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JF Wealth Holdings Ltd

九方财富控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9636)

CONNECTED TRANSACTION IN RELATION TO ACQUISITION

THE ACQUISITION

On December 22, 2023, JF Information, an indirect wholly owned subsidiary of the Company, entered into the Exclusive Option Transfer Agreement with Shanghai Xieluo, Shanghai Beixun, Existing Registered Shareholders and New Registered Shareholders, pursuant to which Shanghai Xieluo conditionally agreed to sell, and JF Information conditionally agreed to acquire, the entire Ownership of Shanghai Beixun through the following arrangements to be entered in to among the relevant parties as detailed below:

- (i) **Termination of the Existing Contractual Arrangements:** Shanghai Xieluo, Shanghai Beixun and Existing Registered Shareholders shall enter into the Termination Agreement, pursuant to which such parties agreed to terminate the Existing Contractual Arrangements; and
- (ii) **Entering into the New Contractual Arrangements:** JF Information, Shanghai Beixun and New Registered Shareholders shall enter into the New Contractual Arrangements, pursuant to which JF Information will be able to exercise control over Shanghai Beixun and consolidate all the economic benefits generated by Shanghai Beixun and its subsidiaries.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Shanghai Xieluo is an indirect wholly owned subsidiary of Yintech Holdings, which is ultimately held by Mr. CHEN Wenbin, Mr. YAN Ming and Ms. CHEN Ningfeng, all being Directors and controlling shareholders of the Company, as to 36.14%, 23.72% and 21.10%, respectively. Accordingly, Shanghai Xieluo is a connected person of the Company and the transactions contemplated under the Exclusive Option Transfer Agreement constitute connected transactions pursuant to Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the Exclusive Option Transfer Agreement is more than 0.1% but less than 5%, the transactions contemplated under the Exclusive Option Transfer Agreement are subject to reporting and announcement requirements but are exempted from the circular and the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

INTRODUCTION

On December 22, 2023, JF Information, an indirect wholly owned subsidiary of the Company, entered into the Exclusive Option Transfer Agreement with Shanghai Xieluo, Shanghai Beixun, Existing Registered Shareholders and New Registered Shareholders, pursuant to which Shanghai Xieluo conditionally agreed to sell, and JF Information conditionally agreed to acquire, the entire Ownership in Shanghai Beixun.

THE EXCLUSIVE OPTION TRANSFER AGREEMENT

Date

December 22, 2023

Parties

1. JF Information (as the purchaser);
2. Shanghai Xieluo (as the seller);
3. Shanghai Beixun (as the target);
4. Existing Registered Shareholders; and
5. New Registered Shareholders.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, as at the date of this announcement, New Registered Shareholders are parties independent of the Company and its connected persons.

Subject Matter

Shanghai Xieluo conditionally agreed to sell, and JF Information conditionally agreed to acquire, the entire Ownership of Shanghai Beixun through the following arrangements to be entered in to among the relevant parties as detailed below:

- (i) **Termination of the Existing Contractual Arrangements:** Shanghai Xieluo, Shanghai Beixun and Existing Registered Shareholders shall enter into the Termination Agreement, pursuant to which such parties agreed to terminate the Existing Contractual Arrangements; and
- (ii) **Entering into the New Contractual Arrangements:** JF Information, Shanghai Beixun and New Registered Shareholders shall enter into the New Contractual Arrangements, pursuant to which JF Information will be able to exercise control over Shanghai Beixun and consolidate all the economic benefits generated by Shanghai Beixun and its subsidiaries.

Upon the Completion, JF Information will be able to exercise control over Shanghai Beixun and consolidate all the economic benefits generated by Shanghai Beixun and its subsidiaries.

Consideration and Payment Terms

The total Consideration payable by JF Information for the Acquisition is RMB38,420,000.

The Consideration shall be settled by JF Information in cash in the following manner. For the avoidance of doubt, the Acquisition was not funded by the proceeds from the listing of the Company's shares on the main board of the Stock Exchange on March 10, 2023.

- (i) the first instalment of Consideration at RMB23,052,000, being 60% of the Consideration (the “**First Instalment**”) shall be paid to Shanghai Xieluo within ten (10) business days following the date of the Exclusive Option Transfer Agreement;
- (ii) the second instalment of Consideration at RMB7,684,000, being 20% of the Consideration shall be paid to Shanghai Xieluo within ten (10) business days following the date of the Closing; and
- (iii) the third instalment of Consideration at RMB7,684,000, being 20% of the Consideration shall be paid to Shanghai Xieluo within ten (10) business days following the date of the Completion.

According to the Exclusive Option Transfer Agreement, JF Information shall assist Shanghai Beixun to repay the debt of Yinke Chuangzhan for the amount of RMB31,875,111.75 (the “**Repayment**”) in the following manner: (i) 30% of the Repayment, being RMB9,562,533.53, shall be paid to Yinke Chuangzhan within ten (10) business days following the date of the Closing; and (ii) 70% of the Repayment, being RMB22,312,578.22, shall be paid to Yinke Chuangzhan within ten (10) business days following the date of the Completion. JF Information shall also bear the expenses of the operation of Shanghai Beixun before the date of the Closing, for the amount of no more than RMB10,000,000.

The original acquisition cost of Shanghai Beixun was RMB38,420,000, which was paid by Shanghai Xieluo in full.

Basis of Consideration

The Consideration was determined by the parties after arm's length negotiations with reference to, among others, (i) the appraised value of the total assets of Shanghai Beixun (the “**Appraised Value**”) assessed by an independent valuer of the Company (Shanghai Orient Appraisal Co., Ltd. (上海東洲資產評估有限公司), the “**Valuer**”), as at November 30, 2023 (“**Valuation Date**”) being RMB71,746,224.74, (ii) the business development and future prospects of Shanghai Beixun, and the synergy of Shanghai Beixun with the Company, and (iii) the reasons for and benefits of the Acquisition as stated under the section headed “Reasons for and Benefits of the Acquisition” in this announcement.

According to the valuation report (“**Valuation Report**”) prepared by the Valuer for the valuation (the “**Valuation**”) of the total assets of Shanghai Beixun, the Valuer has employed the enterprise value-to-sales ratio (“**EV/S**”) and the Appraised Value as at the Valuation Date was RMB71,746,224.74. The methodology adopted in the preparation of the Valuation Report by the Valuer for the Valuation and details of the Valuation Report are as followed.

(I) Selection of valuation approach

According to the Practice Guidelines for Asset Valuation – Enterprise Value, when performing any appraisal of enterprise value, the suitability of the three basic asset valuation methods, namely, the income approach, the market approach and the asset-based approach shall be analysed based on the purpose of valuation, appraised object, the type of the value, and the availability of information.

