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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)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent to Great World Company Holdings Ltd



利弗莫尔证券

Livermore Holdings Limited

THE PLACING AGREEMENT

The Board is pleased to announce that on 7 April 2021 (after trading hours), the Company entered into a conditional placing agreement with the Placing Agent, under which the Placing Agent will use its best efforts to place up to 50,000,000 Placing Shares to not fewer than six Placees who are Independent Third Parties. The Placing Shares will be allotted and issued pursuant to the general mandate granted to the Directors by a resolution of the then Shareholders passed at the annual general meeting of the Company held on 6 August 2020. If all of the Placing Shares are placed, they represent (i) approximately 1.54% of the total issued share capital of the Company as at the date of this announcement; and (ii) approximately 1.51% of the total issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares pursuant to the Placing. It is expected that no Placee will become a substantial Shareholder (as defined under the GEM Listing Rules) as a result of the Placing.

The Placing Price of HK\$0.10 per Placing Share represents (i) a discount of approximately 6.54% to the closing price of HK\$0.107 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; (ii) a discount of approximately 0.99% to the average closing price per Share of HK\$0.101 for five consecutive trading days immediately prior to the date of the Placing Agreement, and (iii) a premium of approximately 5.15% to the average closing price of HK\$0.0951 for ten consecutive trading days immediately prior the date of the Placing Agreement.

Assuming 50,000,000 Placing Shares have been placed, the gross proceeds from the Placing is estimated to be HK\$5.0 million, and the net proceeds from the Placing, after deducting related placing commission and other related expenses in connection with the Placing, is estimated to be approximately HK\$4.83 million. The Company intends to apply the net proceeds from the Placing to supplement the working capital of the Group.

As the Placing is subject to various conditions and may or may not proceed, the Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

The Company has entered into the Placing Agreement, details of which are as follows:

Date

7 April 2021 (after trading hours)

Parties

- (i) the Company; and
- (ii) the Placing Agent.

Placing Agent

To the best of the Directors' knowledge, information and belief after having made all reasonable enquires, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.

Placees

The Placing Shares shall be offered to not fewer than six Placees who are Independent Third Parties and are professional institutional or private investors approved, selected and/or procured by or on behalf of the Placing Agent as contemplated under the Placing Agreement. It is expected that no Placee will become a substantial Shareholder (as defined under the GEM Listing Rules) as a result of the Placing.

Number of Placing Shares

Pursuant to the Placing Agreement, up to 50,000,000 Placing Shares will be allotted and issued to the Placees. The 50,000,000 Placing Shares (assuming all of them are placed) represent:

- (a) approximately 1.54% of the issued share capital of the Company as at the date of this announcement; and
- (b) approximately 1.51% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares pursuant to the Placing.

The aggregate nominal value of all the Placing Shares is HK\$500,000. The Placing Shares are not subject to any lock-up or other disposal restriction under the terms of the Placing Agreement.

Placing Price

The Placing Price of HK\$0.10 per Placing Share represents:

- (i) a discount of approximately 6.54% to the closing price of HK\$0.107 per Share as quoted on the Stock Exchange on the date of the Placing Agreement;
- (ii) a discount of approximately 0.99% to the average closing price per Share of HK\$0.101 for five consecutive trading days immediately prior to the date of the Placing Agreement; and
- (iii) a premium of approximately 5.15% to the average closing price per share of HK\$0.0951 for ten consecutive trading days immediately prior the date of the Placing Agreement.

The Placing Agent will receive a placing commission of 3% of the aggregate Placing Price of the number of Placing Shares successfully placed by the Placing Agent.

The Placing Agreement, the Placing Price and the placing commission mentioned above were arrived at after arm's length negotiations between the Company and the Placing Agent and with reference to the recent trading prices of the Shares.

Condition of the Placing

Completion of the Placing contemplated under the Placing Agreement is conditional upon the GEM Listing Committee granting or agreeing to grant listing of and permission to deal in all of the Placing Shares.

