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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:
MEMORANDUM OF UNDERSTANDING IN RELATION TO
A POTENTIAL ACQUISITION OF AN ASSET MANAGEMENT COMPANY**

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the inside information provisions under Part XIVA of the SFO.

The Board announces that on 22 February 2016, Champion Well (an indirect wholly-owned subsidiary of the Company) and Shanghai Dangtian Asset (an independent third party) entered into a non-legally binding MOU for the equity subscription. Pursuant to the MOU, Champion Well would subscribe not more than 20% of the enlarged equity interest of Shanghai Dangtian Asset. The preliminary valuation of Shanghai Dangtian Asset is estimated to be not more than HK\$3,000,000,000.

The Board wishes to emphasize that no binding agreement in relation to the Proposed Subscription has been executed as at the date of this announcement. The Proposed Subscription may or may not be materialized. The Proposed Subscription, if materializes, may constitute a notifiable transaction of the Company under the Listing Rules. Further announcement in respect of the Proposed Subscription will be made by the Company in accordance with the requirements of the Listing Rules as and when appropriate.

MEMORANDUM OF UNDERSTANDING

Date: 22 February 2016

Parties:

(i) Vendor:

Shanghai Dangtian Asset

(ii) Purchaser:

Champion Well

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Shanghai Dangtian Asset and its ultimate beneficial owner(s) are third parties independent of and not connected with the Company and its connected persons (as defined in the Listing Rules).

Pursuant to the MOU, Champion Well intended to subscribe not more than 20% of the enlarged equity interest of Shanghai Dangtian Asset. The preliminary valuation of Shanghai Dangtian Asset is estimated to be not more than HK\$3,000,000,000.

Pursuant to the MOU, within six months from entering into this MOU, without a written consent from Champion Well, for the Proposed Subscription, Shanghai Dangtian Asset, together with its representative and agent, shall not

1. directly or indirectly invite, solicit or encourage any third party to conduct any negotiation or make a proposal;
2. provide, discuss or negotiate any information in relation to equity/debt financing with any third party;
or
3. enter into an agreement or have mutual understanding with any third party.

Unless otherwise extended by Champion Well and Shanghai Dangtian Asset, the MOU shall be automatically terminated on the earlier of (1) six months after execution of the MOU (or such longer period as Champion Well and Shanghai Dangtian Asset may agree); or (2) the date of the execution of the Formal Agreement.

INFORMATION ON SHANGHAI DANGTIAN ASSET

Shanghai Dangtian Asset is a company incorporated in the People's Republic of China, the principal business of which is the provision of personalized wealth management needs for different customer groups, management of a series of customer demand-oriented wealth management products involving products with fixed income, film cultural fund, hedge fund, private equity investments, alternative investment in artistic products and overseas asset allocation. At present, it has already established over one hundred branches and network outlets in 45 cities nationwide, such as Shanghai, Beijing, Guangzhou, Hangzhou, Dalian, Suzhou and Nanjing. The registered capital of Shanghai Dangtian Asset is RMB600,000,000.

This Proposed Subscription will provide valuable opportunities for the Company to diversify its business structure, further expand the Company's financing channels in the Greater China region, improve the competitiveness and market image of the Company, enhance customer base of the Company, and intensify and strengthen the synergy of the Company business.

GENERAL

The Board wishes to emphasize that no binding agreement in relation to the Proposed Subscription has been executed as at the date of this announcement. The Proposed Subscription may or may not be materialized. The Proposed Subscription, if materializes, may constitute a notifiable transaction for the Company under the Listing Rules. Further announcement in respect of the Proposed Subscription will be made by the Company in accordance with the requirements of the Listing Rules as and when appropriate.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expression shall have the following meaning when used herein:

“Board”	the board of Directors
“Company”	Greater China Financial Holdings Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 431)
“Directors”	directors of the Company
“Formal Agreement”	a formal subscription agreement entered into between the Purchaser and the Vendor in respect of the Proposed Subscription
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MOU”	a non-legally binding memorandum of understanding for subscription of equity interest dated 22 February 2016 entered into between the Purchaser and the Vendor in relation to the Proposed Subscription
“Proposed Subscription”	the proposed subscription by Champion Well of not more than 20% of the enlarged equity interest of Shanghai Dangtian Asset
“Purchaser” or “Champion Well”	Champion Well Limited, a company incorporated in Hong Kong, a wholly-owned subsidiary of the Company
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor” or “Shanghai Dangtian Asset”	Shanghai Dangtian Asset Management Limited* (上海當天資產管理有限公司)

By Order of the Board
Greater China Financial Holdings Limited
Shao Yonghua
Chairman

Hong Kong, 22 February 2016

As at the date of this announcement, the Board comprises Mr. Shao Yonghua, Mr. Chen Ningdi and Ms. Chan Siu Mun as executive Directors; Ms. Ma Xiaoling and Mr. Joseph Shie Jay Lang as non-executive Directors; and Mr. Jin Bingrong, Mr. Kwan Kei Chor and Dr. Rui Mingjie as independent non-executive Directors.

* *For identification purpose only*