



世大控股有限公司

**GREAT WORLD COMPANY HOLDINGS LTD**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8003)**

**FIRST QUARTERLY RESULTS ANNOUNCEMENT  
FOR THE THREE MONTHS ENDED 30 JUNE 2022**

**CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

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**Given that companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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*This announcement, for which the directors of Great World Company Holdings Ltd (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange for the purpose of giving information with regard to the Company. The directors of the Company, 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.*

## **HIGHLIGHTS**

- Revenue was approximately HK\$40,836,000 for the three months ended 30 June 2022, compared with the revenue of approximately HK\$125,446,000 for the corresponding period of last year.
- Loss attributable to owners of the Company was approximately HK\$4,664,000 for the three months ended 30 June 2022, versus the loss attributable to owners of the Company of approximately HK\$4,432,000 for the corresponding period of last year.
- The board of directors does not recommend the payment of a quarterly dividend for the three months ended 30 June 2022 (three months ended 30 June 2021: Nil).

## RESULTS

The board of directors of Great World Company Holdings Ltd (the “**Company**”) presents the financial information of the Company and its subsidiaries (the “**Group**”), comprising the condensed consolidated statement of profit or loss and condensed consolidated statement of profit or loss and other comprehensive income of the Group for the three months ended 30 June 2022, all of which are unaudited and in condensed format, (collectively referred to as the “**Unaudited Condensed Financial Statements**”) along with selected explanatory notes and comparative information as follows:

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		(Unaudited)	
		Three months ended 30 June	
		2022	2021
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	2	40,836	125,446
Cost of sales		<u>(37,782)</u>	<u>(100,635)</u>
Gross profit		3,054	24,811
Other gains/(losses)	3	(2,255)	(10,265)
Gain/(loss) arising from changes in fair value less costs to sell of biological assets		3,420	(377)
Selling and distribution costs		(487)	(1,284)
Administrative and other operating expenses		(9,072)	(11,930)
Finance costs		<u>(70)</u>	<u>(29)</u>
Profit/(loss) before tax	5	(5,410)	926
Income tax credit/(expense)	6	<u>251</u>	<u>(40)</u>
<b>Profit/(loss) for the period</b>		<b><u>(5,159)</u></b>	<b><u>886</u></b>
<b>Profit/(loss) for the period attributable to:</b>			
Owners of the Company		(4,664)	(4,432)
Non-controlling interests		<u>(495)</u>	<u>5,318</u>
		<b><u>(5,159)</u></b>	<b><u>886</u></b>
<b>Basic and diluted loss per share</b>	7	<b><u>(HK1.41) cents</u></b>	<b><u>(HK1.35) cents</u></b>

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	<b>(Unaudited)</b>	
	<b>Three months ended 30 June</b>	
	<b>2022</b>	2021
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit/(loss) for the period	<u>(5,159)</u>	<u>886</u>
Other comprehensive loss:		
Items that may be reclassified subsequently to profit or loss		
– Exchange differences arising on translation of foreign operations	<u>(6,740)</u>	<u>(377)</u>
Other comprehensive loss for the period, net of tax	<u>(6,740)</u>	<u>(377)</u>
Total comprehensive income/(loss) for the period	<u><b>(11,899)</b></u>	<u><b>509</b></u>
Total comprehensive income/(loss) attributable to:		
Owners of the Company	<u>(5,233)</u>	(7,810)
Non-controlling interests	<u>(6,666)</u>	<u>8,319</u>
	<u><b>(11,899)</b></u>	<u><b>509</b></u>

## NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

### 1. BASIS OF PREPARATION

The Unaudited Condensed Consolidated Financial Statements have been prepared in compliance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“**HKAS 34**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and in accordance with the applicable disclosure provisions of Chapter 18 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited.

The accounting policies and methods of computation adopted in the preparation of the Unaudited Condensed Consolidated Financial Statements are consistent with those applied for the Group’s annual financial statements for the year ended 31 March 2022.

The preparation of the Unaudited Condensed Consolidated Financial Statements in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

In the current period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 April 2022. HKFRSs comprise Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies and results reported for the current or prior accounting periods.

The Group has not applied the new and revised HKFRSs, which have been issued and are not yet effective, but is in the process of assessing their impact on the Group’s results of operations and financial position.

The financial information are unaudited but have been reviewed by the Company’s audit committee.

