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

MAJOR TRANSACTION
DISPOSAL OF THE TARGET COMPANY

THE SALE AND PURCHASE AGREEMENT

On 23 June 2025 (after trading hours), the Company, as vendor and the Purchaser, as purchaser entered into the Sale and Purchase Agreement, pursuant to which the Company has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase the Sales Shares at a consideration of HK\$1.

Upon Completion, the Company will cease to have any interests in the Target Company and the Target Company will cease to be a subsidiary of the Company. Accordingly, the financial results, assets and liabilities of the Target Group will no longer be consolidated into the consolidated financial statements of the Group.

IMPLICATIONS UNDER THE GEM LISTING RULES

As the highest percentage ratios in respect of the Disposal exceeds 25% but is less than 75%, the Disposal constitutes a major transaction for the Company under Chapter 19 of the GEM Listing Rules, and is therefore subject to the reporting, announcement and shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

EGM

An EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Sale and Purchase Agreement and the transactions contemplated thereunder. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, none of the Shareholders or their associates have a material interest in the Disposal, and therefore, no Shareholder is required to abstain from voting on the resolution(s) in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder at the EGM.

GENERAL

A circular containing, among other things, (i) further details of the Disposal; (ii) the valuation report on the Target Property; (iii) the notice of the EGM; and (iv) other information as required under the GEM Listing Rules, is expected to be despatched to the Shareholders on or before 31 July 2025 so as to allow sufficient time for the preparation of the relevant information for inclusion in the circular.

Shareholders and potential investors of the Company should note that the Sale and Purchase Agreement and the Disposal contemplated thereunder are subject to the satisfaction of the Conditions under the Sale and Purchase Agreement and therefore may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

INTRODUCTION

On 23 June 2025 (after trading hours), the Company, as vendor and the Purchaser, as purchaser entered into the Sale and Purchase Agreement, pursuant to which the Company has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase the Sale Shares in the Target Company, at a consideration of HK\$1.

THE SALE AND PURCHASE AGREEMENT

The principal terms of the Sale and Purchase Agreement are set out below:

Date:

23 June 2025

Parties:

- (i) Vendor: The Company
- (ii) Purchaser: Ms. Liu Zhen

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Purchaser is an Independent Third Party.

Subject Matter:

Pursuant to the terms and conditions of the Sale and Purchase Agreement, the Company has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase the Sale Shares.

The principal asset of the Target Group is the Target Property, details of which have been disclosed in the section headed "Information on the Target Group and the Target Property" in this announcement.

Consideration:

The consideration payable by the Purchaser to the Company in respect of the Disposal shall be HK\$1.

The consideration was determined to be nominal after arm's length negotiations between the Company and the Purchaser with reference to (i) the financial performance and position of the Target Group, in particular the net liabilities position of HK\$37.9 million as at 31 March 2024 taking into account of the 2024 Market Value (as defined below) of the Target Property; and (ii) the reasons for and benefits of the Disposal as disclosed in the section headed "Reason for and Benefits of the Disposal" in this announcement.

Based on the valuation on the Target Property dated 31 March 2024 prepared by the independent valuer engaged by the Company for the purpose of the Company's audit for the year ended 31 March 2024, the market values of the Residential Portion and Commercial and Carparking Portion of Target Property were approximately RMB53.9 million and RMB38.8 million (equivalent to approximately HK\$58.4 million and HK\$42.1 million respectively) or in aggregate, approximately RMB92.7 million (equivalent to approximately HK\$100.5 million) ("**2024 Market Value**").

The Company has engaged an independent valuer to conduct a valuation on the Target Property for the purpose of the Disposal, the report of which will be included in the circular to be despatched to the Shareholders on or before 31 July 2025 in respect of the Disposal.

Payment term:

The consideration shall be paid in cash by the Purchaser to the Company in full to a bank account designated by the Company at Completion.

Conditions precedent:

The Disposal is conditional upon the satisfaction of the following:

- (a) the Company has completed all the necessary approval procedures for the Sale and Purchase Agreement and the transactions contemplated thereunder, including but not limited to obtaining approval from the Board;
- (b) the Shareholders passing the ordinary resolution(s) at the EGM in accordance with the requirements of the GEM Listing Rules and all other applicable laws and regulations to approve the Sale and Purchase Agreement and the transactions contemplated thereunder; and
- (c) there being no breach of the representations and warranties of the Sale and Purchase Agreement by the Company and the Purchaser.

Neither party can waive the Conditions set out above. If any of the Conditions set out above have not been fulfilled by the Long Stop Date, the parties to the Sale and Purchase Agreement (the “**Party(ies)**”) (unless being mutually agreed by the Parties) may (i) proceed with the Completion to the fullest extent practicable (without affecting the Parties’ rights under the Sale and Purchase Agreement); or (ii) terminate the Sale and Purchase Agreement and all rights and obligations of the Parties shall cease and terminate, whereupon (a) the survival clauses remain in full force and effect; and (b) the termination of the Sale and Purchase Agreement shall not affect any rights or liabilities accrued by either Party prior to the termination.

