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

## INSIDE INFORMATION – LEGAL ACTIONS TO BE TAKEN AGAINST SHANGHAI KUAILU

This announcement is made by Greater China Financial Holdings Limited (“**Company**”) pursuant to Rule 13.09(2)(a) of the Listing Rules and the inside information provisions under Part XIVA of the SFO.

As at the date of this announcement, the board of directors (“**Board**”) of the Company has engaged legal adviser in the People’s Republic of China (“**PRC**”) to enforce its rights under the variable interest entity contracts (“**VIE Contracts**”) entered into between 上海佑勝投資諮詢有限公司 (Shanghai Yousheng Investment Consulting Company Limited\*) (“**Yousheng**”), a wholly-owned subsidiary of the Company, 上海新盛典當有限公司 (Shanghai Xinsheng Pawnshop Limited\*) (“**Xinsheng**”) and the registered shareholders of Xinsheng which include 上海快鹿投資(集團)有限公司 (Shanghai Kuailu Investment Group Company Limited\*) (“**Shanghai Kuailu**”), in order to protect its interests in Xinsheng.

### ACTIONS TAKEN AGAINST SHANGHAI KUAILU

Upon receipt of the complaint letters on 29 June 2016 and 13 July 2016 (“**Complaint Letters**”) as stated in the announcement of the Company dated 13 July 2016 in which 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 Xinsheng by way of VIE Contracts were made, after consulting the legal advisers of the Company in Hong Kong and PRC, the Company instructed the legal advisers of the Company in Hong Kong and PRC to issue two letters to Shanghai Kuailu and one letter to the legal adviser of Shanghai Kuailu in the PRC on 12 July 2016 and 16 July 2016 respectively in response of the Complaint Letters, making the following requests:–

- (1) Shanghai Kuailu to provide the Company with resolutions or minutes of meeting of the board of directors of Shanghai Kuailu authorizing the issue of the Complaint Letters;
- (2) Shanghai Kuailu to provide the Company with evidence which supports the allegations set out in the Complaint Letters; and

- (3) Shanghai Kuailu to rectify all inaccurate allegations and facilitates the Company to enforce its rights under the VIE Contracts.

#### **LEGAL ACTIONS TO BE TAKEN AGAINST SHANGHAI KUAILU**

As the Company does not receive any feedback from Shanghai Kuailu as at the date of this announcement, the Company has engaged legal advisers in the PRC to take legal actions against Shanghai Kuailu to enforce the rights of the Company under the VIE Contracts.

#### **THE BOARD'S ASSESSMENT ON THE IMPACT OF THE LEGAL ACTIONS TO BE TAKEN**

The Board is currently seeking legal advice from its legal adviser in the PRC to ascertain the impact to the Company and its subsidiaries of the legal actions to be taken against Shanghai Kuailu and will make further announcement(s) to update the public and its investors of any significant development.

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

Hong Kong, 22 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*