The asset-based approach is resorting to the reconstruction or replacement of the valued assets based on current conditions. The price that any potential investors are willing to pay upon their decision of investment in certain assets shall not exceed the current construction cost of the assets. Zhangzhong Weishi is a wholly owned subsidiary of Shanghai Beixun. Appropriate valuation approach shall be adopted separately to Shanghai Beixun and Zhangzhong Weishi, and the valuation results of Zhangzhong Weishi will be consolidated into the long-term equity investment of Shanghai Beixun. The specific analysis is set out as follows:

Company level	Company name	Applicable valuation method	Applicability analysis of other methods
Parent company	Shanghai Beixun Industrial Co., Ltd. (上海銀動實業有限公司)	Asset-based approach	<ol style="list-style-type: none">1. Income approach. As the historical annual income was average, and operating income and risk in the future years cannot be reliably predicted as at the Valuation Date. Further, the period when the income will remain stable cannot be confirmed yet as at the Valuation Date. Thus, the income approach is not applicable to the valuation.2. Market approach. The market approach was adopted in the valuation of Zhangzhong Weishi as a subsidiary of Shanghai Beixun and an operating entity, whilst the market approach is not adopted for the valuation of Shanghai Beixun as the holding company.

Company level	Company name	Applicable valuation method	Applicability analysis of other methods
Subsidiary	Zhangzhong Weishi (Beijing) Technology Co., Ltd. (掌中微視(北京)科技有限公司)	Market approach	<ol style="list-style-type: none"> <li data-bbox="991 272 1489 719">1. Income approach. As the historical annual income was average, and operating income and risk in the future years cannot be reliably predicted as at the Valuation Date. Further, the period when the income will remain stable cannot be confirmed yet as at the Valuation Date. Thus, the income approach is not applicable to the valuation. <li data-bbox="991 761 1489 1387">2. Asset-based approach. The valuation result adopting asset-based approach only evaluates the separate value of each tangible assets or identifiable intangible assets, and cannot fully reflect the value of unidentifiable intangible assets, the contribution in value of each individual assets to the entire company, or the synergy value arising from the interaction and organic combination of individual assets. Thus, the asset-based approach is not applicable to the valuation.

(II) Introduction to the valuation approaches

- (1) Asset-based approach: It specifically refers to an approach of obtaining the value of entire equity of shareholders of an enterprise by adding together the appraised value of various element assets constituting the enterprise and subtracting the appraised value of the liabilities.

- (2) Market approach: In accordance with the Practice Guidelines for Asset Valuation – Enterprise Value, the market approach in the appraisal of enterprise value refers to the valuation approach that compares the valuation subject with comparable listed companies or comparable transaction cases to determine the value of the valuation subject. Two methods commonly used under the market approach are guideline listed company method and guideline transaction method. In view of the limited transaction cases in the PRC in the same industry as the appraised entity, coupled with the fact that certain specific conditions which are related to transaction cases and may impact the transaction price are not publicly available, thus making analysis on relevant discount or premium impossible, transaction case comparison method is hardly applicable in practice. Therefore, guideline listed company method is adopted for the Valuation. Since Zhangzhong Weishi has only a single type of principal business, with its capital sufficient for daily operation, while a listed company has more types of business and needs to increase interest-bearing debts to supplement the capital required in the course of its operation, enterprise value indicator is adopted in the Valuation. Considering that profit indicator is more applicable to stable and mature enterprises, Zhangzhong Weishi has negative profit in recent years and is thus not suitable for profit indicator. Therefore, EV/S is selected for the Valuation.

Overall value of comparable companies = share price of comparable companies as at the Valuation Date × number of shares held as at the Valuation Date × (1 – illiquidity discount rate) × (1 + Rate of Control premium) + interest-bearing debts + minority interests

EV/S = Overall value of comparable companies/Sales revenue

(III) Valuation assumptions

- (1) Transaction assumption is to assume that all assets to be evaluated are already in the process of transaction, and the asset valuers carry out the valuation based on the trading conditions of the assets to be evaluated in a simulated market. The transaction assumption is one of the most basic premise assumptions for the implementation of the asset valuation;
- (2) Open market assumption is an assumption about the market conditions into which the assets are proposed to enter and the impact on the assets under such market conditions. Open market refers to adequately developed and sound market conditions, and refers to a competitive market with voluntary buyers and sellers. In such market, buyers and sellers are equal and have opportunities and time to obtain sufficient market information. Transactions between buyers and sellers are conducted on voluntary, rational, non-mandatory or unrestricted conditions. Open market assumption is based on the fact that the assets can be publicly traded in the market.
- (3) Going concern assumption is assuming that the appraised entity can legally continue its production and operation business according to its current status within the foreseeable future operating period under the existing asset resources conditions and there will be no major adverse changes in the operating conditions.

- (4) Assumption about the use of an asset for an existing purpose means that it is assumed that the asset will continue to be used for the current purpose. Firstly, it is assumed that the assets within the scope of valuation are in use. Then it is assumed that the assets will continue to be used for the current purpose and mode of use without considering asset use conversion or optimal utilization conditions.
- (5) The Valuation assumes that there will be no unforeseen material adverse changes in the external economic environment, including the relevant laws, macroeconomic, financial and industrial policies prevailing in the country after the Valuation Date, and that there will be no significant impact caused by other human force majeure and unforeseen factors.
- (6) The Valuation does not consider the impact on the appraised entity's valuation conclusion of any collateral or guarantee that the appraised entity and its assets may assume in the future, or any additional price that may be paid as a result of a special transaction method.
- (7) The Valuation assumes that there are no significant changes in the social and economic environment as well as the tax, tax rates and other fiscal policies of the place where the appraised entity locates, and that the credit policy, interest rates and exchange rates are relatively stable.
- (8) The current and future business of the appraised entity is operated in a legal and compliant manner, and in compliance with the relevant provisions of its business license and the articles of association.
- (9) The property rights trading of comparable companies in the market is legal and orderly.
- (10) The share trading of comparable listed companies in the market is normal and orderly, and the trading price is not manipulated by non-market factors.
- (11) The financial statement data disclosed by comparable listed companies is true, and the information disclosure is sufficient and timely.

(IV) Selection criteria for comparable companies:

- (1) The comparable companies are listed companies in the PRC;
- (2) The comparable companies are operated in the advertising and marketing industry;
- (3) Among the comparable company samples available, their asset management scale, business scope and types shall be as akin to Zhangzhong Weishi as possible.

In order to enhance the comparability of the valuation case with Zhangzhong Weishi in both financial and non-financial indicators, three cases of listed companies were selected based on factors such as asset scale and business type from those cases chosen and Zhangzhong Weishi:

Shanghai LongYun Cultural and Creative & Technology Group Co., Ltd. (上海龍韻文創科技集團股份有限公司), a listed company on the Shanghai Stock Exchange (stock code: 603729), is mainly engaged in the business of digital marketing full case service, advertising media agency and alcohol sales. As at September 30, 2023, its total assets were RMB633,017,898.40, and the owner's equity attributable to the shareholders of the listed company was RMB385,244,563.85.

