世大控股有限公司

GREAT WORLD COMPANY HOLDINGS LTD

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8003)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2024

Reference is made to the annual report of Great World Company Holdings Ltd (the "**Company**", together with its subsidiaries, the "**Group**") for the year ended 31 March 2024 (the "**Annual Report**"). Unless otherwise defined herein, capitalized terms used in this announcement have the same meanings as those used in the Annual Report.

DISCLAIMER

The Board would like to provide further updates on the disclaimer of opinion (the "**Disclaimer**") issued by the auditors of the Company (the "**Auditors**") in relation to the consolidated financial statements of the Group for the year ended 31 March 2024.

As disclosed in the Annual Report, in particular on page 36 of the section headed "DISCLAIMER OF AUDITORS' OPINION FOR THE YEAR ENDED 31 MARCH 2024", there were material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern.

Actions taken to address the Disclaimer

To address the Disclaimer, the Group has taken the following measures to enhance the financial position of the Group since the year ended 31 March 2024:

(a) The Company attempted to raise funds by way of convertible notes and rights issue in the second half of 2024 but in vain. According to the Company's market research, the investors did not have appetite for the Company's convertible notes and the expenses for conducting rights issue was too costly to proceed.

The Company has been in active negotiation with financial institutions for fund-raising opportunities. The Company is currently exploring to raise funds by way of issuance of new shares by December 2025. The amount to be raised and the method and timing of fund raising depends on the market sentiment, it is intended that if the net proceeds to be raised is HK$5 million or below, all the proceeds will be used as general working capital of the Group (including but not limited to staff costs, professional fees, rental and general administrative and operating expenses of the Group) . Such allocation on the proceeds will be adjusted if the size of the fund raising is larger.

The Company has obtained interest-free loans from the executive directors of the Company in the aggregate amount of HK$2 million since 31 March 2024, repayable on demand. The executive directors did not demand repayment so far and agreed by a letter of undertaking not to demand repayment on or before 31 March 2026. The executive directors also expressed their readiness to provide further interest-free financial support to the Group for maintaining going concern.

(b) The Company has been closely monitoring its operating expenses. To reduce the rental expenses, the principal place of business was changed from Wanchai to Lai Chi Kok in May 2024 which resulted in the monthly rental reduced by 68.5% from approximately HK$73,000 to HK$23,000 per month.

(c) The Company proposes to dispose of several companies in the Group (the "**Disposal Group**") that are engaged in the property business segment and owns a building located in Sichuan province. The Disposal Group is in net liability position which as at 31 March 2024 owed approximately HK$135 million to a substantial shareholder of the Company and its associated companies. The Company is in negotiation with an independent third party for the disposal at a reasonable consideration and it is expected that an agreement will be signed by the end of June 2025. If the disposal materializes, the liabilities of the Group will be reduced by the approximate amount of HK$135 million and the financial position of the Group will hence be improved. The disposal is in the best interest of the Company, it will constitute a major transaction and the same will be disclosed and approved in compliance with the relevant Listing Rules.

(d) The Group has been maintaining active communication with its creditors. The zero-coupon convertible note issued by the Company in the principal amount of HK$3.5 million matured on 28 March 2025 and the Company shall redeem the convertible note on the same date according to the relevant convertible note document. However, in light of the tight cashflow of the Group, a settlement was reached by the noteholder and the Company that the liability of HK$3.5 million owed by the Company shall be repaid by 28 March 2028 (or such other date as the parties may agree) and if the Company successfully raises new funds on or before 28 March 2028, the Company shall allocate 10% of such new funds to the noteholder as partial settlement until the full repayment of the indebtedness.

(e) The Group has taken actions to recover the trade receivables which include but not limited to negotiations with the debtors and initiating legal proceedings against the debtors. As at 30 April 2025, the Group hasobtained favourable judgement in respect of approximately RMB1.87 million of trade receivables and the legal proceedings in respect of approximately RMB4.5 million of trade receivables are still ongoing. Subsequent to 31 March 2024, the trade receivables and other receivables in the aggregate amount of RMB14.68 million was recovered by the Company up to 31 March 2025.

The Group believes the above measures to address the Disclaimer are effective. The Group will continue to undertake active measures to improve its liquidity and financial position and to control the operation costs.

Auditors' view on the Disclaimer

The Auditors are in the process of reviewing the abovementioned measures including requesting the relevant documents and cash flow forecast. As a result, the Auditors are yet to be in a position to provide their views of the aforementioned measures to the validity of the going concern assumption applicable to the Group.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 20 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; and (ii) three independent non-executive directors, namely Mr. Chung Koon Yan, Ms. Zhao Yongmei and Mr. Jing Baoli.