### 2. REVENUE

	(Unaudited)	
	Three months ended 30 June	
	2022	2021
	<i>HK\$’000</i>	<i>HK\$’000</i>
Provision of mobile advertising media services	40,411	124,335
Sales of goods	107	765
Rental income	308	346
	<u>40,836</u>	<u>125,446</u>

### 3. OTHER GAINS/(LOSSES)

	(Unaudited)	
	Three months ended 30 June	
	2021	2020
	HK\$'000	HK\$'000
Bank interest income	6	4
Gain/(loss) arising from treasury investment	(1,828)	14
Government subsidy	45	–
Inventories written down	–	(8,100)
Provision for impairment loss recognised in respect of trade and other receivables	(478)	(2,183)
	<u>(2,255)</u>	<u>(10,265)</u>

### 4. SEGMENT INFORMATION

The Group manages its businesses by divisions, which are organised by a mixture of both business lines (products and services) and geographical areas. In a manner consistent with the way in which information is reported internally to the Group's most senior management for the purpose of resource allocation and performance assessment, the Group has presented the following four reportable segments.

The Group's operations and reportable segments are as follows:

Intelligent advertising and railroad media business	Provision of mobile advertising media services for intelligent advertising and property market customers in the PRC, railroad magazine distribution and e-commerce platform management, advertising and product sales services
Agricultural, forestry and consumer products business	Cultivation of forestry and wood material products, Chinese herbal medicine ingredients and specialty agricultural by-products, sales of processed and pre-packaged food/consumer products
Supply-chain business	Sales of industrial, information technology and other products as well as related R&D and product manufacturing activities
Property business	Property investment and development, operating and managing residential and commercial properties

Management monitors the results of the Group's operating segments separately, for the purpose of making decisions about resource allocation and assessment of the Group's performance. Segment performance is evaluated based on reportable segment results, which is a measure of adjusted loss before tax. The adjusted loss before tax is measured consistently with the Group's loss before tax except that unallocated income, finance costs and expenses are excluded from such measurement.

All assets are allocated to reportable segments other than goodwill and unallocated corporate assets.

All liabilities are allocated to reportable segments other than income tax payable, convertible notes, deferred tax liabilities and unallocated corporate liabilities.

These segments are managed separately as they belong to different industries and require different operating systems and strategies. There were no sales or other transactions between those reportable segments. Information regarding the Group's reportable segments is presented below:

(a) Segment revenue, profit or loss and other selected financial information

	(Unaudited)				
	Three months ended 30 June 2022				
	Intelligent advertising and railroad media business HK\$'000	Agricultural, forestry and consumer products business HK\$'000	Supply- chain business HK\$'000	Property business HK\$'000	Total HK\$'000
Revenue from external customers	40,411	107	–	318	40,836
Bank interest income	5	–	–	–	5
Depreciation of property, plant and equipment	(16)	(3)	–	(1)	(20)
Depreciation of right-of-use assets	(189)	–	–	–	(189)
Gain arising from changes in fair value less costs to sell of biological assets	–	3,420	–	–	3,420
Provision for impairment loss recognised in respect of trade and other receivables	–	(264)	–	–	(264)
Total profit/(loss) of reportable segments	<u>809</u>	<u>2,579</u>	<u>–</u>	<u>55</u>	<u>3,443</u>

	(Unaudited)				
	Three months ended 30 June 2021				
	Intelligent advertising and railroad media business HK\$'000	Agricultural, forestry and consumer products business HK\$'000	Supply- chain business HK\$'000	Property business HK\$'000	Total HK\$'000
Revenue from external customers	124,335	761	4	346	125,446
Bank interest income	3	–	–	–	3
Depreciation of property, plant and equipment	(41)	–	(3)	–	(44)
Depreciation of right-of-use assets	(204)	–	–	–	(204)
Loss arising from changes in fair value less costs to sell of biological assets	–	(377)	–	–	(377)
Inventories written down	–	(8,100)	–	–	(8,100)
Provision for impairment loss reversed/ (recognised) in respect of trade and other receivables	(2,196)	–	13	–	(2,183)
Total profit/(loss) of reportable segments	<u>11,679</u>	<u>(8,533)</u>	<u>(57)</u>	<u>152</u>	<u>3,241</u>