Focus Media Information Technology Co., Ltd. (分眾傳媒信息技術股份有限公司), a listed company on the Shenzhen Stock Exchange (stock code: 002027), is mainly engaged in the development and operation of life circle media, with its main products as building media (mainly including elevator TV media and elevator poster media) and cinema screen advertising media. As at September 30, 2023, its total assets were RMB22,952,453,393.33, and the owner's equity attributable to the shareholders of the listed company was RMB16,527,921,760.36.

Mega-info Media Co., Ltd. (兆訊傳媒廣告股份有限公司), a listed company on the Shenzhen Stock Exchange (stock code: 301102), is mainly engaged in the development, operation and advertising publishing of digital media resources in high-speed rail. As at September 30, 2023, its total assets were RMB4,276,723,385.41, and the owner's equity attributable to the shareholders of the listed company was RMB2,993,004,085.20.

No.	Item	Case one 603729 (Shanghai Stock Exchange) Shanghai LongYun Cultural Creation & Technology Group Co., Ltd.	Case two 002027 (Shenzhen Stock Exchange) Focus Media Information Technology Co., Ltd.	Case three 301102 (Shenzhen Stock Exchange) Mega-info Media Co., Ltd.
Secondary market	Share capital (0'000 shares)	9,333.80	1,444,219.97	29,000.00
	Closing price as at the Valuation Date (RMB per share)	19.12	6.54	19.39
EV/S	Revenue (October 1, 2022 to September 30, 2023) (RMB0'000)	33,402.30	1,072,995.24	59,144.08
	Minority equity as at September 30, 2023 (RMB0'000)	95.16	30,950.16	0.00
	Interest-bearing indebtedness as at September 30, 2023 (RMB0'000)	6,969.81	231,404.78	27,885.21
	Rate of Control premium*	17.81%	17.81%	17.81%
	Rate of Illiquidity Discount**	29.51%	29.51%	29.51%
	EV excluding Illiquidity Discount (including monetary capital) (RMB0'000)	155,274.93	8,106,436.62	494,874.39
	EV/S of comparable companies (RMB per share)	4.65	7.55	8.37

- * *Control premium: The trading prices of the stock of listed companies are all the trading prices traded through retail investors in the market, which can be understood as the trading prices of small equity. The rate of control premium of 2023, calculated by the China Assets Exchange (中國產權交易所), Wind Information Co., Ltd. (萬得信息技術股份有限公司) and Shanghai Chinaventure Information Consulting Co., Ltd. (上海投中信息諮詢股份有限公司), was selected to adjust the control rights. Shanghai Beixun holds 100% of shares in Zhangzhong Weishi and is the controlling shareholder of Zhangzhong Weishi. The control premium was taken into consideration in the Valuation as the share price of the listed company was the price of the minority equity.*
- ** *Rate of Illiquidity Discount: Due to the fact that the value of the selected listed company was calculated based on the price of circulating shares, and Zhangzhong Weishi was not a listed company, it was necessary to adjust the market value of comparable cases in the circulating market. It is generally believed that the price difference between non-tradable shares and tradable shares is mainly caused by the following reasons: (1) risk borne: tradable shares have strong liquidity, and once a risk occurs, holders of tradable shares can quickly sell their stocks to reduce or avoid the risk. Non-tradable stock holders may suffer losses due to their inability to quickly respond to the same situation. (2) the level of trading activity: the trading of circulating stocks is active, and the price of them tends to rise. Non-tradable stocks lack the necessary number of trading personnel, and non-tradable stocks generally have a large amount. Many investors lack the economic strength to participate in the trading of non-tradable stocks. Therefore, compared to tradable stocks, non-tradable stocks lack trading activity and have lower prices. In summary, since the value of the selected listed company was calculated based on the circulating price, it was necessary to adjust the value when using the market comparison method to evaluate non-listed companies.*

(V) Valuation results

- (1) The appraised value of Zhangzhong Weishi = adjusted EV/S × revenue of Zhangzhong Weishi – interest-bearing indebtedness – minority equity = RMB32,000,000.00.
- (2) Upon the appraised value of Zhangzhong Weishi being consolidated into the long-term equity investment of Shanghai Beixun and taking into account the portion of the appraised appreciation of the fixed assets of Shanghai Beixun, the appraised value of total shareholders' equity of Shanghai Beixun was RMB37,656,410.27.
- (3) The appraised value of total indebtedness of Shanghai Beixun was RMB34,089,814.47, plus the appraised value of total shareholders' equity of Shanghai Beixun mentioned above, resulting in the Appraised Value, being RMB71,746,224.74.

Conditions Precedent of the Closing and the Completion

The Closing shall take place at the month end upon unanimous consent of the parties to the Exclusive Option Transfer Agreement after all of the conditions described in the Exclusive Option Transfer Agreement have been duly fulfilled or waived by the party who is entitled to the benefit thereof, including, among others, (i) Shanghai Beixun and its subsidiaries being qualified to engage in the business including value-added telecommunication services (增值電信業務), audiovisual network services and production of radio and television program services on a continuous basis in accordance with the applicable laws, regulations and regulatory requirements, (ii) obtaining approval from the Board in respect of the Acquisition; and (iii) the completion of the payment of the First Instalment.

The Completion shall take place on the day upon unanimous consent of the parties to the Exclusive Option Transfer Agreement after all of the conditions described in the Exclusive Option Transfer Agreement have been duly fulfilled or waived by the party who is entitled to the benefit thereof, including, among others, (i) obtaining approvals from competent authorities for the change of the shareholders of Shanghai Beixun (from Existing Registered Shareholders to New Registered Shareholders) and completion of industrial and commercial registration of such change of shareholders in the PRC (the “**Approval**”); (ii) entering into the Termination Agreement among Shanghai Xieluo, Shanghai Beixun and Existing Registered Shareholders, pursuant to which such parties agreed to terminate the Existing Contractual Arrangements; and (iii) entering into the New Contractual Arrangements among JF Information, Shanghai Beixun and New Registered Shareholders, pursuant to which JF Information will be able to exercise control over Shanghai Beixun and consolidate all the economic benefits generated by Shanghai Beixun and its subsidiaries.

Termination

In the event that the Approval is not obtained within 12 months after the date of the Exclusive Option Transfer Agreement not caused by any of the parties hereto, the parties to the Exclusive Option Transfer Agreement agree to terminate the Exclusive Option Transfer Agreement in writing. JF Information shall have the right to require Shanghai Xieluo and Shanghai Beixun to return the Consideration, Repayment and other expense paid by JF Information with interests as agreed in the termination agreement to be entered into by parties hereto.

