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寶新金融集團有限公司

GLORY SUN FINANCIAL GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01282)

**DISCLOSEABLE TRANSACTION
IN RELATION TO
THE ACQUISITION OF PROPERTY IN THE PRC**

THE ACQUISITIONS

On 15 March 2023, the Purchaser, being an indirect wholly-owned subsidiary of the Company, entered into the First Acquisition Agreement with the Vendor, pursuant to which the Purchaser agreed to purchase and the Vendor agreed to sell Property A at a consideration of RMB17,798,266.46 (equivalent to approximately HK\$20,290,023.76).

In addition to the First Acquisition Agreement, on 27 April 2023 (after trading hours of the Stock Exchange), the Purchaser entered into the Second Acquisition Agreement with the Vendor, pursuant to which the Purchaser has agreed to purchase and the Vendor has agreed to sell Property B at a consideration of RMB52,284,912.18 (equivalent to approximately HK\$59,604,799.89).

The transactions contemplated under the Acquisition Agreements are aggregated on the basis that both the First Acquisition Agreement and the Second Acquisition Agreement are in relation to the acquisition of properties located in the same commercial building by the Purchaser from the same party, which would be completed within a 12-month period, and thus shall be aggregated pursuant to Rule 14.22 of the Listing Rules.

LISTING RULES IMPLICATIONS

As the applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the Acquisitions are more than 5% but less than 25%, the Acquisitions constitute a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules. The Acquisition and the transactions contemplated thereunder are subject to the reporting and announcement requirements but exempted from shareholders' approval requirement under Chapter 14 of the Listing Rules.

INTRODUCTION

On 15 March 2023, the Purchaser, being an indirect wholly-owned subsidiary of the Company, entered into the First Acquisition Agreement with the Vendor, pursuant to which the Purchaser agreed to purchase and the Vendor agreed to sell Property A at a consideration of RMB17,798,266.46 (equivalent to approximately HK\$20,290,023.76).

In addition to the First Acquisition Agreement, on 27 April 2023 (after trading hours of the Stock Exchange), the Purchaser entered into the Second Acquisition Agreement with the Vendor, pursuant to which the Purchaser has agreed to purchase and the Vendor has agreed to sell Property B at a consideration of RMB52,284,912.18 (equivalent to approximately HK\$59,604,799.89).

The transactions contemplated under the Acquisition Agreements are aggregated on the basis that both the First Acquisition Agreement and the Second Acquisition Agreement are in relation to the acquisition of properties located in the same commercial building by the Purchaser from the same party, which would be completed within a 12-month period, and thus shall be aggregated pursuant to Rule 14.22 of the Listing Rules.

THE FIRST ACQUISITION AGREEMENT

Set forth below is a summary of the principal terms of the First Acquisition Agreement:

Date: 15 March 2023

Parties: (1) Purchaser: Shenzhen Gallant Tech Co., Ltd.* (深圳市佳力興業電子科技有限公司), an indirect wholly-owned subsidiary of the Company

(2) Vendor: Shenzhen Dongzhi Energy Co., Ltd.* (深圳東智能源有限公司)

As at the date of this announcement, to the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Vendor and its ultimate beneficial owner(s) are independent third parties of the Company and its connected persons.

Subject of the acquisition

Pursuant to the First Acquisition Agreement, the Purchaser agreed to purchase and the Vendor agreed to sell Property A, which comprises Units 801 and 802, Dongfang Xintiandi Plaza, Tower A, No. 1003 Shennan Avenue, Futian District, Shenzhen City, the PRC* (深圳市福田區深南大道1003號東方新天地廣場A座801、802單元). Property A are commercial office premises with a total gross floor area of 538.33 square metres.

Property A is currently leased to an independent third party of the Company and its connected person for commercial office use. Pursuant to the First Acquisition Agreement, Property A shall be sold to the Purchaser subject to the existing tenancy agreements.

