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JOINT ANNOUNCEMENT

**DISCLOSEABLE TRANSACTION
DISPOSAL OF LAND AND PROPERTY
IN RELATION TO
LAND RESUMPTION**

**MAJOR TRANSACTION
DISPOSAL OF LAND AND PROPERTY
IN RELATION TO
LAND RESUMPTION**

THE RESUMPTION COMPENSATION AGREEMENT

On 26 November 2021 (after trading hours), Shenyang Baoxin, an indirect non-wholly owned subsidiary of each of GSFG and GSLG, entered into the Resumption Compensation Agreement with the Local Authority, pursuant to which, among other things, the Local Authority agrees to resume, and Shenyang Baoxin agrees to surrender the Target Land together with the Property at the consideration of approximately RMB320.5 million (equivalent to approximately HK\$391 million) payable by the Local Authority, resulting from the government's policy of renewing the old urban area.

LISTING RULES IMPLICATION

In respect of the GSFG Group, as one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Land Resumption is more than 5% but less than 25%, the Land Resumption constitutes a discloseable transaction of GSFG and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

In respect of the GSLG Group, as one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Land Resumption is more than 25% but less than 75%, the Land Resumption constitutes a major transaction of GSLG and is subject to the notification, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the GSLG Directors, after having made all reasonable enquiries, no GSLG Shareholders or any of their respective associates have any material interest in the Resumption Compensation Agreement and the transaction contemplated thereunder. Thus, no GSLG Shareholders is required to abstain from voting in favour of the resolution approving the Resumption Compensation Agreement and the transactions contemplated thereunder.

As at the date of this announcement, Mr. Yao Jianhui (“Mr. Yao”) is directly and indirectly interested in 14,892,511,600 GSFG Shares, representing approximately 47.45% of the total number of GSFG Shares in issue. Further, Mr. Yao directly holds 1,314,000 GSLG Shares, representing approximately 0.02% of the total number of GSLG Shares in issue, and indirectly holds 3,134,805,652 and 21,129,048 GSLG Shares through Hong Kong Bao Xin and Glory Sun Securities, which are both subsidiaries of GSFG, representing approximately 57.41% and 0.39% of the total number of GSLG Shares in issue respectively. As such, Mr. Yao, Hong Kong Bao Xin and Glory Sun Securities are closely allied group of GSLG Shareholders.

Pursuant to Rule 14.44 of the Listing Rules, written approval for the Resumption Compensation Agreement and the transactions contemplated thereunder has been obtained from the aforesaid closely allied group of GSLG Shareholders, collectively holding an aggregate of 3,157,248,700 GSLG Shares, which represent approximately 57.82% of the total number of GSLG Shares in issue as at the date of this announcement. Accordingly, no extraordinary general meeting of GSLG will be convened for the purpose of approving the Resumption Compensation Agreement and the transactions contemplated thereunder.

A circular of GSLG containing, among other things, further details of Resumption Compensation Agreement and the transactions contemplated thereunder and such other information as required under the Listing Rules is expected to be despatched to the GSLG Shareholders on or before 17 December 2021.

On 26 November 2021 (after trading hours), Shenyang Baoxin, an indirect non-wholly owned subsidiary of each of GSFG and GSLG, entered into the Resumption Compensation Agreement with the Local Authority, pursuant to which, among other things, the Local Authority agrees to resume, and Shenyang Baoxin agrees to surrender the Target Land together with the Property at the consideration of approximately RMB320.5 million (equivalent to approximately HK\$391 million) payable by the Local Authority, resulting from the government’s policy of renewing the old urban area.

The principal terms of the Resumption Compensation Agreement are set out as follows:

THE RESUMPTION COMPENSATION AGREEMENT

Date

26 November 2021 (after trading hours)

Parties

- (1) the Local Authority
- (2) Shenyang Baoxin, an indirect non-wholly owned subsidiary of each of GSFG and GSLG

To the best knowledge, information and belief of the GSFG Directors and GSLG Directors, having made all reasonable enquires, the Local Authority is a government authority in Tiexi District, Shenyang, Liaoning Province, the PRC, and is an Independent Third Party.

Assets to be Resumed

Pursuant to the Resumption Compensation Agreement, among other things, the Local Authority agrees to compensate Shenyang Baoxin an amount of approximately RMB320.5 million (equivalent to approximately HK\$391 million) for resuming the Target Land together with the Property.

The Target Land is for commercial use and situated at No. 34, Shenxin East Road, Tiexi District, Shenyang, Liaoning Province, the PRC# (中國遼寧省瀋陽市鐵西區瀋新東路34號), which has a site area of approximately 10,918 square meters. The Property has a gross floor area of approximately 37,839 square meters and is currently vacant.

