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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)**

**PROPOSED SHARE CONSOLIDATION  
AND  
PROPOSED CHANGE IN BOARD LOT SIZE**

**PROPOSED SHARE CONSOLIDATION**

The Board proposes to implement the Share Consolidation on the basis that every ten (10) issued and unissued Existing Shares of HK\$0.01 each in the share capital of the Company be consolidated into one (1) Consolidated Share of HK\$0.1 each.

As at the date of this announcement, the authorised share capital of the Company is HK\$300,000,000 divided into 30,000,000,000 shares of HK\$0.01 each, of which 3,252,716,000 Existing Shares have been allotted and issued, and are fully paid or credited as fully paid. Upon the Share Consolidation becoming effective and on the basis that the Company will not allot, issue or repurchase any Existing Shares prior to completion of the Share Consolidation, the authorised share capital of the Company will be HK\$300,000,000 divided into 3,000,000,000 shares of HK\$0.1 each, of which 325,271,600 Consolidated Shares will be in issue and fully paid or credited as fully paid.

**CHANGE IN BOARD LOT SIZE**

As at the date of this announcement, the Existing Shares are traded on GEM in board lots of 2,000 Existing Shares. It is proposed that, subject to the Share Consolidation becoming effective, the board lot size for trading on GEM be changed from 2,000 Existing Shares to 6,000 Consolidated Shares. Based on the closing price of HK\$0.095 per Existing Share as quoted on GEM as at the date of this announcement, the value of each board lot of 6,000 Consolidated Shares, assuming the Share Consolidation had already been effective, would be HK\$5,700.

## **GENERAL**

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Share Consolidation. A circular containing, among other things, further details of the proposed Share Consolidation, the Change in Board Lot Size and the notice convening the EGM is expected to be despatched to the Shareholders on or before 21 May 2021.

**Shareholders and potential investors should note that the Share Consolidation is conditional upon satisfaction of the conditions as set out in the paragraph headed “Conditions of the Share Consolidation” in this announcement. Accordingly, the Share Consolidation may or may not proceed.**

**Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company. If they are in any doubt, they should consult their professional advisers.**

## **PROPOSED SHARE CONSOLIDATION**

The Board proposes to implement the Share Consolidation on the basis that every ten (10) issued and unissued Existing Shares of HK\$0.01 each in the share capital of the Company be consolidated into one (1) Consolidated Share of HK\$0.1 each.

### **Effects of the Share Consolidation**

As at the date of this announcement, the authorised share capital of the Company is HK\$300,000,000 divided into 30,000,000,000 shares of HK\$0.01 each, of which 3,252,716,000 Existing Shares have been allotted and issued, and are fully paid or credited as fully paid. Upon the Share Consolidation becoming effective and on the basis that the Company will not allot, issue or repurchase any Existing Shares prior to completion of the Share Consolidation, the authorised share capital of the Company will be HK\$300,000,000 divided into 3,000,000,000 shares of HK\$0.1 each, of which 325,271,600 Consolidated Shares will be in issue and fully paid or credited as fully paid.

Other than the relevant expenses incurred, implementation of the Share Consolidation will have no material effect on the consolidated total asset value of the Company, nor will it alter the underlying assets, business, operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders as a whole, save for any fractional Consolidated Shares (if any) to which the Shareholders would otherwise be entitled.

### **Status of the Consolidated Shares**

The Consolidated Shares shall rank pari passu in all respects with each other.

## **Conditions of the Share Consolidation**

The implementation of the Share Consolidation is conditional upon:

- (i) the passing of an ordinary resolution by the Shareholders at the EGM to approve the Share Consolidation;
- (ii) the GEM Listing Committee granting the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective; and
- (iii) the compliance with the relevant procedures and requirements under the laws of the Cayman Islands (where applicable) (where applicable) and the GEM Listing Rules to effect the Share Consolidation.

The Share Consolidation and the Change in Board Lot Size is expected to become effective on Monday, 21 June 2021 subject to the fulfilment of the above conditions.

## **Listing Application**

An application will be made by the Company to the GEM Listing Committee for the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the GEM, as well as compliance with the stock admission requirements of the HKSCC, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares are listed or dealt in on any other stock exchange other than GEM, and at the time the Share Consolidation becomes effective, the Consolidated Shares in issue will not be listed or dealt in on any stock exchange other than GEM, and no such listing or permission to deal is being or is proposed to be sought.