Consideration and Payment Terms

The First Consideration was RMB17,798,266.46 (equivalent to approximately HK\$20,290,023.76) and shall be payable by the Purchaser in the following manner:

- (a) a deposit of RMB200,000 (equivalent to approximately HK\$228,000) shall be payable within fifteen (15) Business Days after the signing of the First Acquisition Agreement;
- (b) the first instalment of RMB8,859,955.73 (equivalent to approximately HK\$10,100,349.50) shall be payable within fifteen (15) Business Days after the signing of the First Acquisition Agreement; and
- (c) the remaining balance of RMB8,738,310.73 (equivalent to approximately HK\$9,961,674.23) shall be payable within thirty (30) Business Days after the date on which Property A has been registered under the name of the Purchaser.

The First Consideration was arrived at after arm's length negotiations between the Purchaser and the Vendor after taking into consideration (i) the reasons for the Acquisitions as detailed in the paragraph headed "Reasons for and benefits of the Acquisitions" in this announcement; and (ii) the estimated market value of Property A of approximately RMB17,798,000 (equivalent to approximately HK\$20,289,720) as at 15 March 2023 based on a valuation report of Property A prepared on a market basis conducted by an independent professional valuer.

Registration

Within 60 days from the payment of deposit by the Purchaser, the Vendor shall co-operate with the Purchaser to complete the relevant procedures to register the title of Property A under the name of the Purchaser.

Delivery of physical possession of Property A

Within fifteen (15) days after the date on which Property A has been registered under the name of the Purchaser (the "**Delivery Period**"), the Vendor shall (i) deliver Property A to the Purchaser; and (ii) complete the relevant procedures for the transfer of interest under the existing tenancy agreements to the Purchaser.

Default Liabilities

If either Party fails to fulfil its obligations under the First Acquisition Agreement, the non-defaulting Party shall have the right to demand the defaulting Party to pay an amount equivalent to the deposit under the First Acquisition Agreement or an amount equivalent to 5% of the First Consideration as damages.

Save as disclosed above, the remaining material terms of the First Acquisition Agreement are the same as that of the Second Acquisition Agreement.

THE SECOND ACQUISITION AGREEMENT

Set forth below is a summary of the principal terms of the Second Acquisition Agreement:

Date: 27 April 2023

Parties: (1) Purchaser: Shenzhen Gallant Tech Co., Ltd.* (深圳市佳力興業電子科技有限公司), an indirect wholly-owned subsidiary of the Company

(2) Vendor: Shenzhen Dongzhi Energy Co., Ltd.* (深圳東智能源有限公司)

Subject of the Acquisition

Pursuant to the Second Acquisition Agreement, the Purchaser has agreed to purchase and the Vendor has agreed to sell Property B, which comprises Units 701, 702, 703, 704 and 705, Dongfang Xintiandi Plaza, Tower A, No. 1003 Shennan Avenue, Futian District, Shenzhen City, the PRC* (深圳市福田区深南大道1003號東方新天地廣場A座701、702、703、704、705單元). Property B are commercial office premises with a total gross floor area of 1,586.94 square metres.

Property B is currently leased to an independent third party of the Company and its connected person for commercial office use. Pursuant to the Second Acquisition Agreement, Property B shall be sold to the Purchaser subject to the existing tenancy agreements.

Consideration and Payment Terms

The Second Consideration is RMB52,284,912.18 (equivalent to approximately HK\$59,604,799.89) which shall be payable by the Purchaser in the following manner:

- (a) the deposit of RMB500,000 (equivalent to approximately HK\$570,000) shall be payable within fifteen (15) Business Days after the signing of the Second Acquisition Agreement;

- (b) the first instalment of RMB26,114,894.81 (equivalent to approximately HK\$29,770,980.08) shall be payable within fifteen (15) Business Days after the signing of the Second Acquisition Agreement; and
- (c) the remaining balance of RMB25,670,017.37 (equivalent to approximately HK\$29,263,819.80) shall be payable within thirty (30) Business Days after the date on which Property B has been registered under the name of the Purchaser.