Completion of the Placing shall take place within 5 Business Days immediately after the satisfaction of the condition set out above, or at such other date as may be agreed between the Company and the Placing Agent in writing.

If the above condition is not fulfilled by 7 June 2021 or such later date as may be agreed, the Placing Agreement shall lapse and the obligations and liabilities of the Company and the Placing Agent thereunder shall be null and void and the Company and the Placing Agent shall be released from all rights and obligations pursuant to the Placing (other than those already accrued prior thereto).

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

General Mandate to allot and issue new Shares

The Placing Shares will be allotted and issued pursuant to the general mandate granted to the Directors by a resolution of the then Shareholders passed at the AGM of the Company held on 6 August 2020. Under the general mandate, the Company is authorised to issue up to 650,543,200 Shares.

Upon completion of the Placing, up to 50,000,000 Placing Shares will be issued under such general mandate. The issue of the Placing Shares is not subject to Shareholders' approval.

Ranking of the Placing Shares

The Placing Shares, when allotted and issued, will rank *pari passu* in all respects among themselves and with the Shares in issue as at the date of issue of the Placing Shares.

Rescission

If any of the following events occur at any time prior to 9:30 a.m. on the date of completion of the Placing, the Placing Agent may (after such consultation with the Company and/or its advisers as the circumstances shall admit or be necessary), by giving a written notice to the Company, rescind the Placing Agreement without liability (except for the continuing provisions in relation to indemnity, costs and expenses in connection with the Placing and other miscellaneous clauses) and the Placing Agreement shall thereupon cease to have effect and none of the parties thereto shall have any rights or claims (other than those already accrued prior to such rescission) by reason thereof:

- (a) in the reasonable opinion of the Placing Agent there shall have been since the date of the Placing Agreement such a change in national or international financial, political or economic conditions or taxation or exchange controls as would be likely to prejudice materially the consummation of the Placing; or
- (b) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any matter whatsoever which may materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or

- (c) any material breach of any of the representations and warranties made by the Company as set out in the Placing Agreement comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the completion date of the Placing which if it had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations and warranties untrue or incorrect in any material respect or there has been a material breach by the Company of any other provision of the Placing Agreement; or
- (d) there is any adverse change in the financial position of the Company which in the reasonable opinion of the Placing Agent is material in the context of the Placing.

REASONS FOR AND BENEFITS OF THE PLACING

The Directors (including the Independent Non-Executive Directors) are of the view that the Placing represents an opportunity to raise additional capital for the Group to enhance its general working capital for developing its existing and further potential advertising derivative businesses and preparing itself to take up investment opportunities in the future with readily available funds, which is in the interests of the Group and the Shareholders of the Company as a whole.

Assuming all 50,000,000 Placing Shares have been placed, the gross proceeds from the Placing is estimated to be HK\$5.0 million, and the net proceeds from the Placing, after deducting related placing commission and other related expenses in connection with the Placing, is estimated to be approximately HK\$4.83 million. The net placing price for the Placing is approximately HK\$0.0966 per Placing Share.

The Directors consider that the Placing Agreement (including the terms relating to the Placing Price and the placing commission) has been entered into on normal commercial terms which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE GEM LISTING RULES

As the Placing are subject to the fulfillment of certain conditions precedent and may or may not proceed, Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

EQUITY FUND RAISING ACTIVITIES DURING THE PAST TWELVE MONTHS

| Date of initial announcement | Fund raising activities | Net proceeds raised (approximately) | Intended use of proceeds | Actual use of proceeds |
|------------------------------|----------------------------|-------------------------------------|---|---|
| 27 April 2020 | Subscription of new Shares | HK\$9.78 million | To be used as general working capital of the Group. | All the net proceeds have been fully utilised for the purpose as planned. |