NEW CONTRACTUAL ARRANGEMENTS

According to the Exclusive Option Transfer Agreement, JF Information, Shanghai Beixun and New Registered Shareholders shall enter into the New Contractual Arrangements, the principal terms of which are summarised as follows.

Principal Terms of each of the New Contractual Arrangements

Exclusive Service Agreement

JF Information and Shanghai Beixun shall enter into the Exclusive Service Agreement, pursuant to which, Shanghai Beixun shall agree to engage JF Information as its exclusive provider of technical support, consultation and other services, including:

- developing, maintaining and upgrading the websites, APPs, specialized network management platforms and enterprise management systems of Shanghai Beixun Group;
- providing application software technologies;
- providing solution plans corresponding with application software upon periodic request by Shanghai Beixun;
- designing system solution plans;
- providing daily management and maintenance for the website and mobile applications of Shanghai Beixun;

- providing installation and maintenance of the system used by Shanghai Beixun;
- providing periodical upgrades of the system used by Shanghai Beixun;
- providing technical development services and support for internet information-related business;
- providing consultation plan in relation to market research, planning and development;
- providing consultation plan in relation to operation plan and business strategies;
- providing consultation plan in relation to client management and development;
- providing planning, management and market development of Shanghai Beixun's products and services upon its request;
- assisting Shanghai Beixun in enterprise promotion and public relations activities;
- managing the accounting and financial activities of Shanghai Beixun upon its request;
- providing consultation plan in relation to human resources and labour relationship management;
- being responsible for the planning, development, implementation and management of the enterprise management system of Shanghai Beixun upon its request;
- providing periodic technical training for the technical staff of Shanghai Beixun upon its request; and
- authorizing the use of the intellectual properties owned by JF Information to Shanghai Beixun, in accordance with the Exclusive Service or written agreements as otherwise entered into by JF Information and Shanghai Beixun.

Under the Exclusive Service Agreement, the service fee shall be equivalent to the total consolidated profit before tax of Shanghai Beixun Group, after offsetting the prior-year loss (if any), necessary operating costs, expenses, taxes and other statutory contributions for the financial year (including any accumulative income of Shanghai Beixun Group from preceding financial years and excluding the service fee under the Exclusive Service Agreement). JF Information shall calculate the service fee on a quarterly basis and issue a corresponding invoice to Shanghai Beixun Group. Notwithstanding the foregoing, JF Information shall have the right to adjust the amount of the service fee in writing based on the actual consultations and services provided to Shanghai Beixun Group and with reference to the operating conditions and expansion needs of Shanghai Beixun. JF Information may also in writing unilaterally adjust the calculation basis of the service fee, or, where it finds necessary, agree to a delay in payment of service fee by Shanghai Beixun Group.

In addition, absent the prior written consent of JF Information, during the term of the Exclusive Service Agreement, with respect to the services subject to the Exclusive Service Agreement and other matters, Shanghai Beixun shall not directly or indirectly accept the same or any similar services provided by any third party and shall not establish cooperation relationships similar to that formed by the Exclusive Service Agreement with any third party. JF Information may appoint other parties, who may enter into certain agreements with Shanghai Beixun, to provide Shanghai Beixun with the services under the Exclusive Service Agreement.

The Exclusive Service Agreement shall also provide that, (i) all proprietary rights and other rights and interests of all intellectual property rights generated, developed or created during the performance of the Exclusive Service Agreement are solely and exclusively owned by JF Information, and (ii) where such ownership by JF information in the rights of certain types of intellectual property is prohibited by PRC laws or regulations, such intellectual property shall be owned by Shanghai Beixun until later transferred to JF Information at a minimum price permitted by the then PRC laws and regulations upon permission by the PRC laws and regulations of such ownership.

The Exclusive Service Agreement shall take effect upon execution and shall remain effective unless terminated (i) in accordance with the provisions of the PRC law; or (ii) by giving prior written notice of termination for at least thirty (30) days in advance by JF Information.

Exclusive Option Agreement

JF Information, Shanghai Beixun and the New Registered Shareholders shall enter into the Exclusive Option Agreement, pursuant to which the New Registered Shareholders and Shanghai Beixun shall jointly and severally irrevocably grant to JF Information the rights to require the New Registered Shareholders to transfer any or all their equity interests and/or assets in Shanghai Beixun to JF Information and/or its designee(s), in whole or in part at any time and from time to time, at a minimum purchase price permitted under PRC laws and regulations. The New Registered Shareholders shall also undertake that, (i) they will repay the loan provided by JF Information under the Loan Agreement immediately upon receipt of the consideration and, (ii) subject to relevant PRC laws and regulations, the New Registered Shareholders shall return to JF Information and/or its designee(s) any consideration it receives in the event that JF Information exercises the options under the Exclusive Option Agreement. The New Registered Shareholders and Shanghai Beixun shall not grant option to any third party.

Shanghai Beixun shall, among other things, covenant that:

- Shanghai Beixun shall not in any manner supplement, change or alter the constitutional documents of, increase or decrease registered the capital of or change in other manner the structure of the registered capital of, Shanghai Beixun Group, without the prior written consent of JF Information;
- Shanghai Beixun shall prudently and effectively operate the business and transactions of Shanghai Beixun Group in accordance with the good financial and business standards and practices as a going concern;
- Shanghai Beixun shall not sell, transfer, gift, create encumbrances or otherwise dispose of any of the assets, business, legal or beneficial interest of income of Shanghai Beixun Group or allow any security interest to be created thereon without the prior written consent of JF Information;