## **Adjustments in relation to other securities of the Company**

As at the date of this announcement, there are outstanding share options (the “**Options**”) granted by the Company. The proposed Share Consolidation may cause adjustments to the exercise prices of the Options and the number of Consolidated Shares to be issued under the outstanding Options pursuant to the terms and conditions of the Options and under the terms and conditions of the share option scheme of the Company granting such Options. Further announcement will be made in respect of the said adjustments as and when appropriate. Save as disclosed above, as at the date of this announcement the Company has no other outstanding options, warrants or other securities in issue which are convertible into or giving rights to subscribe for, convert or exchange into, any Existing Shares or Consolidated Shares, as the case may be.

## **CHANGE IN BOARD LOT SIZE**

As at the date of this announcement, the Existing Shares are traded on GEM in board lots of 2,000 Existing Shares. It is proposed that, subject to the Share Consolidation becoming effective, the board lot size for trading on GEM be changed from 2,000 Existing Shares to 6,000 Consolidated Shares.

Based on the closing price of HK\$0.095 per Existing Share as quoted on GEM as at the date of this announcement, the value of each board lot of 6,000 Consolidated Shares, assuming the Share Consolidation had already been effective, would be HK\$5,700.

The Change in Board Lot Size will not result in change in the relative rights of the Shareholders.

## **REASONS FOR THE SHARE CONSOLIDATION AND THE CHANGE IN BOARD LOT SIZE**

The Existing Shares have predominantly been trading at below HK\$0.1 during the past 12 months. Pursuant to Rule 17.76 of the GEM Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01, the issuer may be required to proceed with a consolidation of its securities. According to the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited, (i) market price of the securities of an issuer at a level less than HK\$0.1 will be considered as trading at extremities; and (ii) taking into account the minimum transaction costs for a securities trade, the expected board lot value should be greater than HK\$2,000. The closing price of the Existing Shares at the date of this announcement was HK\$0.095 and the Existing Shares were trading at board lot value of HK\$190. As such, the Board resolved to propose the Share Consolidation and the Change in Board Lot Size, resulting in HK\$0.95 per Consolidated Share and the theoretical market value of each new board lot will be HK\$5,700 per board lot of 6,000 Consolidated Shares after the Share Consolidation and the Change in Board Lot Size have becoming effective, with the view to complying with the trading requirements under the GEM Listing Rules.

The Directors consider that the Share Consolidation will bring about a corresponding upward adjustment in the trading price per Consolidated Share on the Stock Exchange. Furthermore, the Share Consolidation and the Change in Board Lot Size would reduce the overall transaction and handling costs of dealings in the Shares as a proportion of the market value of each board lot, since most of the banks/securities houses will charge a minimum transaction costs for each securities trade.

Given the above, the Company considers that the Share Consolidation and the Change in Board Lot Size are in the interests of the Company and the Shareholders as a whole notwithstanding the potential costs and negative impact arising from the creation of odd lots to Shareholders.

The Board believes that the Share Consolidation and the Change in Board Lot Size will not have any material adverse effect on the financial position of the Group nor result in change in the relative right of the Shareholders.

The Company announced on 7 April 2021 to carry out placing of Shares of up to 1.54% of the existing issued share capital of the Company by general mandate. Save and except for the Placing, as at the date of this announcement, (i) the Company does not currently foresee the conducting of any other equity fund raising activities in the next twelve months; and (ii) the Company has no current plans for any other corporate actions (such as share consolidation, sub-division or change in board lot size) which may have an effect of undermining or negating the intended purpose of the Share Consolidation in the next twelve months.

## **OTHER ARRANGEMENTS**

### **Fractional entitlement to Consolidated Shares**

Fractional Consolidated Shares will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Existing Shares regardless of the number of share certificates held by such holder.

### **Arrangement on odd lot trading**

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares, the Company will appoint a securities firm as an agent to provide matching services, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares. Details of the odd lot arrangement will be set out in the circular to be despatched to the Shareholders. Holders of odd lots of the Consolidated Shares should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional advisers.

## **Exchange of certificates for Consolidated Shares**

Subject to the Share Consolidation becoming effective, which is currently expected to be Monday, 21 June 2021, Shareholders may on or after Monday, 21 June 2021 and until Wednesday, 28 July 2021 (both days inclusive), submit their existing share certificates in green colour for the Existing Shares to the Company's branch share registrar in Hong Kong Registrars Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for exchange for share certificates in yellow colour for the Consolidated Shares at the expense of the Company.

Shareholders should note that after the prescribed time for free exchange of share certificates, a fee of HK\$2.50 (or such other amount as may from time to time be specified by the Stock Exchange) for each share certificate will be payable by the Shareholders to the share registrar for exchange of share certificates.

