九方财富

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 EQUITY ACQUISITION

THE ACQUISITION

On March 8, 2024, JF Information, an indirect wholly owned subsidiary of the Company, entered into the Equity Transfer Agreement with Qijian Technology and Guangfa Insurance, pursuant to which Qijian Technology conditionally agreed to sell, and JF Information conditionally agreed to acquire, the entire equity interest of Guangfa Insurance held by Qijian Technology. Upon the Completion, Guangfa Insurance will be a wholly owned subsidiary of JF Information.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Qijian Technology 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, Qijian Technology is a connected person of the Company and the transactions contemplated under the Equity Transfer Agreement constitute connected transactions pursuant to Chapter 14A of the Listing Rules.

In accordance with Rule 14A.81 of the Listing Rules, a series of connected transactions will be aggregated and treated as if they were one transaction if they were all entered into or completed within a 12-month period or are otherwise related. Reference is made to the announcement of the Company dated December 22, 2023 in relation to the Previous Transaction. In the Previous Transaction and the Acquisition, the counterparties of the Group are both wholly owned subsidiaries of Yintech Holdings and are thus connected with each other, and the nature of these transactions is the same. Accordingly, the Previous Transaction and the Acquisition shall be aggregated. As the highest applicable percentage ratio in respect of the Acquisition after taking into account of the aggregated calculations is more than 0.1% but less than 5%, the Acquisition is subject to reporting and announcement requirements but is exempted from the circular and the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

INTRODUCTION

On March 8, 2024, JF Information, an indirect wholly owned subsidiary of the Company, entered into the Equity Transfer Agreement with Qijian Technology and Guangfa Insurance, pursuant to which Qijian Technology conditionally agreed to sell, and JF Information conditionally agreed to acquire, the entire equity interest of Guangfa Insurance held by Qijian Technology. Upon the Completion, Guangfa Insurance will be a wholly owned subsidiary of JF Information.

THE EQUITY TRANSFER AGREEMENT

Date

March 8, 2024

Parties

1. JF Information (as the purchaser);

2. Qijian Technology (as the seller); and

3. Guangfa Insurance (as the target).

Subject Matter

Qijian Technology conditionally agreed to sell, and JF Information conditionally agreed to acquire, the entire equity interest of Guangfa Insurance. Upon the Completion, Guangfa Insurance will be a wholly owned subsidiary of JF Information.

Consideration and Payment Terms

The total Consideration payable by JF Information for the Acquisition is RMB52,000,000.

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

(i) the first instalment (the "**First Instalment**") of Consideration at RMB20,800,000, being 40% of the Consideration, shall be paid to Qijian Technology within ten (10) business days following the date of the Equity Transfer Agreement;

(ii) the second instalment of Consideration at RMB15,600,000, being 30% of the Consideration, shall be paid to Qijian Technology within ten (10) business days following the completion of the Closing; and

(iii) the third instalment of Consideration at RMB15,600,000, being 30% of the Consideration, shall be paid to Qijian Technology within ten (10) business days following the later date of the completion of (a) the filing of the Acquisition with the NFRA and (b) the registration of the Acquisition with the local counterpart of the SAMR.

JF Information shall also bear the expenses of the operation of Guangfa Insurance before the date of the Closing, for the amount of no more than RMB10,000,000.

The original acquisition cost of Guangfa Insurance was RMB52,875,082.14, which was paid by Qijian Technology in full.

Basis of Consideration

The Consideration was determined by the parties after arm's length negotiations with reference to, among others, (1) the appraised value of the total equity of the shareholder of Guangfa Insurance (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 January 31, 2024 ("**Valuation Date**") being RMB52,000,000, (ii) the business development and future prospects of Guangfa Insurance, and the synergy of Guangfa Insurance with the Company, (iii) the insurance brokerage business permit held by Guangfa Insurance, and (iv) 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 Appraised Asset, the Valuer has employed the enterprise value-to-sales ratio ("**EV/S**") and the estimated market value of the Appraised Asset as at the Valuation Date was RMB52,000,000. 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 analyzed based on the purpose of valuation, appraised object, the type of the value, and the availability of information.