- Shanghai Beixun Group shall not incur any indebtedness other than those in the ordinary course of business, or having been disclosed to and consented by JF Information in writing;
- Shanghai Beixun Group shall maintain its normal operation within its principal business scope and shall not conduct or withhold from conducting any acts which adversely affects Shanghai Beixun Group's business or assets value;
- Shanghai Beixun Group shall not enter into any material contracts with a value above RMB100,000 without the prior written consent of JF Information, except the contracts executed in the ordinary course of business;
- Shanghai Beixun Group shall not provide loan or guarantee to any person without the prior written consent of JF Information, except the loan or guarantee contracts executed in the ordinary course of business and with a value not above RMB100,000;
- Shanghai Beixun Group shall provide its labor, operational, technical and financial information to JF Information upon JF Information's request;
- any member of Shanghai Beixun Group shall not merge with or enter into joint operation agreements with other entities, acquire or be acquired by other entities; or invest in any entities without the prior written consent of JF Information;
- Shanghai Beixun Group shall immediately inform JF Information if its assets, business or income may be subject to any litigations, arbitrations or administrative proceedings and shall take all necessary actions as reasonably requested by JF Information;
- Shanghai Beixun shall sign all necessary and appropriate documents, take all necessary and proper acts, bring up all necessary and proper requests, or take necessary and proper defenses against claims to maintain Shanghai Beixun Group' ownership of all their assets;
- if the New Registered Shareholders or Shanghai Beixun fail(s) to perform the tax obligations under applicable laws and results in obstacles for JF Information to exercise its exclusive option right, JF Information may request Shanghai Beixun or the New Registered Shareholders to perform the tax obligations or pay the amount equivalent thereto to JF Information, which will perform the tax obligations on behalf of Shanghai Beixun;
- Shanghai Beixun shall not distribute any bonus, dividend, distributable profits and/or assets and other income derived from the equity interests held by the New Registered Shareholders to the New Registered Shareholders without the prior written consent of JF Information. However, upon request by JF Information, Shanghai Beixun shall immediately distribute part or all of its distributable profits the New Registered Shareholders, who, upon receipt of such distribution, shall at no cost, transfer such distribution to JF Information or its designee(s) within three (3) business days. Such transfer will be subject to refund under no circumstances; and
- at the request of JF Information, Shanghai Beixun shall appoint any persons designated by JF Information as the directors and/or executive directors, general manager, deputy general manager, financial director or other senior management members of Shanghai Beixun;

In addition, the New Registered Shareholders shall, among other things, covenant that:

- without the prior written consent of JF Information, they shall not sell, transfer, pledge or dispose of in any other manner the legal or beneficial interest in Shanghai Beixun, or allow the encumbrance thereon of any security interest, except for under the Equity Pledge Agreement to be entered into by the parties thereto, and shall not at the shareholders' meeting and the board of directors of Shanghai Beixun vote for or approve such matters, except for to JF Information or any of its designees;
- without the prior written consent of JF Information, they shall not at the shareholder's meeting and the board of directors of Shanghai Beixun vote for, approve or execute any shareholder's resolutions to approve that Shanghai Beixun merges with or enters into joint operation agreements with other entities, acquires or be acquired by other entities, invests in any entities, spins off, or changes its registered share capital or its form;
- for each exercise of the exclusive equity purchase option, to cause the shareholders' meeting of Shanghai Beixun to be held in due course and to vote on the approval of the transfer of equity interests and any other action requested by JF Information;
- they shall immediately inform JF Information if their equity interests may be subject to any litigations, arbitrations or administrative proceedings;
- prior to the transfer of their equity interests to JF Information, they shall sign all necessary and appropriate documents, take all necessary and proper acts, bring up all necessary and proper requests, or take necessary and proper defences against claims to maintain their ownership of their equity interests;
- at the request of JF Information, they shall nominate, appoint or engage any persons designated by JF Information as the directors, supervisors or senior management of Shanghai Beixun;
- at the request of JF Information at any time, transfer to JF Information or any of its designee(s) their equity interest in Shanghai Beixun and relinquish the right of first refusal they are entitled to in relation to the transfer of such equity interest; and
- they shall strictly abide by the Exclusive Option Agreement and other agreements as otherwise executed by the parties under the Exclusive Option Agreement, and shall not conduct or withhold from conducting any act that might adversely influence the efficacy and enforceability of such agreements.

The Exclusive Option Agreement shall take effect upon execution and shall remain valid until (i) it is terminated in writing by all parties, or (ii) upon the transfer of the entire equity interests held by the New Registered Shareholders to JF Information and/or its designee(s). Nonetheless, JF Information shall always have the rights to terminate the Exclusive Option Agreement by giving written notice of termination to the New Registered Shareholders and Shanghai Beixun thirty (30) days in advance.

Equity Pledge Agreement

JF Information, Shanghai Beixun and the New Registered Shareholders shall enter into the Equity Pledge Agreement, pursuant to which the New Registered Shareholders shall agree to pledge all their respective equity interests in Shanghai Beixun that they own to JF Information as a security interest to guarantee (i) the payment of service fee and interest under the New Contractual Arrangements; (ii) the performance of all other obligations under the New Contractual Arrangements; and (iii) other payment obligations arising from or in connection with the New Contractual Arrangements, including but not limited to liquidated damages, compensations and each expense for the realization of the pledge.

Upon the occurrence and during the continuance of an event of default (as defined in the Equity Pledge Agreement), JF Information shall have the right to exercise all such rights as a secured party under any applicable PRC law and the Equity Pledge Agreement, including without limitations, being paid in priority with the equity interests based on the monetary valuation that such equity interests are converted into or from the proceeds from auction or sale of the equity interest upon written notice to the New Registered Shareholders.

The pledge under the Equity Pledge Agreement shall take effect upon the completion of registration with the relevant administration bureau for industry and commerce under the laws of the PRC and the Equity Pledge Agreement shall remain valid until (i) all the agreements underlying the New Contractual Arrangements (other than the Equity Pledge Agreement) have been terminated or all the obligations thereunder have been fulfilled; or (ii) each of the New Registered Shareholders has transferred his/her equity interests in Shanghai Beixun in accordance with the Exclusive Option Agreement.

Shareholders' Rights Proxy Agreement

JF Information, Shanghai Beixun and the New Registered Shareholders shall enter into Shareholders' Rights Proxy Agreement, pursuant to which each New Registered Shareholders shall irrevocably appoint JF Information and/or its designee(s) to exercise such shareholders' rights in Shanghai Beixun, including without limitation to, the rights to:

- propose to convene, participate in and attend the general meetings of Shanghai Beixun on behalf of the New Registered Shareholders;
- exercise voting rights on all matters that require discussion and resolution of the general meetings (including but not limited to the designation, appointment or replacement of directors, supervisors, senior management, key finance staff and other individuals deemed necessary by JF Information to designate, appoint or replace), and resolve on the dissolution and liquidation of Shanghai Beixun on behalf of the New Registered Shareholders;
- sign any documents that the New Registered Shareholders are entitled to sign as shareholders (including any necessary documents to effect the equity transfer or other disposal means pursuant to the Exclusive Option Agreement and the Equity Pledge Agreement, as amended, supplemented and restated from time to time) and conduct any procedures with government authorities for registration, filing or application for approval purposes on behalf of the New Registered Shareholders;

- decide to transfer or otherwise dispose of the equity interests of Shanghai Beixun held by the New Registered Shareholders;
- exercise other shareholders' rights as specified in other applicable PRC laws and regulations and the articles of association of Shanghai Beixun (and its amendments from time to time);
- when the New Registered Shareholders transferred their equity interests in, resolve on transfer of assets of, reduce their capital contribution to, or accept the capital increase by JF Information to, Shanghai Beixun pursuant to the Exclusive Option Agreement, execute relevant documents including the equity transfer agreement, asset transfer agreement (if applicable), capital decrease/increase agreement and general meeting's resolutions, and conduct necessary procedures including application for approval, registration and filing with government authorities for the purpose of the foregoing; and
- give directions to the directors and senior management of Shanghai Beixun in accordance with the requirement of JF Information of its designee(s), subject to PRC laws and regulations and the articles of association of Shanghai Beixun.

