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(Stock Code: 431)

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**(1) DISCLOSEABLE AND CONNECTED TRANSACTION
IN RELATION TO THE ACQUISITION OF
THE EQUITY INTEREST OF THE TARGET COMPANY; AND
(2) CONNECTED TRANSACTION: RECEIPT OF FINANCIAL ASSISTANCE**

SALE AND PURCHASE AGREEMENT

The Board is pleased to announce that on 25 April 2025, the Purchaser entered into the Sale and Purchase Agreement with the Vendor, pursuant to which the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire the Sale Shares at a total consideration of HK\$1.

Upon completion of the Acquisition, the Purchaser will hold 100% equity interest in the Target Company, and each member of the Target Group will become a subsidiary of the Company.

FINANCIAL ASSISTANCE

As at the date of this announcement, the PRC Company has obtained the Loan from the Lender, which is indirectly held as to 60.5% by the Vendor. Upon completion of the Acquisition, the Loan will constitute a receipt of financial assistance by the Group from a connected person (i.e. the Vendor) of the Company. Since the Loan is conducted on normal commercial terms or better and is not secured by the assets of the Group, the Loan will be a connected transaction of the Company which is fully exempt from reporting, announcement, independent Shareholders' approval and annual review under Rule 14A.90 of the Listing Rules.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition exceed 5% but all of them are less than 25%, the Acquisition constitutes a discloseable transaction of the Company, and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

In addition, as at the date of this announcement, the Vendor is Mr. Liu's spouse while Mr. Liu is the chairman, an executive Director and the substantial Shareholder (as defined in the Listing Rules) of the Company. Therefore, the Vendor is a connected person of the Company under Rule 14A.07 of the Listing Rules. As such, the Acquisition constitutes a connected transaction of the Company. As all of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition are less than 25% and the total consideration is less than HK\$10,000,000, the Acquisition is subject to the reporting and announcement requirements but is exempt from the circular and independent Shareholders' approval requirements pursuant to Rule 14A.76(2)(b) of the Listing Rules.

Since the Vendor is Mr. Liu's spouse, Mr. Liu is considered to have material interests in the Acquisition and the Loan. Ms. Luo Ruishan, an executive Director, is currently employed as the managing director of the PRC Company and is responsible for overall business management of the PRC Company. Due to the employment of Ms. Luo Ruishan in the PRC Company, she is considered to have material interests in the Acquisition and the Loan. Therefore, Mr. Liu and Ms. Luo Ruishan have abstained from voting on the Board resolutions approving (i) the Sale and Purchase Agreement and the transaction contemplated thereunder; and (ii) the Loan Agreement and the transaction contemplated thereunder.

Completion of the Acquisition is subject to fulfillment of the conditions precedent set out in the Sale and Purchase Agreement, therefore the Acquisition may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

SALE AND PURCHASE AGREEMENT

The Board is pleased to announce that on 25 April 2025, the Purchaser entered into the Sale and Purchase Agreement with the Vendor. Upon completion of the Acquisition, the Purchaser will hold 100% equity interest in the Target Company, and each member of the Target Group will become a subsidiary of the Company.

The principal terms of the Sale and Purchase Agreement are set out as follows:

Date : 25 April 2025

Parties : (i) the Purchaser, a wholly-owned subsidiary of the Company; and
(ii) the Vendor

Subject Matter

The Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire, the Sale Shares.

Consideration and Payment Terms

The Consideration for the Sale Shares is HK\$1. The Consideration was determined after arm's length negotiation between the Vendor and the Purchaser with reference to, among other things, (i) the business prospect of the PRC Company; (ii) the unaudited net liabilities of the PRC Company as at 31 December 2024 of approximately RMB1.9 million; and (iii) the reasons for and benefits of the Acquisition as stated below in this announcement.

The Consideration will be funded by internal resources of the Group.

