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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)

**(1) ANNOUNCEMENT PURSUANT TO
RULE 14.36 OF THE LISTING RULES; AND
(2) MAJOR TRANSACTION DISPOSAL OF
NON-WHOLLY OWNED SUBSIDIARY**

Reference is made to the announcements of the Company dated 14 January 2022 and 20 January 2022 in relation to the Deemed Disposal of the equity interest in the Target Company. As disclosed in the Previous Announcements, upon the completion of the Capital Injection Agreements, the total registered capital of the Target Company will be increased from RMB720 million (equivalent to HK\$885.6 million) to RMB1,500 million (equivalent to HK\$1,845 million) and will be held as to approximately 30.91% by Baokai Industries and 37.56% by Hongxinglaihua Hotel. As further disclosed in the Previous Announcements, under the Capital Injection Agreements, Baokai Industries and Hongxinglaihua Hotel will pay their respective subscription monies for the relevant subscription shares in full in cash within 90 days from the date of the Capital Injection Agreements.

This announcement is made by the Company pursuant to Rule 14.36 of the Listing Rules to provide the Shareholders and investors with updates on the Deemed Disposal. Pursuant to the shareholders' resolution of the Target Company dated 14 April 2022, the registered capital of the Target Company will be reduced from RMB1,500 million to RMB720 million (the "**Capital Reduction**"). Upon completion of the Capital Reduction, the registered capital of the Target Company will be RMB720 million and fully paid; and Baokai Industries and Hongxinglaihua Hotel shall not pay their respective Unpaid Registered Capital under the Capital Injection Agreements.

THE EQUITY TRANSFER AGREEMENT

On 28 April 2022 (after trading hours), the Board announces that, Baokai Industries, entered into the Equity Transfer Agreement with Hongxinglaihua Hotel and the Target Company in relation to the Disposal, pursuant to which, Baokai Industries has conditionally agreed to sell and Hongxinglaihua Hotel has conditionally agreed to purchase, 543,600,000 Target Shares, being 75.50% of the entire issued share capital of the Target Company for a Consideration of RMB800 million (equivalent to approximately HK\$984 million).

Upon Completion, the Company will cease to have any interest in the Target Company and the Target Company will cease to be a subsidiary of the Company.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios in respect of the Disposal calculated under Rule 14.07 of the Listing Rules is more than 25% but less than 75%, the Disposal constitutes a major transaction under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements thereunder.

WRITTEN SHAREHOLDERS' APPROVAL

As at the date of this announcement, Mr. Yao Jianhui is directly interested in 44,468,000 Shares and indirectly interested in 13,302,647,600 Shares, equivalent to approximately 42.21% of the entire issued share capital of the Company. The aggregate of 13,302,647,600 Shares are beneficially owned by (i) Bao Xin Development Limited being interested in 13,196,447,600 Shares; and (ii) Laihua Holdings Group Limited being interested in 53,100,000 Shares respectively. Laihua Holdings Group Limited and Bao Xin Development Limited are indirectly held as to 99.5% and 100% respectively by Mr. Yao Jianhui. Further, Mr. Yao Zhenhua, the brother of Mr. Yao Jianhui, is indirectly interested in 4,219,560,000 Shares through Qianhai Life Insurance Co., Limited, representing approximately 13.44% of the entire issued share capital of the Company. Mr. Yao Jianhui and Mr. Yao Zhenhua collectively holding an aggregate of 17,513,575,600 Shares, representing approximately 55.80% of the total number of the Shares in issue as at the date of this announcement, are closely allied group of Shareholders.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Shareholders has any material interest in the Equity Transfer Agreement and the Transactions (including the Disposal) and therefore no Shareholder is required to abstain from voting on the proposed relevant resolution(s) approving the Equity Transfer Agreement and the Transactions (including the Disposal).

Pursuant to Rule 14.44 of the Listing Rules, written approval for the Equity Transfer Agreement and the Transactions (including the Disposal) has been obtained from the aforesaid closely allied group of substantial Shareholders, collectively holding an aggregate of 17,513,575,600 Shares, representing approximately 55.80% of the total number of the Shares in issue as at the date of this announcement. Accordingly, no extraordinary general meeting of the Company will be convened for the purpose of approving the Equity Transfer Agreement and the Transactions (including the Disposal).

GENERAL

A circular of the Company containing, among other things, further details of the Equity Transfer Agreement and the Transactions (including the Disposal) and such other information as required under the Listing Rules is expected to be despatched to the Shareholders on or before 23 May 2022.

