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(Stock Code: 431)

website: <http://www.irasia.com/listco/hk/greaterchina/index.htm>

VOLUNTARY ANNOUNCEMENT – COMPLAINT LETTERS AND LITIGATION

This announcement is made by Greater China Financial Holdings Limited (“**Company**”) as a voluntary announcement in relation to the recent complaint letters and writs of summons received by the Company.

COMPLAINT LETTERS

On 29 June 2016 and 13 July 2016, the Board received the Complaint Letters issued by Shanghai Kuailu, inter alia, making various allegations as the validity of the control by the Company in 上海中源典當有限公司 (Shanghai Zhongyuan Pawnshop Company Limited*), 上海當天金融信息服務有限公司 (Shanghai Dangtian Financial Information Services Co., Ltd*) and 上海新盛典當有限公司 (Shanghai Xinsheng Pawnshop Limited*), which are all subsidiaries of the Company, by way of VIE Contracts.

LITIGATION

On 11 July 2016, the Company received two writs of summons issued by Shanghai Kuailu as plaintiff in the Court of First Instance of the High Court of Hong Kong under action numbers HCA 1806 of 2016 and HCA 1807 of 2016, respectively.

As at the date of this announcement and so far as the Company is aware, there are no facts or grounds which substantiate the allegations contained in the Complaint Letters, the First Action and the Second Action. The Company is currently seeking legal advice in respect of the Complaint Letters, the First Action and the Second Action and will make further announcement(s) to update the public and its investors of any significant development. The Company hereby reserves all its rights and remedies arising out of, in relation to and in connection with the Complaint Letters, the First Action and the Second Action.

COMPLAINT LETTERS

On 29 June 2016 and 13 July 2016, the board (“**Board**”) of directors of the Company (“**Directors**”) received two letters of the same contents (“**Complaint Letters**”) allegedly issued by 上海快鹿投資(集團)有限公司 (Shanghai Kuailu Investment Group Company Limited*) (“**Shanghai Kuailu**”), inter alia, making various allegations as the validity of the control by the Company in 上海中源典當有限公司 (Shanghai Zhongyuan Pawnshop Company Limited*), 上海當天金融信息服務有限公司 (Shanghai Dangtian Financial Information Services Co., Ltd.*) and 上海新盛典當有限公司 (Shanghai Xinsheng Pawnshop Limited*), which are all subsidiaries of the Company, by way of variable interest entity contracts (“**VIE Contracts**”).

LITIGATION

On 11 July 2016, the Company received two writs of summons issued by Shanghai Kuailu as plaintiff in the Court of First Instance of the High Court of Hong Kong under action numbers HCA 1806 of 2016 and HCA 1807 of 2016, respectively.

High Court Action 1806 of 2016

On 11 July 2016, the Company received a writ of summons issued by Shanghai Kuailu as plaintiff in the Court of First Instance of the High Court of Hong Kong under action number HCA 1806 of 2016 (“**First Action**”). In the First Action, apart from the Company, there are 7 other defendants including Mr. Liu Kequan (“**Mr. Liu**”), the chairman of the Board, chief executive officer and substantial shareholder of the Company. The First Action is in relation to a dispute concerning (i) HK\$80 million (subject to adjustment) of the convertible notes of the Company to be issued on the 60th business day after the issue of the audited accounts of Oriental Credit Holdings Limited (“**Oriental Credit**”) for the financial year ending 31 December 2014 and (ii) HK\$35 million (subject to adjustment) of the convertible notes of the Company to be issued on the 60th business day after the issue of the audited accounts of Oriental Credit for the financial year ending 31 December 2015. Shanghai Kuailu is seeking various orders on the Company and other defendants in the First Action.

High Court Action 1807 of 2016

On 11 July 2016, the Company received another writ of summons issued by Shanghai Kuailu as plaintiff in the Court of First Instance of the High Court of Hong Kong under action number HCA 1807 of 2016 (“**Second Action**”). In the Second Action, apart from the Company, there are 7 other defendants including Mr. Liu. The Second Action is in relation to a dispute concerning 538,500,000 shares of the Company held by Long Tu Limited. Shanghai Kuailu is seeking various orders on the Company and other defendants in the Second Action.

As at the date of this announcement and so far as the Company is aware, there are no facts or grounds which substantiate the allegations contained in the Complaint Letters, the First Action and the Second Action. The Company is currently seeking legal advice in respect of the Complaint Letters, the First Action and the Second Action and will make further announcement(s) to update the public and its investors of any significant development. The Company hereby reserves all its rights and remedies arising out of, in relation to and in connection with the Complaint Letters, the First Action and the Second Action.

By order of the Board of
Greater China Financial Holdings Limited
Liu Kequan
Chairman

Hong Kong, 13 July 2016

As at the date of this announcement, the Board comprises Mr. Liu Kequan and Mr. Zhang Peidong as executive Directors; Mr. Yin Xiaoguang as non-executive Director; and Mr. Jin Bingrong, Mr. Kwan Kei Chor, Dr. Rui Mingjie, Mr. Zhou Liangyu and Dr. Lu Ziang as independent non-executive Directors.

* *For identification purpose only*