The New Registered Shareholders shall undertake they should ensure that the Shareholders' Rights Proxy Agreement does not give rise to any potential conflicts of interest. Where the New Registered Shareholders have any conflicts of interest with Shanghai Beixun, the Company or any member of the Group, the rights under the Shareholders' Rights Proxy Agreement should be granted in favour of the Company and actions in relation to the New Contractual Arrangements must be decided by senior management or Directors of the Company who are not the New Registered Shareholders.

The Shareholders' Rights Proxy Agreement shall remain effective for so long as each New Registered Shareholder holds equity interest in Shanghai Beixun.

Loan Agreement

JF Information, Shanghai Beixun and the New Registered Shareholders shall enter into the Loan Agreement, pursuant to which JF Information shall agree to extend a loan, the amount of which to be agreed by the parties thereto, to Shanghai Beixun and the New Registered Shareholders for the purposes of: (i) payment of the acquisition cost of Shanghai Beixun; (ii) payment of the capitalization of Shanghai Beixun; (iii) financing the operation of Shanghai Beixun for its business development; (iv) conducting external investments and (v) other legal purposes as otherwise agreed by JF Information in writing.

Pursuant to the Loan Agreement, JF Information shall have the right to require partial or full repayment of the loan upon delivery of thirty (30) days' prior notice to Shanghai Beixun and the New Registered Shareholders. JF Information shall also have the right to require immediate repayment of the loan upon, among other things: (i) any claim raised by a third party for repayment of debt of above RMB200,000; or (ii) the permission by PRC laws and regulations for foreign investors to invest in Shanghai Beixun as a controlling or sole shareholder and the commencement of competent authorities to approve such investments.

The New Registered Shareholders shall repay the loan by sale of their equity interests in Shanghai Beixun to JF Information or its designee(s) and transfer the full proceeds therefrom to JF Information. Shanghai Beixun shall repay the loan in methods as otherwise agreed by JF Information and Shanghai Beixun in writing prior to the foregoing sale and transfer.

Spouse Undertakings

The spouse of each of the New Registered Shareholders, where appropriate, shall sign an undertaking to the effect that (i) he/she has unconditionally and irrevocably waived the rights to the respective New Registered Shareholders' rights or interests in the equity interests in Shanghai Beixun and will not have any claim on such interests; (ii) the respective New Registered Shareholders has exclusive right to enjoy and perform the rights and obligations under the New Contractual Arrangements and does not require the consent of the spouse; and (iii) should the spouse acquire the respective New Registered Shareholders' equity interests in Shanghai Beixun, he/she shall be bound by the New Contractual Arrangements, and at the request of JF Information, he/she shall sign documents in the form and substance consistent with the New Contractual Arrangements.

Dispute Resolution

Each of the agreements under the New Contractual Arrangements shall contain a dispute resolution provision. Pursuant to such provision, in the event of any dispute arising from the performance of or relating to the New Contractual Arrangements, any party shall have the right to submit the relevant dispute to the Shanghai Arbitration Commission for arbitration, in accordance with then effective arbitration rules. The arbitration award shall be final and binding on all parties. The dispute resolution provisions also provide that the arbitral tribunal may award any temporary or permanent remedies against the equity interests or assets (including land assets) of Shanghai Beixun or injunctive relief (e.g. the conduct of business or to compel the transfer of assets) or order the winding up of Shanghai Beixun. Any party may apply to the courts of the PRC, Hong Kong, the Cayman Islands and other places (including the places of incorporation of the affiliated companies of JF Information or Shanghai Beixun, and the places where the principal assets of the affiliated companies of JF Information or Shanghai Beixun are located) for interim remedies or injunctive relief.

Loss Sharing

Under the relevant PRC laws and regulations, neither the Company nor JF Information is legally required to share the losses of, or provide financial support to, Shanghai Beixun Group. Further, the entities within Shanghai Beixun Group are limited liability companies and shall be solely liable for their own debts and losses with assets and properties owned by them. JF Information intends to continuously provide to or assist the entities within Shanghai Beixun Group in obtaining financial support when deemed necessary. In addition, given that the Group conducts part of its business operations in the PRC through Shanghai Beixun Group, which hold the requisite PRC operational licenses and approvals, the Company's business, financial position and results of operations would be adversely affected if Shanghai Beixun Group suffers losses.

However, as will be provided in the Exclusive Option Agreement, without the prior written consent of JF Information, any entities within the Shanghai Beixun Group shall not, among others, (i) sell, transfer, pledge or dispose of in any manner any of its assets or allow any third party create any other security interest on its assets; (ii) execute any material contract with a value above RMB100,000, except those entered into in the ordinary course of business; (iii) provide any loan or guarantees in any form to any third party, except those entered into in the ordinary course of business and with a value not above RMB100,000; (iv) incur, inherit, guarantee or assume any debt that is not incurred in the ordinary course of business or not disclosed to and consented by JF Information; (v) enter into any consolidation or merger with any third party, acquire or be acquired by any third party, or invest in any third party; and (vi) increase or reduce its registered capital, or alter the structure of the registered capital in any other way. Therefore, due to the relevant restrictive provisions in the Exclusive Option Agreement, the potential adverse effect on JF Information and the Company in the event of any loss suffered from the Shanghai Beixun Group can be limited to a certain extent.

Conflicts of Interests

The New Registered Shareholders shall give their respective undertaking in the Shareholders' Rights Proxy Agreement which addresses potential conflicts of interests that may arise in connection with the Shareholders' Rights Proxy Agreement. For further details, see the subparagraph headed "– Shareholders' Rights Proxy Agreement" above.

Liquidation

Pursuant to the Exclusive Option Agreement to be entered into, the New Registered Shareholders shall irrevocably undertake that, in the event of a mandatory liquidation required by the PRC laws, in compliance with the PRC laws, JF Information shall be entitled to appoint the liquidation committee upon the winding up of Shanghai Beixun to manage its assets, and Shanghai Beixun Group shall transfer all remaining assets to JF Information or its designee(s), at the lowest price as permitted by the PRC laws. JF Information or its designee(s) does not have any payment obligation arising thereon to the extent permitted by the applicable laws of the PRC in force. The New Registered Shareholders shall return to JF Information or its designee(s) any income (if any) received by them arising from such transaction as part of the service fee under the Exclusive Service Agreement to the extent permitted by then applicable laws of the PRC in force.

Insurance

The Company does not maintain an insurance policy to cover the risks relating to the New Contractual Arrangements.

The Company will publish a completion announcement upon the Completion to disclose the details of the New Contractual Arrangements (including the legality and accounting principles).