Completion:

Completion shall take place on the Completion Date, which is the 3rd Business Day following all the Conditions having been fulfilled, or such other date as may be agreed between the Purchaser and the Company in writing.

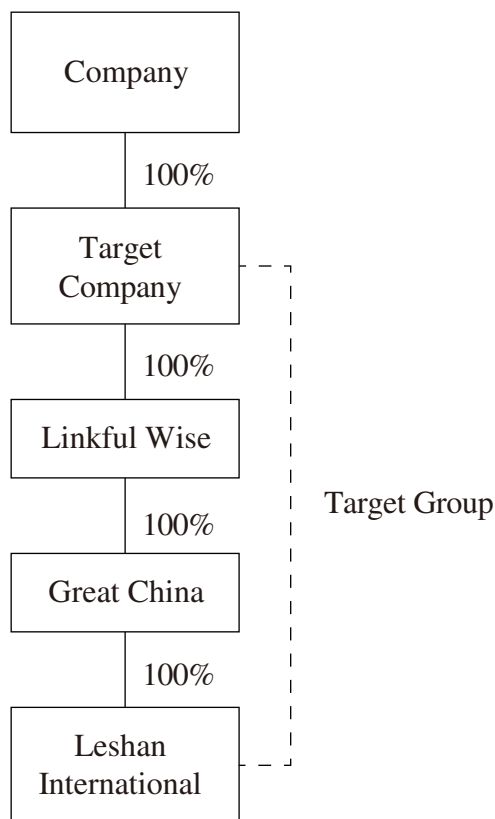
INFORMATION ON THE PURCHASER

Ms. Liu Zhen is an individual investor and she has extensive experience in the investment and management of real estate businesses in the PRC. To the best of the Directors’ knowledge, information and belief after having made all reasonable enquiries, the Purchaser is an Independent Third Party.

INFORMATION ON THE GROUP

The Company is an investment holding company incorporated in the Cayman Islands with limited liability, and the shares of which are listed on the GEM. The Group is principally engaged in intelligent advertising business, railroad media business, agricultural, forestry and consumer products business, supply-chain business and property business.

INFORMATION ON THE TARGET GROUP AND THE TARGET PROPERTY



The Target Company is an investment holding company incorporated in Hong Kong with limited liability and is directly wholly-owned by the Company.

Linkful Wise is an investment holding company incorporated in BVI with limited liability.

Great China is an investment holding company incorporated in Hong Kong with limited liability.

Leshan International is a limited liability company incorporated under the laws of the PRC and is principally engaged in property investment and development, operating and managing residential and commercial properties and it held the Target Property located at Leshan City, Sichuan Province, the PRC.

The unaudited consolidated financial information of the Target Group for each of the two financial years ended 31 March 2023 and 2024 is set out below:

	For the year ended 31 March	
	2024	2023
	(unaudited)	(unaudited)
	HK\$'000	HK\$'000
Revenue	989	1,140
Net loss before taxation	12,550	21,671
Net loss after taxation	12,543	21,704
	As at	
	31 March	31 March
	2024	2023
	(unaudited)	(unaudited)
	HK\$'000	HK\$'000
Total assets	101,297	120,300
Total liabilities	139,238	152,497
Net liabilities	37,941	32,197

The principal asset of the Target Group is the Target Property. The Target Property is located at No. 23 Renmin West Road, Central City District, Leshan City, Sichuan Province, the PRC with a site area of approximately 3,111.96 sq.m.. Pursuant to a State-owned Land Use Certificate (國有土地使用權證), Le Cheng Guo Yong (2004) No. 27573* (樂城國用(2004)第27573號), issued by State-owned Land Resources Bureau of Leshan* (樂山市國土資源局) dated 8 January 2004, the land use rights of the Target Property have been granted to the Leshan International for residential and commercial purposes for a term to be expired on 3 January 2054. The Target Property has a gross floor area of approximately 28,251.82 sq.m. (inclusive of a basement floor) and comprises 2 portions, namely Residential Portion of 19,958.06 sq.m. and Commercial and Carparking Portion of 8,293.76 sq.m..

The Residential Portion comprises 334 residential units and is currently vacant. Leshan International has leased out certain retail stores and carparking spaces to Independent Third Parties under operating leases with rentals payable monthly. As at the date of this announcement, Leshan International entered into a total of 5 lease contracts with latest expiry in October 2036 at a total monthly rental income of approximately RMB67,920.