Conditions Precedent

Completion of the Sale and Purchase Agreement is conditional upon the satisfaction (or, where applicable, waiver) of the following conditions precedent:

- a) the approval from the Directors for the Sale and Purchase Agreement and the transaction contemplated thereunder;
- b) the Purchaser being satisfied with the results of the due diligence exercise (whether legal, accounting, business, financial, operational or other aspects that the Purchaser considers relevant) on the Target Group;
- c) the warranties provided by the Vendor remaining true and accurate in any material respect and not misleading, and no events having suggested that there has been any breach of any warranties or other provisions of the Sale and Purchase Agreement by the Vendor; and
- d) there has not been any Material Adverse Change in respect of any member of the Target Group from the date of the Sale and Purchase Agreement up to completion.

The Vendor shall use all reasonable endeavours to satisfy the conditions precedent set out in sub-paragraphs (c) and (d) on or before the Long Stop Date. The Purchaser may at its absolute discretion at any time waive in writing any of the conditions precedent set out in sub-paragraphs (b), (c) and (d) above and such waiver may be made subject to such terms and conditions as determined by the Purchaser. Other than as aforesaid, neither the Vendor nor the Purchaser may waive any conditions precedent.

If the conditions precedent are not satisfied (or, where applicable, waived) on or before the Long Stop Date or such later date as the Vendor and the Purchaser may from time to time agree in writing, the Sale and Purchase Agreement shall lapse and be of no further effect except for certain provisions concerning, among others, confidentiality and announcement, notices, and governing law and jurisdiction, and neither the Vendor nor the Purchaser shall have any claim against or liability to the other, save in respect of any antecedent breaches of the Sale and Purchase Agreement.

As at the date of this announcement, the conditions precedent (a) has been fulfilled and other conditions precedent have not been fulfilled or waived.

Completion

Subject to the satisfaction (or, where applicable, waiver) of the conditions precedent set out in the Sale and Purchase Agreement, completion of the Sale and Purchase Agreement shall take place on the first Business Day after the fulfillment (or, where applicable, waiver) of the conditions precedent set out in the Sale and Purchase Agreement, or such other date as the Vendor and the Purchaser may agree in writing.

RECEIPT OF FINANCIAL ASSISTANCE

As at the date of this announcement, the PRC Company has obtained the Loan from the Lender, which is indirectly held as to 60.5% by the Vendor. The Loan financed the procurement and set-up cost of production facilities and the tender deposit of the PRC Company. The key terms of the Loan Agreement (as supplemented by Supplemental Loan Agreement) are summarized as below.

Date:	:	10 March 2024 and 24 April 2025
Lender	:	Shenzhen Tuo Luo Venture Capital Co., Ltd.* (深圳市陀螺創投有限公司)
Borrower	:	the PRC Company
Principal	:	RMB3,300,000
Term	:	10 March 2024 to 31 December 2027
Repayment Date	:	31 December 2027 or the Borrower has an option to repay the Loan in advance at any time or extend the repayment date of the Loan for another 12 months by serving a written notice to the Lender not later than one month before the original repayment date
Interest	:	Nil
Security	:	Nil

Upon completion of the Acquisition, the Loan will constitute a receipt of financial assistance by the Group from a connected person (i.e. the Vendor) of the Company and is considered as a connected transaction. Since the Loan is conducted on normal commercial terms or better and is not secured by the assets of the Group, the Loan will be a connected transaction of the Company which is fully exempt from reporting, announcement, independent Shareholders' approval and annual review under Rule 14A.90 of the Listing Rules.

The Loan is unsecured and non-interest bearing and is repayable on or before 31 December 2027, subject to the Borrower's option to repay the Loan in advance at any time or extend the repayment date for another 12 months. Therefore, the PRC Company is not under the pressure to repay the Loan on or before the maturity date of 31 December 2027. Having considered the favourable terms of the Loan Agreement, the Directors (including the independent non-executive Directors but excluding Mr. Liu and Ms. Luo Ruishan) consider that the Loan Agreement is on normal commercial terms that are fair and reasonable and the transaction contemplated under the Loan Agreement is in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE PURCHASER

The Purchaser, a wholly-owned subsidiary of the Company, is a company incorporated in the British Virgin Island with limited liability and is principally engaged in the investment holding.