(b) Reconciliations of reportable segment revenue and profit or loss

	(Unaudited)	
	Three months ended 30 June	
	2022	2021
	HK\$'000	HK\$'000
Revenue:		
Total revenue for reportable segments	<u>40,836</u>	<u>125,446</u>
Consolidated revenue	<u><u>40,836</u></u>	<u><u>125,446</u></u>
Total profit for reportable segments	3,443	3,241
Unallocated corporate income	–	14
Unallocated corporate expenses	<u>(8,853)</u>	<u>(4,181)</u>
Consolidated profit/(loss) before tax	<u><u>(5,410)</u></u>	<u><u>926</u></u>

5. PROFIT/(LOSS) BEFORE TAX

	(Unaudited)	
	Three months ended 30 June	
	2022	2021
	HK\$'000	HK\$'000
Profit/(loss) before tax has been arrived at after charging:		
Staff costs (including directors' remuneration)		
– fees, salaries, wages, other benefits and contributions to retirement plans	2,829	4,787
– equity settled share-based payment expenses	<u>5,416</u>	<u>–</u>
	<u><u>8,245</u></u>	<u><u>4,787</u></u>
Cost of inventories sold	37,782	100,635
Depreciation of property, plant and equipment	24	447
Depreciation of right-of-use assets	371	425
Short-term lease payments	<u>166</u>	<u>203</u>



## 6. INCOME TAX

	(Unaudited)	
	Three months ended 30 June	
	2022	2021
	<i>HK\$'000</i>	<i>HK\$'000</i>
Current tax:		
PRC Enterprise Income Tax credit/(expense)	<u>251</u>	<u>(40)</u>
	251	(40)
Deferred tax	<u>-</u>	<u>-</u>
	-	-
Income tax credit/(expense) for the period	<u><u>251</u></u>	<u><u>(40)</u></u>

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the three months ended 30 June 2022 and 2021.

Under the Law of the People's Republic of China ("PRC") on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

No provision for current tax had been made for the three months ended 30 June 2022 as the Group had no assessable profit from its operations.

## 7. BASIC AND DILUTED LOSS PER SHARE

The calculation of the basic loss per share is based on the following data:

	(Unaudited)	
	Three months ended 30 June	
	2022	2021
	<i>HK\$'000</i>	<i>HK\$'000</i>
(i) Loss for the period attributable to owners of the Company	<u><u>(4,664)</u></u>	<u><u>(4,432)</u></u>
	'000	'000
(ii) Weighted average number of ordinary shares	<u><u>330,272</u></u>	<u><u>328,019</u></u>

Diluted loss per share for loss attributable to the owners of the Company for the three months ended 30 June 2022 and 2021 were the same as basic loss per share because the calculation of diluted loss per share does not assume the exercise of the outstanding share options of the Company as they had an anti-dilutive effect to the basic loss per share for both periods.

## 8. RESERVES AND NON-CONTROLLING INTERESTS

	Reserves attributable to owners of the Company						Non-controlling interests	Total
	Share premium	Convertible notes equity reserve	Share options reserve	Translation reserve	Accumulated losses	Total		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2021 (audited)	280,678	–	2,303	(1,495)	(238,592)	42,894	38,256	81,150
Total comprehensive income/(loss) for the period (unaudited)	–	–	–	(3,378)	(4,432)	(7,810)	8,319	509
Placing of new shares (unaudited)	4,500	–	–	–	–	4,500	–	4,500
At 30 June 2021 (unaudited)	<u>285,178</u>	<u>–</u>	<u>2,303</u>	<u>(4,873)</u>	<u>(243,024)</u>	<u>39,584</u>	<u>46,575</u>	<u>86,159</u>
	Reserves attributable to owners of the Company						Non-controlling interests	Total
	Share premium	Convertible notes equity reserve	Share options reserve	Translation reserve	Accumulated losses	Total		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2022 (audited)	284,988	413	2,303	2,513	(279,674)	10,543	32,478	43,021
Total comprehensive income/(loss) for the period (unaudited)	–	–	–	(569)	(4,664)	(5,233)	(6,666)	(11,899)
Grant of new share options (unaudited)	–	–	5,416	–	–	5,416	–	5,416
At 30 June 2022 (unaudited)	<u>284,988</u>	<u>413</u>	<u>7,719</u>	<u>1,944</u>	<u>(284,338)</u>	<u>10,726</u>	<u>25,812</u>	<u>36,538</u>

The share premium account of the Company is distributable to the owners of the Company under the Companies Law (2013 Revision) of the Cayman Islands subject to the provisions of the Company's memorandum and articles of association and provided that the Company will be in a position to payoff its debts as they fall due in the ordinary course of business immediately following the date on which the dividend is proposed to be distributed.

