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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)

**MEMORANDUM OF UNDERSTANDING
IN RELATION TO
THE ACQUISITION OF 100% EQUITY INTEREST IN
ZHIFENG HOLDINGS LIMITED**

This announcement is made by the Company pursuant to Rule 17.10(2) of the GEM Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board is pleased to announce that on 31 October 2016, the Purchaser and the Vendor entered into the MOU indicating the intention of the Purchaser and the Vendor to enter into the Acquisition Agreement in respect of the Possible Acquisition of 100% equity interest in the Target Company during the Exclusivity Period.

The Possible Acquisition is subject to the entering into of the Acquisition Agreement by the Purchaser and the Vendor and conditional upon the fulfillment of certain conditions as set out in paragraph “Conditions precedent” of this announcement. The Possible Acquisition therefore may or may not proceed. The Company will publish an announcement in compliance with the GEM Listing Rules as when and appropriate. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by the Company pursuant to Rule 17.10(2) of the GEM Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

THE MOU

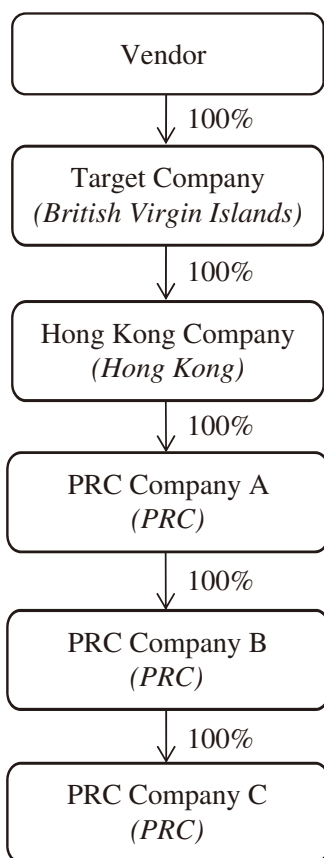
The Board is pleased to announce that on 31 October 2016, the Purchaser and the Vendor entered into the MOU indicating the intention of the Purchaser and the Vendor to enter into the Acquisition Agreement in respect of the Possible Acquisition of 100% equity interest in the Target Company during the Exclusivity Period. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor and their ultimate beneficial owners are Independent Third Parties.

The principal terms of the MOU are as follows:

Target Company

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.

The shareholding structure of the Target Group is 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) (the “**Land**”) in Makit County (麥蓋提縣), Xinjiang, the PRC for a term of 70 years expiring on 31 August 2081.

Consideration

While the final amount of the consideration of the Possible Acquisition is yet to be agreed between the Vendor and the Purchaser, pursuant to the MOU, the Vendor and the Purchaser intended that the consideration of the Possible Acquisition to be agreed between the Purchaser and the Vendor will be determined with reference to, among others, valuation of the Land. The amount and method of payment of the consideration once agreed will be set forth in the Acquisition Agreement.

Within 3 business days upon signing of the MOU, the Purchaser has agreed to pay a sum of HK\$3,000,000, being the earnest money of the Possible Acquisition (the “**Earnest Money**”), in cash to the Vendor. In the event the Acquisition Agreement is entered into by the Purchaser and the Vendor during the Exclusivity Period (as defined below), the Earnest Money would become the part payment of the consideration for the Possible Acquisition.

The Earnest Money is without collateral. If the Possible Acquisition is not entered into by the Vendor and the Purchaser during the Exclusivity Period, the Earnest Money shall be refunded to the Purchaser within 3 business days upon the expiry of the Exclusivity Period.

Conditions precedent

Completion of the Possible Acquisition is conditional upon the fulfilment or waiver of conditions precedent including, among other things, (a) the Purchaser has completed the necessary due diligence and satisfied with the results; and (b) the obtain of the necessary approvals and permits by the Company in compliance with the GEM Listing Rules and other applicable laws and regulations.

Exclusive period

The MOU shall remain in effect for a term of six (6) months from the date of the MOU. The Vendor has agreed that he shall not engage in any discussion, negotiation or arrangement or enter into any agreement in relation to the disposal of the Target Group (including its business and assets) with any other party during the Exclusivity Period, and the Exclusivity Period may be extended upon written agreement of the Vendor and the Purchaser.

If the Acquisition Agreement is not entered into between the Vendor and the Purchaser within the Exclusivity Period, the MOU shall be terminated and cease to have effect.

Save for the terms in relation to the Earnest Money, confidentiality, the term of the MOU, exclusivity, expenses and governing laws contained in the MOU, the MOU is not legally binding or enforceable.

REASONS AND BENEFITS FOR THE POSSIBLE 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 afforestation 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 Possible 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 Possible 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 Possible Acquisition is therefore considered in the interest of the Company and its shareholders as a whole.

GENERAL

The Possible Acquisition is subject to the entering into of the Acquisition Agreement by the Purchaser and the Vendor and conditional upon the fulfillment of certain conditions as set out in paragraph "Conditions precedent" of this announcement. The Possible Acquisition therefore may or may not proceed. The Company will publish an announcement in compliance with the GEM Listing Rules as when and appropriate. Shareholders and potential investors of the Company are advised to 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 Agreement"	the formal sale and purchase agreement in relation to the Possible Acquisition which may be entered into by the Vendor and the Purchaser (or any party nominated by the Purchaser)
"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

“connected person”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“Exclusivity Period”	the term of 6 months commencing from the date of the MOU
“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
“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
“MOU”	a memorandum of understanding dated 31 October 2016 entered into between the Purchaser and the Vendor in relation to the Possible Acquisition
“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
“SFO”	Securities & Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“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, 31 October 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