INFORMATION OF THE VENDOR

The Vendor is Ms. GE Lijun (葛麗君), who is the spouse of Mr. Liu.

INFORMATION OF THE TARGET GROUP

The Target Company is a company incorporated in the British Virgin Island with limited liability and is wholly-owned by the Vendor. The principal business of the Target Company is investment holding. As at 31 December 2024, the unaudited net deficit value of the Target Company is HK\$14,642.

The Hong Kong Company is a company incorporated in Hong Kong with limited liability and a direct wholly-owned subsidiary of the Target Company. The principal business of the Hong Kong Company is investment holding. As at 31 December 2024, the unaudited net deficit value of the Hong Kong Company is HK\$53,485.

The PRC Company is a wholly foreign-owned enterprise established under the laws of the PRC on 27 November 2023 and is a direct wholly-owned subsidiary of the Hong Kong Company.

The principal business of the PRC Company is production and sales of flavours and fragrances, tobacco flavours and supplementary materials in the PRC. Under its business license, the PRC Company has registered to conduct manufacturing and sales of daily use chemical products, which permits the PRC Company to engage in research and development, manufacturing and sales of tobacco flavours. The PRC Company has set up the production lines and facilities in a factory with an area of approximately 1,000 square meters located in Ningbo and an estimated maximum production capacity of 2,500 tonnes per annum of flavours and fragrances. The PRC Company is well poised to expand its production and sales as it possesses brand new facilities and sophisticated know-how to produce unique flavours and fragrances for tobacco according to the customer's product specification by using ingredients such as food extracts, additives and compounds.

The PRC Company commenced operation in mid-2024 and has been awarded ISO9001 certification for quality management system, ISO14001 certification for environmental management system as well as ISO45001 certification for occupational health and safety management system. Given these certifications and technical skills of the PRC Company, the PRC Company is eligible to enter into the tender process of the PRC cigarette manufacturers.

The PRC Company recorded revenue of RMB3.1 million during the year ended 31 December 2024 since it was still in the set up stage of operation. The PRC Company has successfully obtained procurement contracts from PRC tobacco manufacturers with an estimated total procurement value of not less than RMB30.0 million. During the first half of 2025, the PRC Company has already secured sales orders of not less than RMB8.0 million.

The unaudited financial information of the PRC Company from the incorporation date to 31 December 2023 and for the year ended 31 December 2024 is summarized as below.

	From the incorporation date (i.e. 27 November 2023) to 31 December 2023	For the year ended 31 December 2024
	<i>RMB'000</i> (unaudited)	<i>RMB'000</i> (unaudited)
Loss before income tax	54	1,722
Loss after income tax	54	1,722

As at 31 December 2024, the unaudited net liabilities of the PRC Company were approximately RMB1.9 million which is mainly attributable to total loans of approximately RMB5.4 million. The PRC Company recorded total assets of approximately RMB3.5 million which mainly included production equipment of RMB1.0 million and tendering deposits of approximately RMB1.2 million. Due to the initial set-up expenses and the early stage of operation, the PRC Company has been loss-making during the year ended 31 December 2024. The PRC Company has been making effort to actively participate in customers' tenders in order to secure more sales orders and is currently expanding its sales network and its production scale.

REASONS AND BENEFITS FOR THE ACQUISITION

The Group is principally engaged in investment holding, industrial property development, general trading of consumable goods and loan financing operations including the provision of loan financing, financial guarantee services, loan referral and consultancy services.