The convertible notes equity reserve represents the value of the equity component of unexercised convertible notes issued by the Company with related deferred tax recognised. Items included in convertible notes equity reserve will not be reclassified subsequently to profit or loss.

The share options reserve represents the fair value of the unexercised share options recognised in accordance with the accounting policy adopted for share-based payments.

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

## 9. RELATED PARTY TRANSACTIONS

Remuneration for key management personnel of the Group, including the Company's directors and certain senior management staff, is as follows:

	(Unaudited)	
	Three months ended 30 June	
	2022	2021
	<i>HK\$'000</i>	<i>HK\$'000</i>
Fees, salaries and other benefits	<u>671</u>	<u>609</u>

## 10. DIVIDEND

The board of directors of the Company (the "Board") does not recommend the payment of a quarterly dividend for the three months ended 30 June 2022 (three months ended 30 June 2021: Nil).

## 11. GRANT OF NEW SHARE OPTIONS

On 13 May 2022, the Company granted share options to certain eligible persons, under the share option scheme adopted by the Company on 3 August 2012, to subscribe for a total of 23,000,000 ordinary shares of HK\$0.1 each in the share capital of the Company (the "Share(s)") at the exercise price of HK\$1 per Share. Details of the grant of share options had been disclosed in the Company's announcement dated 13 May 2022.

Equity settled share-based payment expenses of approximately HK\$5,416,000 was recognised in respect of the share options granted on 13 May 2022.

## MANAGEMENT DISCUSSION AND ANALYSIS

### RESULTS OF OPERATIONS

For the three months ended 30 June 2022, the Group recorded a total revenue of approximately HK\$40,836,000, representing a decrease of approximately 67.45% as compared with a total revenue of approximately HK\$125,446,000 for the corresponding period of last year, mainly attributable to the decrease in revenue generated from the intelligent advertising business due to haze in China's real estate sector.

Loss attributable to owners of the Company was approximately HK\$4,664,000 for the three months ended 30 June 2022, which was approximately 5.23% higher than the loss attributable to owners of the Company incurred for the corresponding period of last year of approximately HK\$4,432,000.

### BUSINESS REVIEW

#### *Intelligent Advertising and Railroad Media Business*

##### – Intelligent Advertising Business

Shenzhen Zhixunpai Information Technology Company Ltd. (“**Shenzhen Zhixunpai**”), a subsidiary of the Company, maintains an industry-leading position thanks to the intelligent advertising and media services it has rendered, despite uncertainties in the real estate industry. China's real estate sector is still struggling amid a widening mortgage boycott crisis and lack of progress on the debt woes of distressed developers.

Given the general sentiment of the market due to the fallout of COVID-19 impact and sector specific challenges, we are focused on diversifying applications of our proprietary Big Data and AI technological platforms to find new growth opportunities. Thanks to the powerful data processing capabilities of our AI system, it can be fitted onto a wide range of applications that the Group will be investigating with care such as applying the analytic capabilities in investment decision-making as well as providing AI-driven digital marketing strategy in our other business segments.

Development of such verticals will bring additional growth opportunities and broaden the income sources while creating additional synergies between the Group's various businesses.

– **Railroad Media Business**

The Group has accumulated extensive expertise and exclusive access to high-speed railroad resources since it started providing railroad media services in 2019 and expanding organically within the high-speed railroad ecosystem to broaden the services provided as well as other travel ecosystems such as civil aviation. Recovery of civil aviation, railway and other transportation modes traffic has been observed, with demand steadily rising back. A significant opportunity has been observed in business travel service market where the recovery and demand is the strongest. The Group is actively looking for suitable investment opportunities in related sectors, especially business travel management.

The Group is focused on building synergies into the travel sector by leveraging its technological capabilities, especially its AI data-processing system and adapting it to sector-specific applications.

For the three months ended 30 June 2022, a revenue of approximately HK\$40,411,000 was generated from the provision of intelligent advertising and railroad media services.

***Agricultural, Forestry and Consumer Products Business***

Demand for our agricultural and forestry products are decreasing due to sluggish consumer demand in an economic downturn.

The Group is gradually shifting its focus from growing agricultural and forestry produces to building its brand on various online selling platforms and developing a portfolio of own-brand products.