If different valuation methods are suitable for the appraisal of enterprise value, asset appraisal professionals shall adopt two or more valuation methods during appraisal. Asset-based approach and market approach have been determined to be adopted for this Valuation.

The basic idea of the asset-based approach is to rebuild or replace the asset being appraised in its current condition, with the potential investor being willing to pay no more than the current acquisition cost of the asset at the time he or she decides to invest in the asset. The Valuation satisfies the requirements of the asset-based approach, i.e., the Appraised Asset is in continuing use or is assumed to be in continuing use, and historical operating information is available. The adoption of the asset-based approach satisfies the requirements of the type of value of this Valuation.

The market approach refers to a valuation method that compares the valuation subject with a comparable listed company or a comparable transaction case to determine the value of the valuation object. There are two commonly used specific methods under the market approach, which are listed-company comparison and transaction-case comparison. Currently, given that (a) there are limited domestic transaction cases in the same industry as Guangfa Insurance ("**Appraised Entity**"), (b) certain specific conditions relating to the transaction case which might affect the transaction price cannot be known through public channels, (c) the relevant discount or premium cannot be analyzed, and (d) it is difficult to adopt the transaction case comparison method in practice, as such, the listed company comparison method was adopted.

As the historical operating results of the Appraised Entity fluctuate considerably, operating income and risk in future years could not be estimated reliably on the Valuation Date and therefore it does not have the preconditions for the adoption of the income approach.

In view of the above, the asset-based approach and market method have been adopted for the Valuation.

The specific analysis is set out as follows:

(II) Introduction to the valuation approaches

(1) Asset-based approach

The asset-based method is the method of calculating the value of the entire equity of the shareholders of an enterprise by adding up the appraisal value of the assets which are various elements that constitute the enterprise, and deducting the appraisal value of liabilities. The methods for valuating the items which are subject to adding up or deducting during appraisal are as follows:

(a) Intangible assets

Intangible assets mainly refer to software recorded on the books and software copyrights, trademarks and domain names off the books. According to the Practice Guidelines for Asset Valuation – Intangible Asset, the Valuation is based on all the inputs used to create an intangible asset, considering the extent to which the value of the intangible asset is related to its cost, we determine its replacement cost by calculating its reasonable cost, profit and related taxes, and obtain the market value of the intangible asset under appraisal after taking into account depreciation factors.

(2) Market approach

(a) Identification of comparable enterprises

Cases of transactions and Listed companies which are in the same industry or are affected by the same economic factors as the Appraised Entity, with the same or similar businesses and same transaction type, in close periods and in an appropriate trading market are analyzed and selected as the candidate comparable enterprises. Such candidate comparable enterprises are screened based on applicability and an appropriate number of enterprises comparable to the Appraised Entity are eventually selected after taking into account factors such as business structure, business model, enterprise size, allocation and utilization of assets, operational stage, growth potential, operational risks and financial risks.

(b) Necessary adjustment for the differences between the Appraised Entity and comparable enterprises

Necessary adjustments are made for differences in accordance with the information of the comparable enterprises obtained from public and legal channels, including their operation and financial information, are compared and analyzed against the actual situation of the Appraised Entity.

(c) Selection and determination of value ratio

After comparing and analysing the correlation between various value ratios and the market value of the Appraised Entity, EV/S was selected for the Valuation due to the following reasons:

The Appraised Entity has stable sales income from the insurance business, with operating profit being fluctuated. Meanwhile, considering the characteristics of the industry where the Appraised Entity operates, the net assets cannot fully reflect the value of the Appraised Entity. Therefore, the price-to-earning ratio and price-to-book ratio are not applicable. Effective operation and management of the industry in which the Appraised Entity operates will be reflected in its revenue scale. Therefore, both income and revenue-based indicators may be taken into consideration. However, as the current fixed costs are relatively high, income-based indicators (such as ROA, ROE, IRR, etc.), cannot reflect the intrinsic value of the Appraised Entity. Hence, EV/S, a revenue-based indicator, is selected as the value ratio for this comparison.

(d) Determination of the appraisal conclusion

After calculating the total equity value of the shareholders using different value ratios, the appraised value is determined in light of factors such as industry characteristics and actual operating status of the enterprise with reasonable weightings selected.