The Group has been engaged in provision of financial guarantee services, loan financing and loan referral services in Hong Kong and the PRC and has further expanded to supply chain financing services with the small and micro enterprises which are licensed tobacco retailers of the State Tobacco Monopoly Administration of the PRC ("**Licensed Retailers**"). The supply chain financing services are mainly operating under through Xin Yunlian Investment Limited and its subsidiaries and associates. Xin Yunlian Investment Limited is a direct wholly-owned subsidiary of the Company and has a 25% equity interests in an associate (the "**Associate**") which is the sole operator of an on-line, business-to-business platform to facilitate the sourcing and purchase of consumer products (other than tobacco products) by the Licensed Retailers for their retail business (the "**E-commerce Platform**"). The E-commerce Platform provides the Licensed Retailers with a one-stop service to source and purchase consumer products (other than tobacco products) as their inventories. Leveraging on the investment in the Associate and the involvement in the operation of the E-commerce Platform and its business development, the Group has been able to establish relationship with different market players in the tobacco industry and explore and gain insights into the business model and culture of tobacco industry. Based on the Group's understanding of the production process of cigarette and the supply chain of tobacco manufacturers and suppliers of tobacco supplementary materials, the Directors consider that there is an opportunity in becoming a supplier of tobacco flavours to tobacco manufacturers as tobacco flavours are essential ingredients used to enrich the taste and smell of the tobacco which are important to distinguish the taste and quality of cigarettes.

According to the statistics of iiMedia Research Inc, the PRC domestic market of flavours and fragrances is valued at approximately RMB43.9 billion in 2023 and is projected to exceed RMB50.0 billion by 2026, driven by rising disposable income, increasing demand for customized flavors, and growing consumer preference for high-quality daily products. The flavors and fragrances are widely applied on food, daily-use products and tobacco products. Given the market size of flavors and fragrances and the Group's knowledge on the PRC tobacco industry, the Group intends to invest in the industry of tobacco flavours. With reference to the statistics of National Health Commission of the PRC, there are over 300 million of smokers in the PRC in 2020, and therefore there is a huge consumption of cigarette in the PRC. According to the National Bureau of Statistics of the PRC, the production volume of cigarette in the PRC amounted to approximately 2,466 billion pieces in 2024.

Based on the above, the Acquisition is expected to enable the Group to capitalise on the massive opportunities in the industry of tobacco flavours in the PRC.

Since the establishment of the PRC Company, it has become a qualified supplier of cigarette manufacturers and is striving to be the qualified supplier of more cigarette manufacturers. Accordingly, the Company is of the view that the Acquisition is not only able to expand the income stream of the Group but will also facilitate the Company to enhance its plan to seek the resumption of trading in the Shares.

Taking into account the above, the Directors (including the independent non-executive Directors) consider that the terms of the Sale and Purchase Agreement are on normal commercial terms that are fair and reasonable and the transaction contemplated under the Sale and Purchase Agreement is in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition exceed 5% but all of them are less than 25%, the Acquisition constitutes a discloseable transaction of the Company, and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

The Vendor is Mr. Liu's spouse while Mr. Liu is the chairman, an executive Director and the substantial Shareholder (as defined in the Listing Rules) of the Company. Therefore, the Vendor is an associate of Mr. Liu and is a connected person of the Company under Rule 14A.07 of the Listing Rules. As such, the Acquisition constitutes a connected transaction of the Company. As all of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition are less than 25% and the total consideration is less than HK\$10,000,000, the Acquisition is subject to the reporting and announcement requirements but is exempt from the circular and independent Shareholders' approval requirements pursuant to Rule 14A.76(2)(b) of the Listing Rules.

Since the Vendor is Mr. Liu's spouse, Mr. Liu is considered to have material interests in the Acquisition and the Loan. Ms. Luo Ruishan, an executive Director, is currently employed as the managing director of the PRC Company and is responsible for overall business management of the PRC Company. Due to the employment of Ms. Luo Ruishan in the PRC Company, she is considered to have material interests in the Acquisition and the Loan. Therefore, Mr. Liu and Ms. Luo Ruishan have abstained from voting on the Board resolutions approving (i) the Sale and Purchase Agreement and the transaction contemplated thereunder; and (ii) the Loan Agreement and the transaction contemplated thereunder.