For the purpose of carrying out the implementation of urban planning in Tiexi District, it is expected that the Local Authority will demolish the Property using the available public funds and the Target Land will be redesigned for future development purposes (the “New Target Land”). The Local Authority plans to put up the New Target Land for sale through Public Auction after the completion of the Land Resumption and the leveling works on the Target Land.

Compensation and Payment terms

The Compensation in relation to the Land Resumption is approximately RMB320.5 million (equivalent to approximately HK\$391 million), comprising the aggregate amount for (i) the land use rights of the Target Land, and (ii) the construction erected on the Target Land (the “Property”).

The Local Authority plans to put up the New Target Land for sale by way of Public Auction after the completion of the Land Resumption and the leveling works on the Target Land. The Compensation will be payable in full in cash by the Local Authority to Shenyang Baoxin after a new owner has acquired the New Target Land through the Public Auction. The payment of the Compensation is subject to the completion of the acquisition of the New Target Land and will be made within forty-five (45) Business Days after such new owner has paid the full amount of the consideration in accordance with the terms of the acquisition agreement of the New Target Land to be entered into between such new owner and the Local Authority.

The Compensation for the Land Resumption was agreed between the Local Authority and Shenyang Baoxin after arm’s length negotiation with reference to, among other things, (i) the unaudited carrying value of the Target Land and the Property of approximately RMB292.9 million (equivalent to approximately HK\$357.3 million) as at 30 June 2021; (ii) the appraised market value of the Target Land and the Property of approximately RMB320.5 million (equivalent to approximately HK\$391 million) according to the valuation by an independent PRC valuer appointed by the Local Authority; (iii) a preliminary valuation of the Target Land and the Property of approximately RMB 292.3 million as at 31 October 2021 (equivalent to approximately HK\$ 356.6 million) according to the valuation by an independent Hong Kong valuer appointed by GSLG, an agreed valuation report in compliance with the requirements under Chapter 5 of the Listing Rules will be set out in the circular to be despatched by GSLG; and (iv) the laws, regulations and procedures applicable to resumption of state-owned land in Tiexi District, Shenyang, the PRC.

REASONS AND BENEFITS OF THE LAND RESUMPTION

The Local Authority has advised GSLG that the Target Land and the Property are situated within parcels of land that are subject to resumption, following the Local Authority’s recent policy of renewing the old urban area.

The Property located at the Target Land was built long time ago and currently generates no rental revenue. It is considered by the GSLG Board that the Resumption Compensation Agreement has offered the GSLG Group a fair compensation to unlock the value of its investment in the Target Land and the Property at a reasonable price in order to realize cash resources and to enhance the liquidity and strengthening the financial position of the GSLG Group. In addition, the Land Resumption will also offer a good business opportunity for the GSLG Group to participate in the Public Auction for the future re-development of the New Target Land if the bidding terms are considered to be commercially viable and attractive by GSLG.

The GSFG Directors and GSLG Directors (including the independent non-executive directors of GSFG and GSLG) consider that the terms of the Resumption Compensation Agreement and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms and in the interests of GSFG and GSLG and their respective shareholders as a whole.

FINANCIAL EFFECTS OF THE DISPOSAL AND PROPOSED USE OF PROCEEDS

As at 30 June 2021, the unaudited carrying value of the Target Land and the Property was approximately RMB292.9 million (equivalent to approximately HK\$357.3 million). For the two years ended 31 December 2019 and 2020, the rental income attributable to the Property was approximately RMB5.2 million (equivalent to approximately HK\$6.3 million) and RMB2.6 million (equivalent to approximately HK\$3.2 million) respectively.

The Land Resumption is expected to enable each of GSLG and GSFG to recognize an unaudited gain of approximately RMB27.6 million (equivalent to approximately HK\$33.7 million), being the difference between the Compensation over the above-mentioned carrying value of the Target Land and the Property before any expenses and tax. Actual gain in relation to the Land Resumption is subject to assessment and audit upon completion of the Land Resumption.

In the event that the New Target Land is taken up by a third party in the Public Auction, the net proceeds from the Land Resumption after deducting the relevant costs and expenses (before tax), estimated to be approximately RMB320.1 million (equivalent to approximately HK\$390.5 million), are intended to be applied for the GSLG Group's general working capital and thus improving the liquidity and overall financial position of the GSLG Group.

GENERAL INFORMATION

GSFG is an investment holding company and the principal activities of the GSFG Group are financial services, property investment and development in the PRC, automation, securities investment and trading of commodities.

GSLG is an investment holding company. The principal activities of the GSLG Group are property development and property investment in the PRC including sales and leasing of properties; trading of commodities and building materials in the PRC; and operation of cultural development business.