The Second Consideration was arrived at after arm's length negotiations between the Purchaser and the Vendor after taking into consideration (i) the reasons for the Acquisitions as detailed in the paragraph headed "Reasons for and benefits of the Acquisitions" in this announcement; and (ii) the estimated market value of Property B of approximately RMB52,285,000 (equivalent to approximately HK\$59,604,900) as at 27 April 2023 based on a valuation report of Property B prepared on a market basis conducted by an independent professional valuer.

Registration

Within 60 days from the payment of deposit by the Purchaser, the Vendor shall co-operate with the Purchaser to complete the relevant procedures to register the title of Property B under the name of the Purchaser.

Delivery of physical possession of Property B

Within fifteen (15) days after the date on which Property B has been registered under the name of the Purchaser (the "**Delivery Period**"), the Vendor shall (i) deliver Property B to the Purchaser; and (ii) complete the relevant procedures for the transfer of interest under the existing tenancy agreements to the Purchaser.

Default Liabilities

If either Party fails to fulfil its obligations under the Second Acquisition Agreement, the non-defaulting Party shall have the right to demand the defaulting Party to pay an amount equivalent to the deposit under the Second Acquisition Agreement or an amount equivalent to 5% of the Second Consideration as damages.

INFORMATION ON THE PROPERTIES

Property A comprises Units 801 and 802, Dongfang Xintiandi Plaza, Tower A, No. 1003 Shennan Avenue, Futian District, Shenzhen City, the PRC* (深圳市福田區深南大道1003號東方新天地廣場A座801、802單元). Property A are commercial office premises with a total gross floor area of 538.33 square metres.

Property B comprises Units 701, 702, 703, 704 and 705, Dongfang Xintiandi Plaza, Tower A, No. 1003 Shennan Avenue, Futian District, Shenzhen City, the PRC* (深圳市福田區深南大道1003號東方新天地廣場A座701、702、703、704、705單元). Property B are commercial office premises with a total gross floor area of 1,586.94 square metres.

The Properties are currently leased out. Pursuant to the Acquisition Agreements, the Properties shall be sold to the Purchaser subject to the respective existing tenancy agreements.

Set forth below is the unaudited financial information on the Properties based on the information provided by the Vendor:

	For the year ended 31 December 2022	For the year ended 31 December 2021
	<i>RMB</i>	<i>RMB</i>
	<i>approximately</i>	<i>approximately</i>
Revenue attributable to the Properties	2,465,932.67	639,243.50

GENERAL INFORMATION

Information on the Purchaser and the Group

The Purchaser is a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of the Company. The Purchaser is principally engaged in the trading of SMT equipment and spare parts.

The Company is incorporated in the Cayman Islands with limited liability, whose Shares are listed on the Main Board of the Stock Exchange (stock code: 1282). The Group is principally engaged in the business of financial services, property investment and development, automation and securities investment.

Information on the Vendor

The Vendor is a company established under the laws of the PRC with limited liability and is principally engaged in the investment of electricity, new energy and coal projects, leasing of properties, property management, investment consulting services (excluding securities, futures contracts, insurance and finance), development and transfer of, and provision of consulting and technology services on environmental technologies, import and domestic trading, wholesale and retail of metal. The Vendor is ultimately owned by Mr. Lin Xiaokun (林孝坤), Mr. Chen Danbin (陳丹彬), Mr. Lu Junping (盧軍平) and Mr. Luo Jiayuan (羅嘉元).