(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 financial policies such as 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 trading market is legal and orderly.

(10) In the case of comparable public companies, the trading of their shares is normal and orderly, and the trading price is not manipulated by non-market factors.

(11) The financial statement data publicly disclosed by comparable public companies is true, and the information disclosure is sufficient and timely.

(IV) Selection criteria for comparable companies:

Cases of transactions and listed companies which are in the same industry or affected by the same economic factors as the Appraised Entity, with the same or similar businesses and same transaction type in close periods and in an appropriate trading market are analyzed and selected as the comparable enterprise candidates. Such comparable enterprise candidates are screened based on factors such as business structure, business model, enterprise size, allocation and utilization of assets, operational stage, growth potential, operational risks and financial risks.

Selected comparable cases and detailed valuation process are as follows after the above selection:

Yunfeng Financial Group Limited, a listed company on the Stock Exchange (stock code: 376), is mainly engaged in the business of life insurance and other financial businesses including launching products, distributing products of third-parties, providing employees stock ownership plan services, brokerage, etc.. As at June 30, 2023, its total assets were approximately HK$86,176 million, and the total equity was approximately HK$16,355 million.

ZhongAn Online P & C Insurance Co., Ltd., a listed company on the Stock Exchange (stock code: 6060), is mainly engaged in offering a wide range of online property and casualty insurance and services in China, providing InsurTech and Fintech export related services to global insurance companies and industry chain clients, offering virtual banking services in Hong Kong, etc.. As at June 30, 2023, its total assets were approximately RMB49,261 million, and the total equity was approximately RMB17,850 million.

Asia Financial Holdings Limited, a listed company on the Stock Exchange (stock code: 662), is mainly engaged in insurance business in the areas of health, life, property insurance sectors, etc.. As at June 30, 2023, its total assets were approximately HK$14,709 million, and the total equity was approximately HK$10,980 million.

No.	Item	Appraised Entity Guangfa Insurance	Case 1 0376. HK Yunfeng Financial Group Limited	Case 2 6060. HK ZhongAn Online P & C Insurance Co., Ltd.	Case 3 0662. HK Asia Financial Holdings Limited
1	**EV/S of listed company**		**0.81**	**0.84**	**2.09**
2	Revised total asset size		108	105	101
3	Shareholders' equity contributed to the parent company + revised interest bearing debt		102	103	102
4	**Revised asset size**	**100**	**105**	**104**	**102**
5	Revised total asset turnover ratio		96	96	96
7	**Revised operating capacity**	**100**	**96**	**96**	**96**
8	Return on equity %		102	102	102
9	Return on total asset %		102	102	102
10	**Revised profitability**	**100**	**102**	**102**	**102**
11	Revised gearing ratio		94	96	98
13	**Revised solvency**	**100**	**94**	**96**	**98**
14	**Revised income tax rate**	**100**	**108**	**105**	**104**
15	**Revised business scope**	**100**	**110**	**110**	**105**

No.	Item		Appraised Entity Guangfa Insurance	Case 1 0376. HK Yunfeng Financial Group Limited	Case 2 6060. HK ZhongAn Online P & C Insurance Co., Ltd.	Case 3 0662. HK Asia Financial Holdings Limited
16	Revised EV/S			0.70	0.74	1.97
17	EV/S of comparable enterprise				1.14	
18	Operating income in the combined statement of 2023					4,574.26
19	EV of the enterprise value of the appraised unit after revision	*(RMB in ten thousands)*				5,199.41
20	**Appraised Value**					**5,200.00**

(V) Valuation results

(1) The following appraisal results are obtained for the Appraised Entity on the Valuation Date using the asset-based approach to appraise the value of the entire equity of the shareholders. As at the Valuation Date, the book value of the shareholders' equity in the Appraised Entity was RMB8,869,324.60, while the assessed value was RMB29,681,093.25, with the appreciation of RMB20,811,768.65.

(2) The following valuation results are obtained on the Valuation Date using the market approach to appraise the value of the entire equity of the shareholders. As at the Valuation Date, the book value of the shareholders' equity in the Appraised Entity was RMB8,869,324.60, while the assessed value was RMB52,000,000.00, with the appreciation of RMB43,130,675.40.