Based on the PRC legal opinion obtained by the Company in respect of the Target Property, Leshan International is entitled to lease the Target Property but does not have the right to sell the residential units. To lawfully and compliantly proceed with the sale of residential units, the Company must complete the commercial housing sales registration with the relevant real estate development authority and obtain the ownership certificate (the “**Procedures**”). As the date of his announcement, the Procedures have yet to complete.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group is principally engaged in intelligent advertising business, railroad media business, agricultural, forestry and consumer products business, supply-chain business and property business.

The real estate industry in the PRC had entered into a stage of adjustment in recent years following by cyclical impact such as slowing income growth and diminishing returns on investments, etc. Based on the data published by National Bureau of Statistics of China, during the first four months of 2025, the investment in real estate development was RMB2,773.0 billion, a year-on-year decrease of 10.3 percent, of which the investment in residential buildings was RMB2,117.9 billion, down by 9.6 percent. The sales of newly built commercial buildings were RMB2,703.5 billion, down by 3.2 percent, of which the sales of residential buildings decreased by 1.9 percent.

The Target Property has remained largely unoccupied since its completion in 2018, other than the leasing of certain stores and carparking spaces as mentioned in the section headed “Information on the Target Group and the Target Property” in this announcement. As a result, the Target Group reported minimal revenue of approximately HK\$1.1 million and HK\$1.0 million respectively from leasing and net losses (mainly due to the impairment loss on the fair value of the Target Property) of HK\$21.7 million and HK\$12.5 million respectively for the two years ended 31 March 2023 and 31 March 2024. The net liabilities of the Target Group were HK\$37.9 million as at 31 March 2024.

In addition, the Target Property has a decline in its overall condition, necessitating additional capital investment to improve its marketability. This investment will include modernization of facilities, compliance upgrades to meet current regulatory standards (including completion of the Procedures for sale of the properties), and aesthetic enhancements to improve its appeal to potential tenants or buyers. Given the scale of refurbishment needed, the Company expects that additional capital financing is required for the refurbishing the Target Property before generating a positive return for the Group in the future.

The financial position of the Group had also deteriorated and the Group reported net liabilities of HK\$1.8 million as at 31 March 2024 as compared to net assets of HK\$3.5 million and HK\$76.0 million as at 31 March 2023 and 31 March 2022 respectively. Since 2022, the auditor of the Company had indicated the existence of a material uncertainty that may cast significant doubt on the Group’s ability to continue as a going concern in the independent auditors’ reports for both the financial years ended 31 March 2022 and 2023 and for the year ended 31 March 2024, the auditor issued a disclaimer of opinion on the consolidated financial statements of the Company in respect of the material uncertainties relating to going concern of the Group (“**Disclaimer of Opinion**”).

In view of the challenging business environment of the real estate sector in the PRC, the worsened financial position of the Group and to address the Disclaimer of Opinion, the Group has been exploring different options to improve its financial position. To this end, the Group is keen to divest the Target Group to urgently lower the Remaining Group's overall gearing substantially. As disclosed in the section headed "Financial Impact on the Disposal" in the announcement, based on the unaudited consolidated financial statements of the Group as at 30 September 2024 and the Target Group as at 31 March 2024, as a result of the Disposal, the Remaining Group is expected to achieve a turnaround in financial health from net liabilities (before deduction of transaction costs and expenses) to net assets.

Having considered (i) the financial position of the Group and the Target Group; (ii) the challenging business environment of the real estate sector in the PRC; and (iii) the current conditions of the Target Property, in particular, additional capital investment/financing is required for generating positive return for the Group, the Board believes that it is a good opportunity to dispose of the Target Company at the agreed price, which would allow the Remaining Group to lower its liabilities level and therefore strengthen the overall financial position of the Remaining Group.

The Directors consider that the terms of the Disposal are fair and reasonable, the entering into the Sale and Purchase Agreement is in the interests of the Company and the Shareholders as a whole.

FINANCIAL IMPACT OF THE DISPOSAL

Upon Completion, the Company will cease to have any interests in the Target Company, and the Target Company will cease to be a subsidiary of the Company. Accordingly, the financial results of the Target Group will no longer be consolidated into the consolidated financial statements of the Group.

Earnings

For illustration purpose only, based on the unaudited net liabilities of the Target Group of approximately HK\$37.9 million as at 31 March 2024 and the consideration of HK\$1, the Remaining Group is expected to recognise a gain (before transaction costs and expenses) of approximately HK\$37.9 million from the Disposal following Completion, with other factors remaining unchanged.

Net assets

Based on the unaudited consolidated financial statements of the Group as at 30 September 2024, the Target Group as at 31 March 2024 and the consideration of HK\$1, as a result of the Disposal, the Remaining Group is anticipated to improve from net liabilities of HK\$1.8 million to net assets of HK\$36.1 million, with other factors remaining unchanged.