Internal Control Measures to Be Implemented by the Group

The Group has adopted the following measures to ensure the effective operation of the Group with the implementation of the New Contractual Arrangements and the Group's compliance with the New Contractual Arrangements:

- (i) major issues arising from the implementation and compliance with the New Contractual Arrangements or any regulatory enquiries from government authorities will be submitted to the Board, if necessary, for review and discussion on an occurrence basis;
- (ii) the finance department of the Company will regularly review management accounts, bank statements, cash situation and major operational data of Shanghai Beixun, and will report to the Board if any suspicious events arise. Shanghai Beixun will be obliged to assist and cooperate with the Company in conducting on-site internal audits;
- (iii) the Company will appoint representatives to serve as directors of Shanghai Beixun and its subsidiaries. The representatives will regularly review the operation of Shanghai Beixun and check the authenticity of its monthly management accounts. All registration documents, legal documents, and seals and certificates of Shanghai Beixun will be managed and controlled by the Company;
- (iv) the Board will review the overall performance of and compliance with the New Contractual Arrangements at least once a year;
- (v) the Company will disclose the overall performance and compliance with the New Contractual Arrangements in the annual reports of the Company; and
- (vi) the Company will engage external legal advisors or other professional advisors, if necessary, to assist the Board to review the implementation of the New Contractual Arrangements, review the legal compliance of JF Information, Shanghai Beixun and its subsidiaries to deal with specific issues or matters arising from the New Contractual Arrangements.

INFORMATION ON THE PARTIES

JF Information

JF Information is a limited liability company established in the PRC on July 23, 2021 and an indirect wholly owned subsidiary of the Company. It is principally engaged in technology services, development, sales and consulting.

Shanghai Xieluo

Shanghai Xieluo is a limited liability company established in the PRC on July 26, 2016 and an indirect wholly owned subsidiary of Yintech Holdings. It is principally engaged in the business of information technology development, consultation, service and transfer.

Shanghai Beixun

Shanghai Beixun is a limited liability company established in the PRC on November 28, 2011 and is principally engaged in value-added telecommunication services (增值電信業務), audiovisual network services and production of radio and television program services.

The registered capital of 100% equity interest of Shanghai Beixun is RMB40,000,000. The book value of the Shanghai Beixun is RMB76,180,079.62 as at November 30, 2023. For the two years ended December 31, 2021 and 2022, the net loss of Shanghai Beixun before taxation are RMB88,759,294.97 and RMB30,574,314.25, respectively, and the net loss of Shanghai Beixun after taxation are RMB89,362,783.29 and RMB30,622,052.14, respectively.

REASONS FOR AND BENEFITS OF THE ACQUISITION

Acquisition

The Company offers investment decision-making solutions to its customers by equipping investors with financial knowledge and market experience via online investor content services, which entail providing recorded videos or online live streaming courses. Prior to the Acquisition, as the Company did not hold the License for the Dissemination of Audiovisual Programs on Information Networks (《信息網絡傳播視聽節目許可證》, “**AVP License**”) or the License for Production and Operation of Radio and Television Programs (《廣播電視節目製作經營許可證》, “**RTPPO License**”), the Company has primarily engaged independent third party companies, who are holders of the AVP License or the RTPPO License, to provide technology and services for video, audio and live broadcasting and production. Considering that Shanghai Beixun is a holder of the AVP License and RTPPO License, upon Completion of the Acquisition, the Company will be able to provide personalized customization services through aforementioned technology and services, in order to strengthen business cooperation and improve overall efficiency. The Acquisition is also expected to reduce the operational cost of the Company, to eliminate the risks and uncertainty arising from the Company’s reliance on cooperation with independent third parties, and to enhance the stability and level of compliance of the Company’s business operation. Overall, the Acquisition is necessary for, and plays a positive role in, the Company’s business development and normal operation.

Contractual Arrangements

The current business of Shanghai Beixun and its subsidiaries involve provision of internet information services, audiovisual network services, production of radio and television program services in the PRC. According to the applicable PRC laws and regulations and as advised by the PRC Legal Advisor, (i) internet information services provided constitute provision of, value-added telecommunications business (增值電信業務), which are subject to foreign ownership restriction, and (ii) provision of audiovisual network services and production of radio and television program services falls within the scope of “dissemination of audiovisual programs on information networks” (信息網絡視聽節目傳播) and “radio and television program production and operation business” (廣播電視節目製作經營業務) which prohibit foreign investment.

As advised by the PRC Legal Advisor, as a result of the restrictions imposed by the PRC laws or their implementation by relevant government authorities, the Company is unable to own or hold the entire direct equity interest in Shanghai Beixun. Accordingly, the term ‘Ownership’ or the relevant concept, as applied to the Company in this announcement, refers to an economic interest in the assets or businesses through the New Contractual Arrangements without holding any equity interest in Shanghai Beixun. The New Contractual Arrangements, through which JF Information will be able to exercise control over Shanghai Beixun and consolidate all the economic benefits generated by Shanghai Beixun and its subsidiaries, have been narrowly tailored to achieve the Company’s business purpose and minimise the potential for conflict with relevant PRC laws.

OPINION FROM THE BOARD

The Directors (including the independent non-executive Directors) are of the view that the terms of the Exclusive Option Transfer Agreement are fair and reasonable, and the transactions contemplated under the Exclusive Option Transfer Agreement are on normal commercial terms or better and are conducted in the ordinary and usual course of business of the Group, and are in the interests of the Company and its shareholders as a whole.