Completion of the Acquisition is subject to fulfillment of the conditions precedent set out in the Sale and Purchase Agreement, therefore the Acquisition may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

CONTINUED SUSPENSION OF TRADING

Trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 2 September 2024 and will remain suspended until further notice.

DEFINITIONS

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

“Acquisition”	the acquisition of the Sale Shares by the Purchaser from the Vendor pursuant to the terms and conditions of the Sale and Purchase Agreement
“Board”	the board of Directors
“Business Day”	a day (excluding Saturday and any day on which a tropical cyclone warning no. 8 or above or a “black” rainstorm warning is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered or discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for general banking business
“Company”	Greater China Financial Holdings Limited (stock code: 431), a company incorporated in Bermuda with limited liability, with its Shares listed on the Main Board of the Stock Exchange
“Consideration”	the total consideration of HK\$1 payable by the Purchaser to the Vendor for the Sale Shares pursuant to the Sale and Purchase Agreement
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Company”	Tianxiang Treasure Investment Limited, a company incorporated in Hong Kong with limited liability and a direct wholly-owned subsidiary of the Target Company

“Lender”	Shenzhen Tuo Luo Venture Capital Co., Ltd.* (深圳市陀螺創投有限公司)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	an unsecured and non-interest bearing loan of RMB3,300,000 advanced to the PRC Company by the Lender
“Loan Agreement”	a loan agreement dated 10 March 2024 entered into between the PRC Company and the Lender in relation to the Loan (as supplemented by Supplemental Loan Agreement)
“Long Stop Date”	31 May 2025 or such later date as the Vendor and the Purchaser may from time to time agree in writing
“Material Adverse Change”	any change which has a material and adverse effect on the financial position, business or property, results of operations, prospects of the Target Group as a whole
“Mr. Liu”	Mr. Liu Kequan, is the chairman, an executive Director and substantial Shareholder (as defined in the Listing Rules) of the Company, and is ultimately interested in 1,552,750,000 Shares, representing approximately 19.97% of total issued Shares as at the date of this announcement
“PRC”	the People’s Republic of China, which, for the purpose of this announcement, does not include Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“PRC Company”	Ningbo Zeying Xiangliao Co. Ltd* (寧波澤盈香料有限公司), a wholly foreign-owned enterprise established under the laws of the PRC and a direct wholly-owned subsidiary of the Hong Kong Company
“Purchaser”	Elite Sonic Limited, a company incorporated in the British Virgin Islands and a direct wholly-owned subsidiary of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Sale and Purchase Agreement”	an agreement dated 25 April 2025 entered into between the Vendor and the Purchaser
“Sale Shares”	100 ordinary shares of the Target Company, representing all issued shares of the Target Company

“Share(s)”	ordinary share(s) of HK\$0.001 each of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Loan Agreement”	the supplemental loan agreement dated 24 April 2025 entered between the PRC Company and the Lender to supplement the Loan Agreement for extending the repayment date of the Loan to 31 December 2027
“Target Company”	FortuneYi Investment Limited, a company incorporated in the British Virgin Islands which is wholly-owned by the Vendor
“Target Group”	Target Company and its subsidiaries
“Vendor”	Ms. GE Lijun (葛麗君)
“%”	per cent.

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

Hong Kong, 25 April 2025

As at the date of this announcement, the Board comprises Mr. Liu Kequan, Mr. Chen Zheng and Ms. Luo Ruishan as executive Directors; and Mr. Kwan Kei Chor, Dr. Lyu Ziang and Mr. Zhou Liangyu as independent non-executive Directors.

* *For identification purpose only*