Shenyang Baoxin is an indirect non-wholly owned subsidiary of each of GSFG and GSLG. The principal activities of Shenyang Baoxin, among others, are property development and property investment as well as property management in the PRC.

The Local Authority is a government authority in Tiexi District, Shenyang, Liaoning Province, the PRC, and is an Independent Third Party.

LISTING RULES IMPLICATIONS

In respect of the GSFG Group, as one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Land Resumption is more than 5% but less than 25%, the Land Resumption constitute a discloseable transaction of GSFG and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

In respect of the GSLG Group, as one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Land Resumption is more than 25% but less than 75%, the Land Resumption constitutes a major transaction of GSLG and is subject to the notification, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the GSLG Directors, after having made all reasonable enquiries, no GSLG Shareholders or any of their respective associates have any material interest in the Resumption Compensation Agreement and the transaction contemplated thereunder. Thus, no GSLG Shareholders is required to abstain from voting in favour of the resolution approving the Resumption Compensation Agreement and the transactions contemplated thereunder.

As at the date of this announcement, Mr. Yao is directly and indirectly interested in 14,892,511,600 GSFG Shares, representing approximately 47.45 % of the total number of GSFG Shares in issue. Further, Mr. Yao directly holds 1,314,000 GSLG Shares, representing approximately 0.02% of the total number of GSLG Shares in issue, and indirectly holds 3,134,805,652 and 21,129,048 GSLG Shares through Hong Kong Bao Xin, and Glory Sun Securities, which are both subsidiaries of GSFG, representing approximately 57.41 % and 0.39% of the total number of GSLG Shares in issue. As such, Mr. Yao, Hong Kong Bao Xin, and Glory Sun Securities are closely allied group of GSLG Shareholders.

Pursuant to Rule 14.44 of the Listing Rules, written approval for the Resumption Compensation Agreement and the transactions contemplated thereunder has been obtained from the aforesaid closely allied group of GSLG Shareholders, collectively holding an aggregate of 3,157,248,700 GSLG Shares, which represent approximately 57.82% of the total number of GSLG Shares in issue as at the date of this announcement. Accordingly, no extraordinary general meeting of GSLG will be convened for the purpose of approving the Resumption Compensation Agreement and the transactions contemplated thereunder.

As disclosed in the joint announcement issued by GSFG and GSLG on 18 November 2021 (the “Joint Announcement”) and the supplemental announcement on 26 November 2021 respectively, the GSFG Board proposed to declare an interim dividend in the form of a distribution of 3,154,444,976 Distribution GSLG Shares to the GSFG Shareholders, which is subject to the approval of the GSFG Shareholders in the EGM to be held on 17 December 2021. Upon the completion of the Distribution in Specie, Mr. Yao, Hong Kong Bao Xin and Glory Sun Securities will no longer constitute a closely allied group of GSLG Shareholders holding more than 50% of the voting rights at the general meeting of GSLG. For the further details in relation to the Distribution in Specie, please refer to the Joint Announcement.

However, as the written shareholders’ approval for the Resumption Compensation Agreement and the transactions contemplated thereunder has already been obtained as at the date of this announcement, the change in shareholding of GSLG resulting from the Distribution in Specie shall not affect the Resumption Compensation Agreement and the transactions contemplated thereunder.

A circular of GSLG containing, among other things, further details of Resumption Compensation Agreement and the transactions contemplated thereunder and such other information as required under the Listing Rules is expected to be despatched to the GSLG Shareholders on or before 17 December 2021.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the meaning ascribed to them below:

“associate(s)”	has the meaning ascribed thereto in the Listing Rules
“Compensation”	the compensation in a sum of approximately RMB320.5 million (equivalent to approximately HK\$391 million) under the Resumption Compensation Agreement payable by the Local Authority to Shenyang Baoxin
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules and “connected” shall be construed accordingly
“Distribution in Specie”	the distribution of an interim dividend by GSFG to the qualifying GSFG Shareholders in the form of a distribution in specie of 3,154,444,976 GSLG Shares to be held by GSFG upon completion of the Pre-Distribution Reorganisation in the proportion of 402 GSLG Shares for every 4,000 GSFG Shares held on the Record Date (24 December 2021), details of which are set out in the Joint Announcement dated 18 November 2021
“Distribution GSLG Shares”	means the 3,154,444,976 GSLG Shares held by GSFG upon completion of the Pre-Distribution Reorganisation to be distributed to the GSFG Shareholders pursuant to the Distribution in Specie
“EGM”	means the extraordinary general meeting of GSFG to be convened on 17 December 2021 for the GSFG Shareholders to consider, and if thought fit, approve, inter alia, the payment of the interim dividend out of the share premium account by way of the Distribution in Specie
“Glory Sun Securities”	Glory Sun Securities Limited, a company incorporated in Hong Kong with limited liability and a GSLG Shareholder, holding 21,129,048 GSLG Shares, representing approximately 0.39% of the total number of the GSLG Shares in issue, as at the date of this announcement and a subsidiary of GSFG
“GSFG”	Glory Sun Financial Group Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the main board of the Stock Exchange (Stock Code: 1282) and a controlling shareholder of GSLG