The share certificates for the Existing Shares in green colour will only be valid for delivery, trading, registration and settlement purposes for the period up to 4:10 p.m. on Monday, 26 July 2021, and thereafter will cease to be valid for delivery, trading, registration and settlement purpose, but will remain valid and effective as documents of title.

## **EXPECTED TIMETABLE**

The expected timetable for the Share Consolidation and the Change in Board Lot Size is set out below.

The expected timetable is subject to the results of the EGM and is therefore for indicative purpose only. Any change to the expected timetable will be announced in a separate announcement by the Company as and when appropriate. All times and dates in this announcement refer to Hong Kong local times and dates.

<b>Event</b>	<b>Time and Date</b>
Expected date of despatch of the circular with notice of the EGM and form of proxy	On or about Friday, 21 May 2021
Latest time for lodging transfers of Existing Shares for attending the EGM	4:30 p.m. on Thursday, 10 June 2021
Closure of register of members (both dates inclusive)	Friday, 11 June 2021 to Thursday, 17 June 2021
Latest date and time for lodging forms of proxy for the EGM	11 a.m. on Tuesday, 15 June 2021

Expected date and time of the EGM 11 a.m. on  
Thursday, 17 June 2021

Publication of announcement of voting results of the EGM Thursday, 17 June 2021

**The following events are conditional on the fulfillment of the conditions for the implementation of the Share Consolidation as set out in this announcement.**

Effective date of the Share Consolidation Monday, 21 June 2021

First day of free exchange of existing share certificates for  
new share certificates for the Consolidated Shares Monday, 21 June 2021

Dealing in the Consolidated Shares commences 9:00 a.m. on  
Monday, 21 June 2021

Original counter for trading in the Existing Shares in  
board lots of 2,000 Existing Shares temporarily closes 9:00 a.m. on  
Monday, 21 June 2021

Temporary counter for trading in the Consolidated Shares in  
board lots of 200 Consolidated Shares  
(in the form of existing share certificates) opens 9:00 a.m. on  
Monday, 21 June 2021

Original counter for trading in the Consolidated Shares in  
board lots of 6,000 of Consolidated Shares  
(in the form of new share certificates) re-opens 9:00 a.m. on  
Tuesday, 6 July 2021

Parallel trading in the Consolidated Shares  
(in the form of new share certificates and  
existing share certificates) commences 9:00 a.m. on  
Tuesday, 6 July 2021

Designated broker starts to stand in the market to  
provide matching services for odd lots of the Consolidated Shares 9:00 a.m. on  
Tuesday, 6 July 2021

Designated broker ceases to stand in the market to provide  
matching services for odd lots of the Consolidated Shares 4:10 p.m. on  
Monday, 26 July 2021

Temporary counter for trading in the Consolidated Shares  
in board lots of 200 Consolidated Shares  
(in the form of existing share certificates) closes 4:10 p.m. on  
Monday, 26 July 2021

Parallel trading in the Consolidated Shares  
(in the form of new share certificates and  
existing share certificates) ends 4:10 p.m. on  
Monday, 26 July 2021

Last day for free exchange of existing share certificates  
for new share certificates for the Consolidated Shares Wednesday, 28 July 2021

## **GENERAL**

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Share Consolidation. A circular containing, among other things, further detail of the proposed Share Consolidation, the Change in Board Lot Size and the notice convening the EGM is expected to be despatched to the Shareholders on or before 21 May 2021.

**Shareholders and potential investors should note that the Share Consolidation is conditional upon satisfaction of the conditions as set out in the paragraph headed “Conditions of the Share Consolidation” above in this announcement. Accordingly, the Share Consolidation may or may not proceed.**

**Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company. If they are in any doubt, they should consult their professional advisers.**

## **DEFINITIONS**

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Board”	the board of Directors
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Change in Board Lot Size”	the proposed change in board lot size of the Shares for trading on GEM from 2,000 Existing Shares to 6,000 Consolidated Shares
“Company”	Great World Company Holdings Ltd, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM (Stock Code: 8003)

“Consolidated Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company immediately after the Share Consolidation becoming effective
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve, among other things, the proposed Share Consolidation
“Existing Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company before the Share Consolidation becoming effective
“GEM”	GEM operated by The Stock Exchange of Hong Kong Limited
“GEM Listing Committee”	the GEM listing sub-committee of the board of directors of the Stock Exchange
“GEM Listing Rules”	The Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Share Consolidation”	the proposed consolidation of every ten (10) issued and unissued Existing Shares in the share capital of the Company into one (1) Consolidated Share in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Shares
“Share(s)”	the Existing Share(s) or as the context may require, the Consolidated Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

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

Hong Kong, 5 May 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>.*