(3) Analysis of differences in appraisal results and final appraisal conclusions:

In accordance with the Practice Guidelines for Asset Valuation – Enterprise Value, when multiple valuation methods are applied to the same valuation object, the appraisal conclusion should be formed by combining the valuation purposes with the quality and quantity of data used in various valuation methods, and by using either a qualitative or quantitative approach.

Enterprise value should also include the contribution of vital intangible resources such as customer resources, business networks, service capability and management advantages, in addition to tangible resources including fixed assets and working capital. The valuation results from the asset-based approach only originated from evaluating the value of individual tangible assets and identifiable intangible assets. Therefore, it can hardly give the whole picture of the value contribution of each individual asset portfolio to the entire enterprise, nor fully measure the overall effect value of the enterprise that may arise from the complementary and organic combination of each individual asset.

The market approach is market-oriented and is characterized by the merits of direct valuation perspectives and channels and a clear valuation process, collecting the valuation data from markets. Its inherent value contains the joint force of industrial policies, market environment, and core competitiveness of the enterprise. Moreover, the comparison method of listed companies was adopted at this time for the comparable listed companies and the Appraised Entity are in the same business segment. As a result, they share similar factors that affect their value, as share their close connections between the factors and conclusions that affect their value.

Based on the above analysis, the the Valuation has adopted the valuation results using the market approach as the valuation conclusion of value of the total equity of the shareholders in the Appraised Entity. After evaluation, the value of entire equity of the shareholders in the Appraised Entity is RMB52,000,000.00.

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 Equity Transfer Agreement after all of the conditions described in the Equity Transfer Agreement has been duly fulfilled or waived by the party who is entitled to the benefit thereof, including, among others, (i) Guangfa Insurance being qualified to engage in the insurance brokerage business on a continuous basis in accordance with the applicable laws, regulations and regulatory requirements; (ii) Guangfa Insurance settling all outstanding debts, liabilities and historical issues of its accounts and confirming that there is no other external debts, contingent liabilities or guarantees save for the Operational Loans; (iii) Guangfa Insurance resolving all outstanding disputes, including properly dealing with the personnel and contractual relationships and settling fees and expenses with its employees; and (iv) each of Qijian Technology and JF Information obtaining internal approval of the Acquisition; (v) the payment of the First Instalment by JF Information.

The Completion shall take place on the day of the latest of: (i) the settlement of the Consideration; (ii) the fulfilment of the Closing; (iii) the completion of the registration of the Acquisition with the local counterpart of the SAMR; and (iv) the approval by the NFRA in relation to the filings of the change of shareholders of Guangfa Insurance in relation to the Acquisition.

Guaranteed Performance Target and Financial Compensation

Qijian Technology agreed to pay JF Information financial compensation if Guangfa Insurance fails to meet the guaranteed minimum performance benchmark targets ("**Performance Target**"), being RMB5 million (in Net Loss), RMB2 million (in Net Loss) and RMB1 million (in Net Profit) for the years ending December 31, 2024, 2025 and 2026 respectively ("**Relevant Year**"). If the actual Net Profit (Loss) for a Relevant Year is not less than the Performance Target for that Relevant Year, no financial compensation shall be paid. If the actual Net Profit (Loss) for a Relevant Year is less than the Performance Target for that Relevant Year, the financial compensation shall be paid by Qijian Technology to JF Information in cash, the amount of which shall be determined in accordance with the formula below:

Financial Compensation = Performance Target – the actual Net Profit (Loss) for the Relevant Year.

Termination

The Equity Transfer Agreement may be terminated under, among others, any of the following circumstances:

(i) in the event that the parties reach a consensus through consultation to terminate the Equity Transfer Agreement in writing; and

(ii) in the event that the parties terminate the Equity Transfer Agreement in writing upon failure to obtain the approval by the NFRA in relation to the Acquisition within 18 months after the date of the Equity Transfer Agreement not caused by any of the parties hereto, under which circumstance the Consideration that has been paid shall be returned within ten (10) business days following the date of the agreed-upon date of termination.