For the three months ended 30 June 2022, revenue generated from the sales of agricultural, forestry and consumer products was approximately HK\$107,000.

***Supply-chain Business***

The Group provides a one-stop supply-chain solution for the market-driven customers, providing them with the most cost effective solutions to meet their procurement needs. The Group offers a wide range of bespoke services and solutions including product bundle optimization, ordering and sourcing, customs clearance and logistics management to help the customers to seek the finest procurable options in the market based on the customers' own specifications.

The Group will maintain a high standard for supply-chain risk management, closely observing industries of interest to seize potential investment opportunities in order to diversify its product portfolio further and broaden the income sources. Given the severe disruption of supply chain around the globe, the Group is carefully considering the industries where the recovery is optimal and the disruption minimal.

Our management is looking into new investment opportunities in key areas of various industries, in particular recyclable material and transportation industry.

For the three months ended 30 June 2022, no revenue was generated from the supply-chain business as it was in a transitional period in shifting product lines.

## ***Property Business***

The Group owns a property which comprises a residential and commercial development site with a site area of approximately 3,111.96 square meters (“**sq.m.**”) located at Leshan City, Sichuan Province, the People’s Republic of China. The property has a gross floor area of approximately 28,251.82 sq.m. (inclusive of a basement floor) and comprises 4 portions with different functions, namely residential, commercial, basement car park and facilities.

The leasing of the commercial portion of the property has commenced and the Group expects to commence the selling programme of part of the residential portion of the property and the leasing of certain residential portion of the property and/or basement car park area when the property market appears to revive with loose policy environment.

For the three months ended 30 June 2022, revenue derived from short-term leasing of the commercial portion of the property was approximately HK\$318,000.

## **OUTLOOK**

Compounding the damage from the COVID-19 pandemic, the Russian invasion of Ukraine has magnified the slowdown in the global economy, which is entering what could become a protracted period of feeble growth and elevated inflation, according to the World Bank’s latest Global Economic Prospects report.

The Group’s profitability and business growth are affected by the current macroeconomic conditions.

The Group will seek to broaden the application of its AI technology platform to other verticals such as investment and high data traffic processing for digital marketing to create new growth opportunities amid the ongoing digital transformation.

The Group will focus on the travel sector, especially business travel management amid a quick recovery of the sector in China and look for investment opportunities in the space.

As supply-chain is being disrupted around the world, the Group is actively looking for stable and high demand products that are the focus of policymakers, such as renewable energy and recyclable material sectors. Supply chain in the transport sector will also be carefully considered.

The Group will remain conservative and prudent towards its profitability in the coming months. Nevertheless, we have taken measures to mitigate the impact of an economic downturn and will formulate necessary strategies and take further actions to enhance the long-term profitability and sustainability of the Group.

## LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 30 June 2022, the Group's cash and bank deposits amounted to approximately HK\$12,905,000 which has decreased by approximately 33.27% when comparing with the cash and bank deposits of approximately HK\$19,339,000 as at 31 March 2022. As at 30 June 2022, the Group had net current liabilities of approximately HK\$10,401,000 (31 March 2022: HK\$5,679,000).

The Group adopted a conservative treasury policy to maintain cash necessary to meet anticipated expenditures plus a reasonable cushion for emergencies. Almost all bank deposits are being kept in Hong Kong dollars, or in the local currencies of the operating subsidiaries to minimise exposure to foreign exchange risk. Any excess cash should be invested in liquid income-producing instruments which should be managed by a qualified investment manager or operated in accordance with advice provided by a qualified investment manager or decision of an investment committee, if formed, comprising at least one executive director, at least one independent non-executive director and at least one individual who must possess appropriate professional qualifications and/or financial and investment expertise and experience.

Most of the trading transactions, assets and liabilities of the Group were currently denominated in Hong Kong dollars, United States Dollars and Renminbi. The Group did not experience any material difficulties on its operations or liquidity as a result of fluctuation in currency exchange rates during the period under review. As at 30 June 2022, the Group had no foreign exchange contracts, interest of currency swaps or other financial derivatives for hedging purpose. The Group is closely monitoring the movement of the foreign currency rates and will consider hedging significant foreign currency exposure should the need arise.