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

Details of the shareholding structure of the Company are set out below:

| | Before Completion of the Placing | | Immediately after Completion of the Placing (assuming all the Placing Shares would be allotted and issued upon completion of the Placing) | |
|---|----------------------------------|-----------------|---|-----------------|
| | No. of Shares | % (Approximate) | No. of Shares | % (Approximate) |
| Gold City Assets Holdings Ltd. (Note 1) | 337,920,000 | 10.39 | 337,920,000 | 10.23 |
| Ms. Lin Shunping (Note 2) | 199,000,000 | 6.12 | 199,000,000 | 6.02 |
| Win Bless Limited (Note 3) | 491,280,000 | 15.10 | 491,280,000 | 14.88 |
| <i>Subtotal</i> | 1,028,200,000 | 31.61 | 1,028,200,000 | 31.13 |
| Public Shareholders | | | | |
| – Places | – | – | 50,000,000 | 1.51 |
| – Other public Shareholders | 2,224,516,000 | 68.39 | 2,224,516,000 | 67.36 |
| Total | 3,252,716,000 | 100.00 | 3,302,716,000 | 100.00 |

Notes:

- Gold City Assets Holdings Ltd. is a company incorporated in the British Virgin Islands of which the issued share capital is beneficially owned by Ms. Ng Mui King, Joky, a non-executive director of the Company.
- The shares held by Ms. Lin Shunping were issued on 27 March 2020 pursuant to the convertible notes issued by the Company on 30 March 2015.
- Win Bless Limited is a company incorporated in Hong Kong which is wholly-owned by Mr. Zhao Xinyan who has been appointed as an executive director of the Company on 16 October 2020.

DEFINITIONS

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

| | |
|--------------------------------|--|
| “Board” | the board of Directors |
| “Company” | Great World Company Holdings Ltd, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM |
| “connected person(s)” | has the meaning ascribed to it under the GEM Listing Rules |
| “Director(s)” | the director(s) of the Company |
| “GEM” | the GEM of the Stock Exchange |
| “GEM Listing Committee” | the listing committee of the Stock Exchange |
| “GEM Listing Rules” | the Rules Governing the Listing of Securities on GEM |
| “General Mandate” | the general mandate granted to the Directors at the annual general meeting of the Company held on 6 August 2020 to issue and allot a maximum of 650,543,200 Shares, representing 20% of the aggregate nominal amount of the share capital of the Company in issue on that date |
| “Group” | the Company and its subsidiaries |
| “HK\$” | Hong Kong dollar(s), the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “Independent Third Party(ies)” | parties which are not connected persons of the Company and are independent of the Company and its connected persons |
| “Placee(s)” | the placees to be procured by the Placing Agent pursuant to the terms and conditions of the Placing Agreement |
| “Placing” | the placing of the Placing Shares in accordance with the terms of the Placing Agreement |
| “Placing Agent” | LIVERMORE HOLDINGS LIMITED, a licensed corporation to carry on type 1 (dealing in securities) regulated activities under the SFO |

| | |
|---------------------|--|
| “Placing Agreement” | the placing agreement dated 7 April 2021 entered into between the Company and the Placing Agent in relation to the Placing |
| “Placing Price” | HK\$0.10 being the subscription price for each Placing Share (exclusive of any brokerage, SFC transaction levy and Stock Exchange trading fee payable) |
| “Placing Shares” | up to 50,000,000 new Shares to be subscribed for by the Placees in accordance with the terms of the Placing Agreement |
| “SFO” | Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Share(s)” | the ordinary share(s) with par value of HK\$0.01 each in the share capital of the Company |
| “Shareholder(s)” | holder(s) of the Shares of the Company |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “%” | per cent |

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

Hong Kong, 7 April 2021

As at the date of this announcement, the Board comprises (i) four executive directors, namely Mr. Zhang Yanqiang, Ms. Yang Wei, Mr. Gu Zhonghai and Mr. Zhao Xinyan; (ii) one non-executive director, namely Ms. Ng Mui King, Joky (Chairman); 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 “Latest Listed Company Information” page of the GEM website <http://www.hkgem.com> for at least 7 days from the date of its publication and on the Company’s website <http://www.gwchl.com>.