REASONS FOR AND BENEFITS OF THE ACQUISITIONS

Following the Acquisitions, Property A will be used by the Group as office premises to support the growth and expansion of the business of the Group and Property B will continue to be leased out to the existing tenants until the end of the existing tenancy agreements. Having considered the rental value of office premises of similar quality and in proximity to the Properties, the Directors are of the view that the Acquisitions can meet the Group's needs for office spaces, save rental expenses, reserve office space for any future increase in headcounts and generate rental income. The Acquisitions will also strengthen the asset base of the Group and enable the Group to capture the potential capital appreciation.

In light of the above, the Directors (including the independent non-executive Directors) consider that the terms and conditions of the Acquisition Agreements are fair and reasonable and on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the Acquisitions are more than 5% but less than 25%, the Acquisitions constitute a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules. The Acquisitions and the transactions contemplated thereunder are subject to the reporting and announcement requirements but exempted from shareholders' approval requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Acquisitions”	the First Acquisition and the Second Acquisition
“Acquisition Agreements”	the First Acquisition Agreement and the Second Acquisition Agreement
“Board”	the board of Directors
“Business Day(s)”	a day (other than a Saturday, Sunday or public holiday) on which licensed bank are generally open for business in the PRC throughout their normal business hours

“Company”	Glory Sun Financial Group Limited (寶新金融集團有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange (stock code: 1282)
“Director(s)”	the director(s) of the Company
“First Acquisition”	the acquisition of Property A by the Purchaser from the Vendor pursuant to the terms and conditions of the First Acquisition Agreement
“First Acquisition Agreement”	the acquisition agreement dated 15 March 2023 and entered into between the Purchaser and the Vendor in relation to the First Acquisition
“First Consideration”	the total consideration in the sum of RMB17,798,266.46 (equivalent to approximately HK\$20,290,023.76) payable by the Purchaser to the Vendor for the First Acquisition
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Party”	the Vendor or the Purchaser
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Properties”	Property A and Property B
“Property A”	Units 801 and 802, Dongfang Xintiandi Plaza, Tower A, No. 1003 Shennan Avenue, Futian District, Shenzhen City, the PRC* (深圳市福田區深南大道1003號東方新天地廣場A座801、802單元)
“Property B”	Units 701, 702, 703, 704 and 705, Dongfang Xintiandi Plaza, Tower A, No. 1003 Shennan Avenue, Futian District, Shenzhen City, the PRC* (深圳市福田區深南大道1003號東方新天地廣場A座701、702、703、704、705單元)

“Purchaser”	Shenzhen Gallant Tech Co., Ltd.* (深圳市佳力興業電子科技有限公司), a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Second Acquisition”	the acquisition of Property B by the Purchaser from the Vendor pursuant to the terms and conditions of the Second Acquisition Agreement
“Second Acquisition Agreement”	the acquisition agreement dated 27 April 2023 and entered into between the Purchaser and the Vendor in relation to the Second Acquisition
“Second Consideration”	the total consideration in the sum of RMB52,284,912.18 (equivalent to approximately HK\$59,604,799.89) payable by the Purchaser to the Vendor for the Second Acquisition
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Shenzhen DongZhi Energy Co., Ltd.* (深圳東智能源有限公司), a company established in the PRC with limited liability
“%”	per cent.

* *For identification only*

For the purpose of this announcement, unless otherwise indicated, conversion of RMB into Hong Kong dollars is calculated at the approximate exchange rate of RMB1 to HK\$1.14. This exchange rate is adopted for the purpose of illustration purpose only and does not constitute a representation that any amounts have been, could have been, or may be, exchanged at this rate or any other rates at all.

By order of the Board
Glory Sun Financial Group Limited
Huang Wansheng
Chairman and Chief Executive Officer

Hong Kong, 27 April 2023

As at the date of this announcement, the executive Directors of the Company are Mr. Huang Wansheng, Mr. Li Minbin and Mr. Huang Wei; the non-executive Director of the Company is Mr. Zhang Chi; and the independent non-executive Directors of the Company are Mr. Wong Chun Bong, Professor Lee Kwok On, Matthew and Ms. Zhao Yizi.