The share capital of the Company as at 30 June 2022 is as follows:

	<b>Number of shares ( '000)</b>	<b>Amount (HK\$'000)</b>
Authorised	<u>3,000,000</u>	<u>300,000</u>
Issued and fully paid	<u>330,272</u>	<u>33,027</u>

## GEARING RATIO

The Group's gearing ratio, which was defined as the ratio of net debt to equity, was approximately 128% as at 30 June 2022 (31 March 2022: 128%).

## CONTINGENT LIABILITIES

As at 30 June 2022, the Group did not have any material contingent liabilities (31 March 2022: Nil).

## OTHER INFORMATION

### SHARE OPTION SCHEME

The Company has adopted a new share option scheme at the annual general meeting of the Company held on 3 August 2012 (the “**2012 Share Option Scheme**”) which is valid and effective for a period of 10 years commencing on 3 August 2012, upon the termination of the share option scheme adopted at the annual general meeting of the Company held on 2 August 2002, under which selected persons, such as the directors, employees, customers or any individual business or entity providing goods or services, may take up options to subscribe for shares in the Company subject to the terms and conditions stipulated in the 2012 Share Option Scheme. The maximum number of shares which can be granted under the 2012 Share Option Scheme may not exceed 10% of the issued share capital of the Company at the time of granting of the option or at the date of approval by the shareholders in general meeting where the limit is refreshed.

On 13 May 2022, the Company granted options to certain eligible persons to subscribe for a total of 23,000,000 ordinary shares in the share capital of the Company at the exercise price of HK\$1 per share.

Movements in the number of share options granted under the 2012 Share Option Scheme are as follows:

Participants	Date of grant	Exercisable period	Exercise price per share	No. of underlying shares comprised in option					
				As at 1 April 2022	Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period	Outstanding at 30 June 2022
Employees and others (in aggregate)	4 February 2016	4 February 2016 – 6 January 2026	HK\$2.64	2,240,000	-	-	-	-	2,240,000
Employees and others (in aggregate)	13 May 2022	13 May 2022 – 13 May 2025	HK\$1.00	-	23,000,000	-	-	-	23,000,000

Save as disclosed above, during the three months ended 30 June 2022, no other share option was granted, exercised, lapsed or cancelled pursuant to the 2012 Share Option Scheme and none of the Directors or chief executive of the Company or their respective spouses or children under 18 years of age were granted or exercised any right to subscribe for any equity or debt securities of the Company or any of its associated corporations within the meaning of the Securities and Future Ordinance (“SFO”).

### CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles in and complied with the requirements of the Corporate Governance Code (“CG Code”) as set out in Appendix 15 of the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”) throughout the three months ended 30 June 2022.



## **BOARD OF DIRECTORS**

The board of directors (the “**Board**”) of the Company comprised three executive Directors, namely Mr. Zhang Yanqiang, Mr. Gu Zhonghai and Mr. Zhao Xinyan, one non-executive Director, namely Ms. Ng Mui King, Joky (chairman of the Board), and three independent non-executive Directors, namely Mr. Chung Koon Yan, Ms. Zhao Yongmei and Mr. Jing Baoli.

The Board is responsible for reviewing, evaluating and finalising the Company’s strategies and policies, annual budgets, business plans and performance, and has full access to adequate, reliable and timely information on the Group so as to enable them to make a timely decision. The Board also has the collective responsibility for leadership and control of, and for promoting the success of, the Group by directing and supervising the Group’s affairs.

## **BOARD COMMITTEES**

The Board has established three committees in accordance with the CG Code, namely the Audit Committee, the Nomination Committee and the Remuneration Committee. These committees are provided with sufficient resources to discharge their duties and are able to seek independent professional advice when appropriate and upon request.

### **AUDIT COMMITTEE**

The Audit Committee comprised three independent non-executive Directors, namely Mr. Chung Koon Yan (chairman of the Audit Committee), Ms. Zhao Yongmei and Mr. Jing Baoli. The Audit Committee meets with the Group’s senior management regularly to review the effectiveness of the internal control system and the quarterly, interim and annual reports of the Group.

### **NOMINATION COMMITTEE**

The Nomination Committee comprised one executive Director, namely Mr. Zhang Yangqiang (chairman of the Nomination Committee), and two independent non-executive Directors, namely Ms. Zhao Yongmei and Mr. Jing Baoli. The Nomination Committee reviews the composition of the Board and nominates suitably qualified candidates to the Board, if necessary.

