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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
ACQUISITION OF 60% EQUITY INTEREST
IN ZHIFENG HOLDINGS LIMITED**

THE ACQUISITION

Reference is made to the Company's announcement dated 31 October 2016 in relation to the Possible Acquisition. On 25 November 2016 (after the trading hours of the Stock Exchange), the Purchaser and the Vendor entered into the S&P Agreement for the acquisition by the Purchaser of 60% equity interest in Zhifeng Holdings Limited, for a cash consideration of RMB36 million. More detailed terms and conditions of the S&P Agreement are set out in this announcement.

LISTING RULES IMPLICATIONS

As the highest of the applicable Percentage Ratios in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules.

Completion of the Acquisition is conditional upon fulfilment of conditions precedent as set out in the S&P Agreement. The Shareholders and potential investors shall exercise caution when dealing in the shares of the Company.

The Board is pleased to announce that on 25 November 2016 (after the trading hours of the Stock Exchange), the Purchaser and the Vendor entered into the S&P Agreement in respect of the Acquisition, the principal terms and conditions of which are set out below.

THE ACQUISITION

The S&P Agreement

- Date : 25 November 2016
- Vendor : Mr. Tam Hau Kin (譚巧健先生)
- Purchaser : Yenbo Gain Limited, a company incorporated in the British Virgin Islands with limited liability, the 81.82% equity interest of which is indirectly owned by the Company
- Subject matter : The Sale Share, representing the 60% issued share capital of Zhifeng Holdings Limited
- Consideration and payment terms : RMB36 million in cash, the Consideration is payable by the Purchaser to the Vendor in the follow manner:
- (a) as to HK\$3 million (being RMB2,688,172) (i.e. approximately 7.47% of the Consideration) which has been paid by the Purchaser to Vendor according to the terms of the MOU, as earnest money of the Possible Acquisition, shall be fully applied as a partial refundable deposit upon signing of the S&P Agreement;
 - (b) as to HK\$7 million (being RMB6,272,401) (i.e. approximately 17.42% of the Consideration) shall be payable by the Purchaser to the Vendor within 3 business days, as the remaining balance of the refundable deposit upon signing of the S&P Agreement;
 - (c) the remaining balance of RMB27,039,427 (i.e. approximately 75.11% of the Consideration) shall be payable by the Purchaser to the Vendor within 12 months after the Completion Date.

The aggregate sum of the refundable deposits mentioned in (a) and (b) is HK\$10 million (the “**Deposit**”), the treatments of the Deposit are more particularly described in the paragraph headed “Conditions precedent to Completion” of this announcement below. The Company will fund the payment of the Consideration through internal cash resources.

Basis for determining the Consideration

The Consideration was determined by the Company and the Vendor following arm's length negotiation and with reference to a valuation report dated 25 November 2016 prepared by Graval Consulting Limited (“**Graval**”), a valuer independent to the Group, which has put a valuation of approximately RMB60.49 million. In determining the valuation, Graval has adopted the market approach as its valuation methodology.

Conditions precedent to Completion

Completion of the S&P Agreement is conditional upon, amongst others, (i) all necessary approvals and consents in relation to the Acquisition having been obtained by the Vendor; (ii) the Purchaser having completed its due diligence exercise on the Target Group and its businesses and is satisfied with the results; and (iii) the warranties given by the Vendor in the S&P Agreement remaining true and accurate and not misleading in any material respect.

The Purchaser may at its absolute discretion at any time waive in writing any of the conditions set out above (other than aforesaid condition (i) which may not be waived). If the conditions have not been satisfied on or before 24 May 2017, or such later date as the Vendor and the Purchaser may agree in writing (the “**Long Stop Date**”), the Vendor shall forthwith refund the Deposit to the Purchaser within 3 business days after the Long Stop Date and the S&P Agreement shall cease and determine and thereafter neither party shall have any obligations and liabilities towards each other thereunder save for any antecedent breaches of the terms thereof.

