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大中華金融控股有限公司
GREATER CHINA FINANCIAL HOLDINGS LIMITED
(incorporated in Bermuda with limited liability)

(Stock Code: 431)

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

**INSIDE INFORMATION –
LEGAL ACTIONS TAKEN AGAINST SHANGHAI KUAILU**

This announcement is made by Greater China Financial Holdings Limited (“**Company**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Reference is made to the announcements of the Company dated 22 July 2016 and 18 August 2016 (“**Announcements**”) in relation to the legal actions taken against Shanghai Kuailu. Capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements unless otherwise stated.

Further to the Announcements, the Board would like to provide more information about the legal actions taken by the Company against Shanghai Kuailu.

SUSPENSION OF THREE ARBITRATION CLAIMS

On 22 February 2017, the legal advisers of the Company in the PRC received three decisions issued by the Shanghai Arbitration Commission (上海仲裁委員會) (“**SAC**”) to suspend the three arbitration claims (“**Arbitration Claims**”) initiated by Yousheng and Shanghai Junning against Xinsheng, Shanghai Kuailu and Zhongyuan in August 2016 (“**Suspension Decisions**”).

According to the Suspension Decisions, SAC was notified that (i) Xinsheng, Shanghai Kuailu and Zhongyuan are involved in the criminal investigation conducted by one public security authority of Shanghai City, PRC; and (ii) the shares of Xinsheng and Zhongyuan were freezed by PRC public security authority. As such, it was stated that such circumstances would create obstacles for submitting evidence to SAC, and SAC agreed to suspend the Arbitration Claims with effect from 21 February 2017.

THE BOARD'S ASSESSMENT ON THE IMPACT OF THE SUSPENSION DECISIONS

As advised by the legal advisers of the Company in the PRC, the suspension of the Arbitration Claims shall not prejudice the rights of the Company, Yousheng and Shanghai Junning in such claims. The Board considers that the suspension of the Arbitration Claims shall not create adverse impact to the Company and its subsidiaries.

The Company will make further announcement(s) to update the public and its investors of any significant development in relation to the Arbitration Claims.

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

Hong Kong, 23 February 2017

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