### **REMUNERATION COMMITTEE**

The Remuneration Committee comprised one executive Director, namely Mr. Zhao Xinyan, and two independent non-executive Directors, namely Ms. Zhao Yongmei (chairman of the Remuneration Committee) and Mr. Jing Baoli. The Remuneration Committee reviews and determines the policy for the remuneration of directors and senior management of the Group.

## INTERESTS OF DIRECTORS

As at 30 June 2022, the interests and short positions of the Directors or chief executive of the Company in the shares, the underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which the Directors and chief executive of the Company were taken or deemed to have under such provisions of the SFO), required to be entered in the register maintained by the Company pursuant to section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

### Long position in shares and underlying shares of the Company

Name of Directors	Number of ordinary shares of HK\$0.10 each and the underlying shares			Approximate percentage of the issued share capital of the Company
	Personal interest	Corporate interest	Total number of shares	
Mr. Zhao Xinyan	1,750,000	47,378,000 (Note 1)	49,128,000	14.88%
Ms. Ng Mui King, Joky	–	33,792,000 (Note 2)	33,792,000	10.23%

#### Notes:

1. These shares are held by Win Bless Limited of which Mr. Zhao Xinyan is the beneficial owner.
2. These shares are held by Gold City Assets Holdings Ltd. of which Ms. Ng Mui King, Joky is the beneficial owner.

Save as disclosed above, as at 30 June 2022, none of the Directors and chief executive of the Company had interests and short positions in the shares, the underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which the directors and chief executive of the Company were taken or deemed to have under such provisions of the SFO), required to be entered in the register maintained by the Company pursuant to section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

## DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed above, at no time during the three months ended 30 June 2022 was any of the Company or its subsidiaries a party to any arrangements to enable the Directors or chief executive (including their spouses or children under 18 years of age) of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

## INTEREST OF SUBSTANTIAL SHAREHOLDERS AND OTHER SHAREHOLDERS

As at 30 June 2022, save as disclosed below, so far is known to the Directors and chief executives of the Company, no person (other than a Director or a chief executive of the Company) had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO or, who is directly or indirectly, interested in 5% or more of the issued share capital of the Company.

### Long positions in shares of the Company

Name of shareholder	Capacity/Nature of interest	Total number of ordinary shares of HK\$0.10 each	Approximate percentage of the issued share capital of the Company
Win Bless Limited	Beneficial owner/Corporate	47,378,000 (Note 1)	14.35%
Mr. Zhao Xinyan	Interest in a controlled corporation	47,378,000 (Note 1)	14.35%
Gold City Assets Holdings Ltd.	Beneficial owner/Personal	1,750,000	0.53%
	Beneficial owner/Corporate	33,792,000 (Note 2)	10.23%
Ms. Ng Mui King, Joky	Interest in a controlled corporation	33,792,000 (Note 2)	10.23%
Ms. Lin Shunping	Beneficial owner/Personal	19,900,000 (Note 3)	6.03%

#### Notes:

1. These shares are held by Win Bless Limited, a company incorporated in Hong Kong of which the issued share capital is beneficially owned by Mr. Zhao Xinyan, an executive Director of the Company.
2. These shares are held by Gold City Assets Holdings Ltd., 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.
3. These shares were issued to Ms. Lin Shunping on 27 March 2020, pursuant to the convertible notes issued by the Company on 30 March 2015.

## **COMPETING INTEREST**

The Directors are not aware of any business or interest of the Directors nor the controlling shareholders of the Company (as defined in the GEM Listing Rules) nor any of their respective close associates that competes or may compete, either directly or indirectly, with the business of the Group or, of any other conflicts of interest which any such person has or may have with the Group during the three months ended 30 June 2022.

## **PURCHASE, SALE OR REDEMPTION OF SHARES**

The Company has not redeemed any of its shares during the three months ended 30 June 2022. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the three months ended 30 June 2022.

## **CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding the directors' securities transaction in securities of the Company. Having made specific enquiry of all Directors, each of the Directors has confirmed that he/she has complied with the required standard of dealings as set out in the adopted code of conduct regarding the directors' securities transaction throughout the three months ended 30 June 2022.

The Audit Committee has reviewed the Unaudited Condensed Financial Statements of the Group for the three months ended 30 June 2022.

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

Hong Kong, 12 August 2022

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

*This announcement will remain on the "Latest Listed Company Information" page of the GEM website ([www.hkgem.com](http://www.hkgem.com)) for at least 7 days from the date of its publication and on the Company website ([www.gwchl.com](http://www.gwchl.com)).*