“GSFG Board”	the board of directors of GSFG
“GSFG Director(s)”	the director(s) of GSFG
“GSFG Group”	GSFG and its subsidiaries (including the GSLG Group)
“GSFG Shareholder(s)”	holder(s) of GSFG Share(s)
“GSFG Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of GSFG
“GSLG”	Glory Sun Land Group Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the main board of the Stock Exchange (Stock Code: 299)
“GSLG Director(s)”	the director(s) of GSLG
“GSLG Group”	GSLG and its subsidiaries
“GSLG Share(s)”	ordinary share(s) of HK\$ 0.05 each in the share capital of GSLG
“GSLG Shareholder(s)”	holder(s) of GSLG Share(s)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Part(ies)”	independent third part(ies) who is/are not connected person(s) of GSFG and GSLG and is/are independent of and not connected with any of the directors, chief executive or substantial shareholders of GSFG and GSLG or any of their respective subsidiaries or their respective associates
“Hong Kong Bao Xin”	Hong Kong Bao Xin Asset Management Limited, a company incorporated in Hong Kong with limited liability and a controlling shareholder of GSLG, holding 3,134,805,652 GSLG Shares, representing approximately 57.41% of the total number of the GSLG Shares in issue, as at the date of this announcement and a subsidiary of GSFG
“Land Resumption”	the resumption of the Target Land and the Property by the Local Authority from Shenyang Baoxin under the Resumption Compensation Agreement

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Local Authority”	the government authority in Tiexi District, Shenyang, Liaoning Province, the PRC (瀋陽市鐵西區人民政府), and is an Independent Third Party
“Pre-Distribution Reorganisation”	means the acquisition of the GSLG Shares by GSFG from Glory Sun Securities and Hong Kong Bao Xin prior to the completion of the Distribution in Specie
“PRC”	The People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Public Auction”	the sale of the New Target Land by the Local Authority for new development plans through a tender, auction or a listing-for-sale
“Property”	富友商業大廈 (Fuyou Commercial Building [#]) located at No. 34, Shenxin East Road, Tiexi District, Shenyang, Liaoning Province, the PRC with a gross floor area of approximately 37,839 square meters
“Resumption Compensation Agreement”	the resumption compensation agreement entered into between Shenyang Baoxin and the Local Authority on 26 November 2021 in relation to, among other things, the Land Resumption
“RMB”	Renminbi, the lawful currency of the PRC
“Shenyang Baoxin”	瀋陽寶新商業有限公司 (Shenyang Baoxin Commercial Limited Company [#]), a company registered under the laws of the PRC with limited liability and an indirect non-wholly owned subsidiary of each of GSFG and GSLG
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary” or “subsidiaries”	has the meaning ascribed to it under the Listing Rules
“%”	per cent.

For the purpose of this announcement, conversions of RMB into HK\$ are based on the exchange rate of RMB1 to HK\$1.22 for the purposes of illustration only. No representation is made that any amount of HK\$ or RMB has been, could have been or could be converted at the above rate or at any other rates.

For and on behalf of
Glory Sun Financial Group Limited
Yao Jianhui
Chairman and Chief Executive Officer

For and on behalf of
Glory Sun Land Group Limited
Yao Jianhui
Chairman

Hong Kong, 26 November 2021

As at the date of this announcement, the GSFG Board comprises nine directors, namely Mr. Yao Jianhui (Chairman and Chief Executive Officer), Mr. Lau Wan Po (Vice Chairman), Mr. Li Minbin and Mr. Huang Wei as executive directors; Mr. Zhang Chi as non-executive director; and Mr. Wong Chun Bong, Professor Lee Kwok On, Matthew, and Mr. Lee Kwan Hung, Eddie, as independent non-executive directors.

As at the date of this announcement, the executive directors of GSLG are Mr. Yao Jianhui and Ms. Xia Lingjie; the non-executive director is Ms. Zhan Yushan; and the independent non-executive directors are Ms. He Suying, Dr. Tang Lai Wah and Mr. Wong Chun Bong.

The English transliteration of the Chinese name(s) in this announcement, where indicated with #, is included for information purpose only, and should not be regarded as the official English name(s) of such Chinese name(s).