As Shanghai Xieluo is an indirect wholly owned subsidiary of Yintech Holdings, which is ultimately held by Mr. CHEN Wenbin, Mr. YAN Ming and Ms. CHEN Ningfeng, all being Directors and controlling shareholders of the Company, as to 36.14%, 23.72% and 21.10%, respectively, as at the date of this announcement, Mr. CHEN Wenbin, Mr. YAN Ming and Ms. CHEN Ningfeng have abstained from voting on the relevant Board resolutions approving the Exclusive Option Transfer Agreement. To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, save as disclosed above, no other Director has material interest in the Exclusive Option Transfer Agreement and will be required to abstain from voting on the relevant Board resolutions approving the Acquisition.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Shanghai Xieluo is an indirect wholly owned subsidiary of Yintech Holdings, which is ultimately held by Mr. CHEN Wenbin, Mr. YAN Ming and Ms. CHEN Ningfeng, all being Directors and controlling shareholders of the Company, as to 36.14%, 23.72% and 21.10%, respectively. Accordingly, Shanghai Xieluo is a connected person of the Company and the transactions contemplated under the Exclusive Option Transfer Agreement constitute connected transactions pursuant to Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the Exclusive Option Transfer Agreement is more than 0.1% but less than 5%, the transactions contemplated under the Exclusive Option Transfer Agreement are subject to reporting and announcement requirements but are exempted from the circular and the independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Acquisition”	the acquisition of the entire Ownership of Shanghai Beixun in accordance with the Exclusive Option Transfer Agreement
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of directors of the Company
“business day(s)”	any day (other than a Saturday, Sunday or public holiday) on which banks in Hong Kong are generally open for business
“Closing”	the closing of the Acquisition in accordance with the Exclusive Option Transfer Agreement
“Company”	JF Wealth Holdings Ltd (九方財富控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability on May 3, 2021, with the Shares listed on the Main Board of the Stock Exchange (stock code: 9636)
“Completion”	the completion of the Acquisition in accordance with the Exclusive Option Transfer Agreement
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“connected transaction”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the total consideration of the Acquisition payable by JF Information to Shanghai Xieluo in accordance with the Exclusive Option Transfer Agreement
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Equity Pledge Agreement”	an equity pledge agreement to be entered into among JF Information, Shanghai Beixun and the New Registered Shareholders in relation to the granting of equity pledge as part of the New Contractual Arrangements
“Exclusive Option Agreement”	an exclusive option agreement to be entered into among JF Information, Shanghai Beixun and the New Registered Shareholders in relation to the granting of exclusive share purchase rights as part of the New Contractual Arrangements

“Exclusive Option Transfer Agreement”	an exclusive option transfer framework agreement entered into among JF Information, Shanghai Xieluo, Shanghai Beixun, Existing Registered Shareholders and New Registered Shareholders on December 22, 2023 in relation to the Acquisition
“Exclusive Service Agreement”	an exclusive service agreement to be entered into among JF Information and Shanghai Beixun in relation to the provision of service as part of the New Contractual Arrangements
“Existing Contractual Arrangements”	a series of existing contractual arrangements entered into among Shanghai Xieluo, Shanghai Beixun and Existing Registered Shareholders on July 1, 2017, including the exclusive service agreement, the supplemental agreement to the exclusive service agreement, intellectual property licence and transfer agreement, the exclusive option agreement, the equity pledge agreement, the loan agreement, the voting rights proxy agreement, and the spouse undertakings given by the respective spouse of Mr. CAI Zi and Mr. CHENG Wei dated July 1, 2017, pursuant to which Shanghai Xieluo is able to exercise control over Shanghai Beixun and consolidate all the economic benefits generated by Shanghai Beixun and its subsidiaries
“Existing Registered Shareholders”	Mr. CAI Zi (才子), a Director, and Mr. CHENG Wei (程偉), a former director of Shanghai Fudong Culture Media Co., Ltd. (上海富動文化傳媒有限公司), a company incorporated in the PRC on October 10, 2009, and an indirect wholly owned subsidiary of the Company, who ceased to be its director on August 8, 2023
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“JF Information”	JF (Shanghai) Information Technology Co., Ltd. (極帶(上海)信息技術有限公司), a company incorporated in the PRC on July 23, 2021 and an indirect wholly owned subsidiary of the Company
“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Agreement”	a loan agreement to be entered into among JF Information and the New Registered Shareholders in relation to the provision of loan as part of the New Contractual Arrangements

“New Contractual Arrangements”	a series of contractual arrangements to be entered into among JF Information, Shanghai Beixun and New Registered Shareholders, tentatively including the Exclusive Service Agreement, the Exclusive Option Agreement, the Equity Pledge Agreement, the Loan Agreement, the Shareholders’ Rights Proxy Agreement, and the spouse undertakings given by the respective spouse of the New Registered Shareholders, or any other necessary agreements which enable JF Information to be able to exercise control over Shanghai Beixun and consolidate all the economic benefits generated by Shanghai Beixun and its subsidiaries upon the Completion of the Acquisition
“New Registered Shareholders”	individuals who are independent third parties of the Company as approved by the competent authorities
“Ownership”	an economic interest in the assets or businesses through the New Contractual Arrangements without holding any equity interest in Shanghai Beixun
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region and Taiwan
“PRC Legal Advisor”	Wintell & Co Law Firm, the legal advisor of the Company as to the laws of the PRC
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai Beixun”	Shanghai Beixun Industrial Co., Ltd. (上海鉅動實業有限公司), a company established in the PRC on November 28, 2011, which was held as to 65% and 35% by Mr. CAI Zi and Mr. CHENG Wei, respectively
“Shanghai Beixun Group”	Shanghai Beixun and its affiliated entities, whether controlled directly or indirectly
“Shanghai Xieluo”	Shanghai Xieluo Information Technology Co., Ltd. (上海攜洛信息技術有限公司), a company established in the PRC on July 26, 2016, an indirect wholly owned subsidiary of Yintech Holdings
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of Share(s)

“Shareholders’ Rights Proxy Agreement”	a shareholders’ rights proxy agreement to be entered into among JF Information, Shanghai Beixun and the New Registered Shareholders in relation to the granting of power of attorney as part of the New Contractual Arrangements
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Termination Agreement”	a termination agreement to be entered into among JF Information, Shanghai Xieluo, Shanghai Beixun and Existing Registered Shareholders, pursuant to which the Existing Contractual Arrangements shall be terminated in accordance with the Exclusive Option Transfer Agreement
“Yinke Chuangzhan”	Shanghai Yinke Chuangzhan Investment Group Co., Ltd. (上海銀科創展投資集團有限公司), a direct wholly owned subsidiary of Yintech Enterprise (HK) Company Limited which is an indirect wholly owned subsidiary of Yintech Holdings
“Yintech Holdings”	Yintech Investment Holdings Limited, an exempted company established in the Cayman Islands on November 4, 2015 with limited liability, whose American depositary receipts were previously listed on the NASDAQ (ticker symbol: YIN) and were delisted from the NASDAQ on November 18, 2020. It was ultimately controlled by Mr. CHEN Wenbin, Mr. YAN Ming and Ms. CHEN Ningfeng, all being Directors and controlling shareholders of the Company, as to 36.14%, 23.72% and 21.10%, respectively, as at the date of this announcement
“Zhangzhong Weishi”	Zhangzhong Weishi (Beijing) Technology Co., Ltd. (掌中微視(北京)科技有限公司), a company established in the PRC on March 1, 2006, a direct wholly owned subsidiary of Shanghai Beixun

By order of the Board
JF Wealth Holdings Ltd
CHEN Wenbin
Chairman of the Board

Shanghai, China, December 22, 2023

As at the date of this announcement, the executive directors are Mr. CHEN Wenbin, Mr. CHEN Jigeng and Mr. CAI Zi, the non-executive directors are Mr. YAN Ming and Ms. CHEN Ningfeng and the independent non-executive directors are Dr. ZHAO Guoqing, Mr. FAN Yonghong and Mr. TIAN Shu.