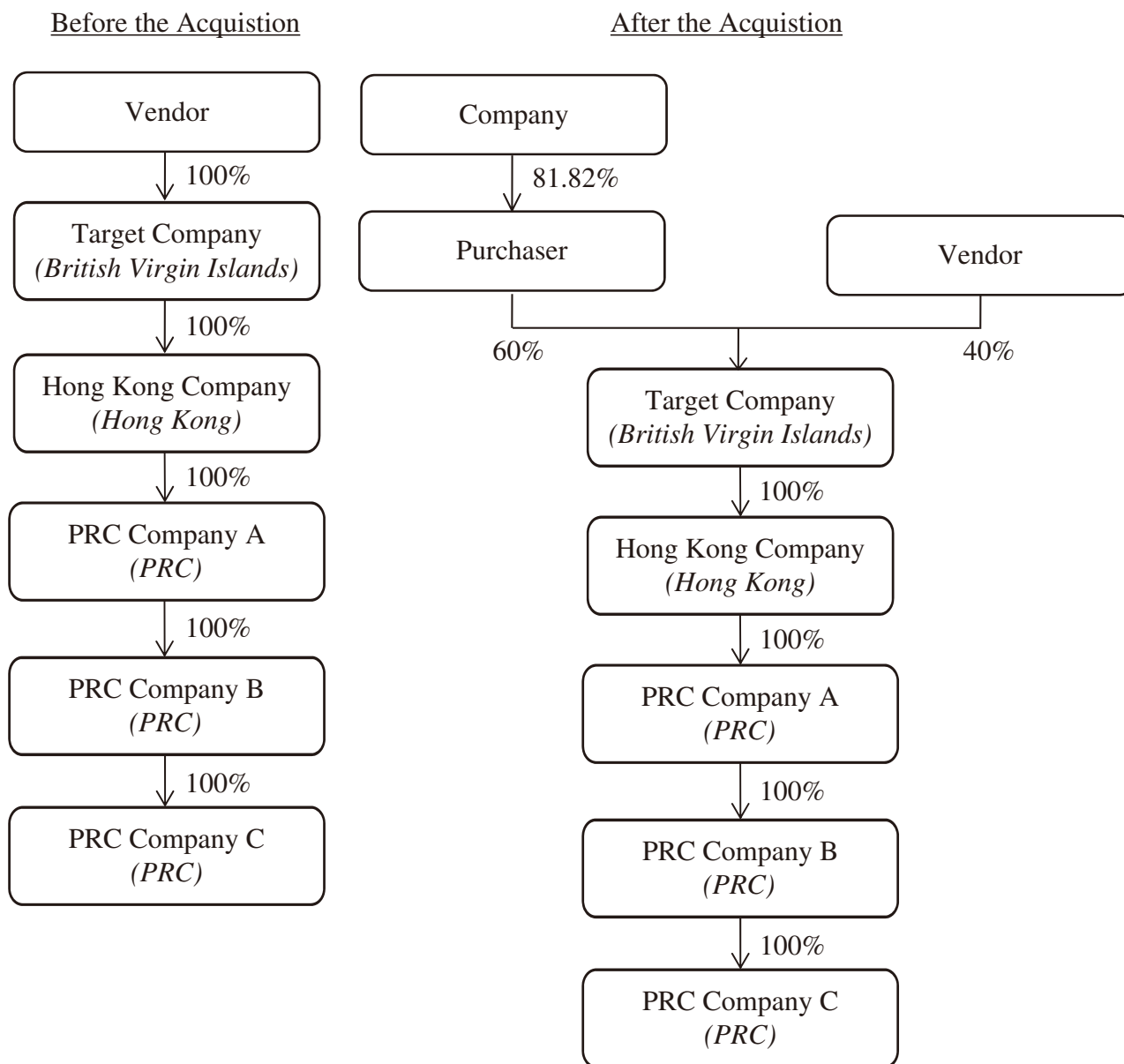
Completion

Subject to the fulfilment of the conditions as set out in the paragraph headed “Conditions precedent to Completion” above and the terms and conditions of the S&P Agreement, Completion is scheduled to take place on the 3 Business Day upon fulfilment of such conditions (or such other date as the parties may agree in writing), unless the Purchaser exercises its right to waive any such condition precedent (if allowed under the applicable laws, regulations and the GEM Listing Rules) as contained in the S&P Agreement.

INFORMATION OF THE TARGET GROUP

The Target Company is an investment holding company incorporated in the British Virgin Islands in 2015 with limited liability and is 100% owned by the Vendor as at the date of this announcement. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Vendor is Independent Third Party.

The shareholding structure of the Target Group before and after the Acquisition as follows:



The PRC Company C is the main operating subsidiary of the Target Group and its business scope includes forestry cultivation, promotion and application of agricultural technologies, and information consultation. The PRC Company C owns the right to operate a contracted land of 5,000 mu (畝) in Makit County (麥蓋提縣), Xinjiang, the PRC for a term of 70 years expiring on 31 August 2081. Based on the unaudited financial result, the Target Group did not generate revenue for the year ended 31 December 2015 and the ten months ended 31 October 2016. The unaudited net liability was RMB174,553 as at 31 October 2016.

REASONS AND BENEFITS FOR THE ACQUISITION

The Group is principally engaged in (i) property business, (ii) cultivation and research of the fine and new varieties of forest products together with the research and promotion of product cultivation technology for producing clean energy purposes, and (iii) constructing landscaping projects and earth-rock engineering, providing afforest maintenance and planting and selling forest trees and flowers; operated in the PRC and the Republic of Angola.

The Purchaser and its subsidiaries are principally engaged in (i) research on forestry products which could be used in clean energy sector as biomass fuel; and (ii) commercialization of forestry for growing forestry products for clean energy sector, with advanced technology from breeding, silvicultural, management and protection of forests. 81.82% equity interest of the Purchaser is indirectly owned by the Company.