INFORMATION ON THE PARTIES

Qijian Technology

Qijian Technology is a limited liability company established in the PRC on October 11, 2013 and an indirect wholly owned subsidiary of Yintech Holdings. It is principally engaged in the business of information technology, computer hardware and software, as well as development of web devices technology.

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.

Guangfa Insurance

Guangfa Insurance is a limited liability company established in the PRC on November 2, 2009 and is principally engaged in the insurance brokerage business.

The registered capital of 100% equity interest of Guangfa Insurance is RMB50,000,000. The book value of the total assets of the Guangfa Insurance is RMB8,500,432.08 as at January 31, 2024. For the two years ended December 31, 2022 and 2023, the net loss of Guangfa Insurance before taxation are RMB131,189.57 and RMB9,736,509.62 (unaudited), respectively, and the net loss of Guangfa Insurance after taxation are RMB163,717.07 and RMB9,736,509.62 (unaudited), respectively.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Company is always committed to long-term business development. Considering that Guangfa Insurance focuses on insurance brokerage business, the Board believes that the Acquisition is a beneficial supplement to the Company's existing business and supports its sustainable growth.

The Acquisition is conducive to expanding the scope of services provided by Company, improving the comprehensive service experience of customers and meeting their asset allocation needs. At the same time, resource sharing can also be achieved in risk management, product design, and other aspects to improve overall operational efficiency.

The Acquisition can expand the Company's existing customer base and meet the diverse and personalized needs of customers as well as providing more comprehensive product services, thereby attracting more customers; At the same time, through the brand influence and customer loyalty established by Guangfa Insurance, the Company's existing business will benefit from it.

The Acquisition will help the Company leverage economies of scale, achieve integration in management, technology, and talent, and further integrate resources, reduce operating costs, and improve profitability through continuous investment in technology research and development, in-depth traffic operation and so on.

OPINION FROM THE BOARD

The Directors (including the independent non-executive Directors) are of the view that the terms of the Equity Transfer Agreement are fair and reasonable, and the transactions contemplated under the Equity 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 Qijian Technology 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 Equity 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 Equity Transfer Agreement and will be required to abstain from voting on the relevant Board resolutions approving the Acquisition.

LISTING RULES IMPLICATIONS

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DEFINITIONS

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

"Acquisition"	the acquisition of the entire equity interest of Guangfa Insurance in accordance with the Equity 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 Equity Transfer Agreement
"Company"	JF Wealth Holdings Ltd (九方财富控股有限公司), 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 Equity 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 Qijian Technology in accordance with the Equity Transfer Agreement
"controlling shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company

"Equity Transfer Agreement"	an equity transfer agreement entered into among Qijian Technology, JF Information and Guangfa Insurance on March 8, 2024 in relation to the Acquisition
"Group"	the Company and its subsidiaries
"Guangfa Insurance"	Beijing Guangfa Insurance Brokerage Co., Ltd. (北京廣發保險經紀有限公司), a limited liability company established in the PRC on November 2, 2009, a direct wholly owned subsidiary of Qijian Technology
"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. (極芾(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 Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Net Profit/(Loss)"	for any fiscal year of Guangfa Insurance, the consolidated profit/(loss) after tax, which is audited in accordance with the Accounting Standards for Business Enterprises (企業會計準則) issued by the Ministry of Finance of China (中華人民共和國財政部)
"NFRA"	the National Financial Regulatory Administration (國家金融監督管理總局)
"PRC" or "China"	the People's Republic of China, for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region and Taiwan
"Previous Transaction"	the transaction as announced by the Company on December 22, 2023 in relation to an acquisition conducted by the Company
"Qijian Technology"	Shanghai Qijian Technology Information Technology Co., Ltd. (上海啟見科技信息技術有限公司), a company established in the PRC on October 11, 2013, an indirect wholly owned subsidiary of Yintech Holdings
"RMB"	Renminbi, the lawful currency of the PRC
"SAMR"	the State Administration for Market Regulation (國家市場監督管理總局)
"Share(s)"	ordinary share(s) of the Company
"Shareholder(s)"	holder(s) of Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“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

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

Shanghai, China, March 8, 2024

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.