on normal commercial terms and the Capital Increase will be in the interests and commercial benefit of the Group and the shareholders as a whole.

GEM LISTING RULE IMPLICATIONS

As all the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the Capital Increase are less than 5%, the Capital Increase is not a notifiable transaction of the Group 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:

“associates”	has the meaning ascribed to it under the GEM Listing Rules
“Board”	the Board of Directors of the Company from time to time
“Capital Increase”	the increase of registered capital of the Target Company by the registration of Wonderful Imagine as a holder of the newly increased capital of RMB5,100,000 in the Target Company pursuant to the Capital Increase Agreement

“Capital Increase Agreement”	the capital increase agreement entered into by Wonderful Imagine, Target Company, Mr. Gu and Interactie Group on 12 December 2018
“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
“connected persons”	has the meaning ascribed to it under the GEM Listing Rules
“Contribution”	RMB5,100,000
“Director(s)”	the director(s) of the Company from time to time
“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
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Interactie Group”	Interactie Group Technology Company, Limited, a company established in the PRC
“Mr. Gu”	Gu Zhong Hai
“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
“RMB”	Renminbi, the official currency of the PRC
“Shareholders”	the shareholders of the Company from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	深圳智訊派信息科技有限公司, a company established in the PRC with limited liabilities
“Wonderful Imagine”	Wonderful Imagine Limited, a private company incorporated in Hong Kong with limited liabilities, which is an indirect wholly-owned subsidiary of the Company

“%”

percentage

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

Hong Kong, 12 December 2018

As at the date of this announcement, the Board comprises (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 Company. 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 announcement misleading.

This announcement will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the website of the Company at www.gwchl.com.