The Group is committed to seek other business opportunities and will acquire high quality investment projects with good potential in order to enhance the Group's investment return. The Board considers the Acquisition is in ordinary course of business of the Group and the Board believes that such business has growth potential. Further, the Directors consider that the Acquisition can help to further diversify the Group's business, create synergy effect with the existing businesses of the Group as it can create more cross-selling opportunities and broaden the income stream of the Group.

The Acquisition is therefore considered are fair and reasonable, on normal commercial terms and in the interest of the Company and its shareholders as a whole.

IMPLICATIONS UNDER THE GEM LISTING RULES

As the highest applicable percentage ratio under the GEM Listing Rules in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is subject to notification and announcement requirements of Chapter 19 of the GEM Listing Rules.

As none of the Directors has a material interest in the Acquisition, no Director is required to abstain from voting on the relevant resolutions of the Board approving the Acquisition.

Completion of the Acquisition is conditional upon fulfilment of conditions precedent as set out in the S&P Agreement. The Shareholders and potential investors shall exercise caution when dealing in the shares of the Company.

DEFINITIONS

In this announcement the following expressions shall have the following meanings, unless the context otherwise requires:

“Acquisition”	the acquisition of the Sale Share by the Purchaser from the Vendor on and subject to the terms and conditions of the S&P Agreement
“Board”	the board of Directors
“Company”	Great World Company Holdings Ltd, a company incorporated in the Cayman Islands whose shares are listed and traded on the GEM
“Completion”	completion of the sale and purchase of the Sale Share in accordance with the terms and conditions of the S&P Agreement
“Completion Date”	the three Business Day after fulfilment of the conditions precedent (as set forth in the paragraph headed “Conditions precedent to Completion” above) (or such other date as the parties to the S&P Agreement may agree in writing) when the Completion shall take place
“connected person”	has the meaning ascribed to it under the GEM Listing Rules

“Consideration”	the consideration for the Acquisition payable by the Purchaser to the Vendor under the S&P Agreement
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Group”	the Company and its subsidiaries
“Hong Kong Company”	Thousand Investments Ltd (得勝投資有限公司), a company incorporated in Hong Kong with limited liability, the entire equity interest of which is owned by the Target Company
“HK\$”	Hong Kong dollars, currency of Hong Kong
“Independent Third Party”	any person or company and its ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons and not connected persons of the Company
“Long Stop Date”	24 May 2017 (or such later date as the parties to the S&P Agreement may agree in writing)
“MOU”	a memorandum of understanding dated 31 October 2016 entered into between the Purchaser and the Vendor in relation to the Possible Acquisition
“Percentage Ratios”	the applicable percentage ratios under Rule 19.07 of the GEM Listing Rules
“Possible Acquisition”	the possible acquisition of 100% equity interest in the Target Company by the Purchaser from the Vendor as set out in the MOU

“PRC”	the People’s Republic of China
“PRC Company A”	Shenzhen Huayou Guanghui Energy Company Limited* (深圳華油光匯能源有限公司), a company incorporated in the PRC with limited liability, the entire equity interest of which is owned by the Hong Kong Company
“PRC Company B”	Xinjiang Huayou Zhonghui Energy Company Limited* (新疆華油中匯能源有限公司), a company incorporated in the PRC with limited liability, the entire equity interest of which is owned by the PRC Company A
“PRC Company C”	Xinjiang Huinong Green Ecological Forestry Company Limited* (新疆惠農綠色生態林業有限公司), a company incorporated in the PRC with limited liability, the entire equity interest of which is owned by the PRC Company B
“Purchaser”	Yenbo Gain Limited (盈寶利有限公司), a company incorporated in the British Virgin Islands with limited liability, the 81.82% equity interest of which is indirectly owned by the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Share”	60 ordinary share representing the 60% issued share capital of Target Company
“Shareholder(s)”	holder(s) of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“S&P Agreement”	the conditional sale and purchase agreement dated 25 November 2016 entered into between the Vendor as vendor and the Purchaser as purchaser for the Sale Share
“Target Company”	Zhifeng Holdings Limited (志豐控股有限公司), a company incorporated in the British Virgin Islands with limited liability in 2015, the entire equity interest is 100% owned by the Vendor
“Target Group”	collectively, the Target Company, the Hong Kong Company, the PRC Company A, the PRC Company B and the PRC Company C

“Vendor” Mr. Tam Hau Kin (譚巧健先生), an Independent Third Party
“%” per cent

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

Hong Kong, 25 November 2016

As at the date of this announcement, the Board comprises (i) three executive directors, namely Ms. Ng Mui King, Joky, Mr. Zhang Yanqiang and Ms. Yang Wei; and (ii) four independent non-executive directors, namely Mr. Chung Koon Yan, Mr. Chan Ying Cheong, 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 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.

* For identification purpose only