The actual gain/loss on the Disposal and the financial position of the Target Group may be different from the above and will be determined based on the financial position of the Target Group on the date of the Completion and be subject to audit.

The consideration and the gross proceed from the Disposal is HK\$1 and the estimated transaction costs attributable to the Disposal is approximately HK\$166,070.

IMPLICATIONS UNDER THE GEM LISTING RULES

As the highest percentage ratios in respect of the Disposal exceeds 25% but is less than 75%, the Disposal constitutes a major transaction for the Company under Chapter 19 of the GEM Listing Rules, and is therefore subject to the reporting, announcement and shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

EGM

An EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Sale and Purchase Agreement and the transactions contemplated thereunder. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, none of the Shareholders or their associates have a material interest in the Disposal, and therefore, no Shareholder is required to abstain from voting on the resolution(s) in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder at the EGM.

GENERAL

Based on the reasons set out in this announcement and having considered all of the relevant factors, the Directors consider that the Disposal, though not in the ordinary and usual course of business of the Group, is conducted on normal commercial terms, is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

None of the Directors had material interests in the Sale and Purchase Agreement and the transactions contemplated thereunder and thus no Directors were required to abstain from voting on the respective board resolution(s) to approve the Sale and Purchase Agreement and the transactions contemplated thereunder at the board meeting.

A circular containing, among other things, (i) further details of the Disposal; (ii) the valuation report on the Target Property; (iii) the notice of the EGM; and (iv) other information as required under the GEM Listing Rules, is expected to be despatched to the Shareholders on or before 31 July 2025 so as to allow sufficient time for the preparation of the relevant information for inclusion in the circular.

Shareholders and potential investors of the Company should note that the Sale and Purchase Agreement and the Disposal contemplated thereunder are subject to the satisfaction of the Conditions under the Sale and Purchase Agreement and therefore may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

DEFINITIONS

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

“associate(s)”	has the same meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“BVI”	the British Virgin Islands
“Commercial and Carparking Portion”	the portion of the Target Company comprises commercial floor spaces, carparking spaces and ancillary facilities with GFA of 8,293.76 sq.m.
“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 Disposal in accordance with the terms and conditions of the Sale and Purchase Agreement
“Completion Date”	the 3rd Business Day following the fulfilment of the Conditions or such other date as agreed by the Company and the Purchaser in writing
“Conditions”	the conditions set out under the section headed “The Sale and Purchase Agreement – Conditions precedent” in this announcement
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Disposal”	the disposal of the Sale Shares by the Company to the Purchaser pursuant to the terms and conditions of the Sale and Purchase Agreement
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of approving, among other matters, the Sale and Purchase Agreement and the transactions contemplated thereunder
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM

“GFA”	gross floor area
“Great China”	Great China International Enterprises Group Limited 大中華國際實業集團有限公司, a company incorporated in Hong Kong with limited liability
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons
“Leshan International”	樂山大中華國際實業有限公司 (Leshan Greater China International Enterprises Limited*), a limited liability company incorporated in the PRC
“Linkful Wise”	Linkful Wise Group Holdings Limited, a company incorporated in the British Virgin Islands with limited liability
“Long Stop Date”	31 October 2025 or such other date as agreed by the Vendor and the Purchaser in writing
“PRC”	the People’s Republic of China excluding, for the purposes of this announcement, Hong Kong and Macau Special Administrative Region of the PRC
“Purchaser”	Ms. Liu Zhen
“Remaining Group”	the Group immediately after Completion
“Residential Portion”	the portion of the Target Company comprises 334 residential units with a total GFA of approximately of 19,958.06 sq.m.
“Sale and Purchase Agreement”	the conditional sale and purchase agreement entered into between the Vendor and the Purchaser dated 23 June 2025 in respect of the Disposal
“Sale Shares”	10,000 ordinary shares of the Target Company
“Shareholder(s)”	shareholder(s) of the Company

“sq.m.”	square meters
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Golden Strategy Limited, a company incorporated in Hong Kong with limited liability
“Target Group”	the Target Company and its subsidiaries
“Target Property”	the property project held by the Target Group in Leshan City, Sichuan Province, the PRC, details of which are set out in the section “Information on the Target Group and the Target Property”
“%”	per cent
* For identification purposes only	

By Order of the Board
Great World Company Holdings Ltd
Zhao Xinyan
Chairman

Hong Kong, 23 June 2025

As at the date of this announcement, the Board comprises (i) three Executive Directors, namely Mr. Zhao Xinyan, Mr. Zhang Yanqiang and Mr. Gu Zhonghai; (ii) three Independent Non-Executive Directors, namely Mr. Chung Koon Yan, Ms. Zhao Yongmei and Mr. Jing Baoli.

In case of any inconsistency, the English text of this announcement shall prevail over the Chinese.

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.