As Completion is conditional upon fulfilment of the conditions precedent set out in the Equity Transfer Agreement, the Transactions (including the Disposal) may or may not proceed. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

As disclosed in the Previous Announcements, upon the completion of the Capital Injection Agreements, the total registered capital of the Target Company will be increased from RMB720 million (equivalent to approximately HK\$885.6 million) to RMB1,500 million (equivalent to approximately HK\$1,845 million) and will be held as to approximately 30.91% by Baokai Industries and 37.56% by Hongxinglaihua Hotel. As further disclosed in the Previous Announcements, under the Capital Injection Agreements, Baokai Industries and Hongxinglaihua Hotel will pay their respective subscription monies of the relevant subscription shares in full in cash within 90 days from the date of the Capital Injection Agreements.

Pursuant to the shareholders' resolution of the Target Company dated 14 April 2022, the registered capital of the Target Company will be reduced from RMB1,500 million to RMB720 million. Upon completion of the capital reduction, the registered capital of the Target Company will be RMB720 million and fully paid; and Baokai Industries and Hongxinglaihua Hotel shall not pay their respective Unpaid Registered Capital under the Capital Injection Agreements.

THE EQUITY TRANSFER AGREEMENT

On 28 April 2022 (after trading hours), the Board announces that, Baokai Industries, entered into the Equity Transfer Agreement with Hongxinglaihua Hotel and the Target Company in relation to the Disposal, pursuant to which, Baokai Industries has conditionally agreed to sell and Hongxinglaihua Hotel has conditionally agreed to purchase, 543,600,000 Target Shares, being 75.50% of the entire issued share capital of the Target Company for a Consideration of RMB800 million (equivalent to approximately HK\$984 million).

The principal terms of the Equity Transfer Agreement are set out as follows:—

Date

28 April 2022 (after trading hours)

Parties

- (1) Baokai Industries;
- (2) Hongxinglaihua Hotel; and
- (3) the Target Company

Assets to be Disposed

Pursuant to the Equity Transfer Agreement, Baokai Industries has conditionally agreed to sell and Hongxinglaihua Hotel has conditionally agreed to purchase 543,600,000 Target Shares, equivalent to 75.50% of the entire issued share capital of the Target Company.

Pursuant to the Equity Transfer Agreement, prior to the Completion, Baokai Commercial Land will transfer 360,000,000 Target Shares to Baokai Industries at the consideration of RMB1 (equivalent to HK\$1.23) per Target Share, and upon the completion of the Pre-Disposal Transfer, Baokai Industries will be interested in an aggregate of 543,600,000 Target Shares, equivalent to 75.50% of the entire issued share capital of the Target Company.

Pursuant to the Equity Transfer Agreement, Hongxinglaihua Hotel will further assume any liability of Baokai Industries arising from the Capital Reduction to the extent of RMB280 million (if any).

Consideration and Payment terms

The Consideration for the Disposal payable by Hongxinglaihua Hotel to Baokai Industries shall be satisfied in cash and payable by the following instalments:—

- 1) the first instalment being RMB450 million (equivalent to HK\$553.5 million, being 56.25% of the entire Consideration) shall be paid within three (3) days from this announcement (the “**First Instalment**”); and
- 2) the remaining Consideration being RMB350 million (equivalent to HK\$430.5 million, being 43.75% of the entire Consideration) shall be paid within ninety (90) days from the date of the Share Transfer Registration (the “**Second Instalment**”).

Under the Equity Transfer Agreement, it is further agreed that:

1. within twenty (20) days from the date of the First Instalment, Baokai Industries and Hongxinglaihua Hotel shall have common custody of the Target Company Documents;
2. (1) within sixty (60) days from the date of the First Instalment, Hongxinglaihua Hotel or its designated person shall provide or procure the provision of a total of 24 property units with total gross floor area of 22,397.74 square meters located in Wudu Road, Binhu District, Wuxi, the PRC (the “**Property Units**”), as securities to cover all the liabilities of Hongxinglaihua Hotel under the Equity Transfer Agreement, including 1) the payment liabilities of Hongxinglaihua Hotel under the Equity Transfer Agreement including its payment obligation of the Second Instalment; and 2) Hongxinglaihua Hotel’s liability to procure the discharge of, among other things, the Group’s liabilities under the Bank Loan Securities, and complete the registration of the pledge on the Property Units.

According to the preliminary valuation report from the independent valuer engaged by the Company, the total value of the Property Units as at 26 April 2022 was amounted to RMB 501,281,640 (equivalent to HK\$616,576,417).

- (2) within seventy-five (75) days from the date of the First Instalment, Hongxinglaihua Hotel shall procure the Bank to release the Target Share Pledge and complete its registration;
 - (3) within fifteen (15) days from the date of the fulfillment of both 2(1) and 2(2) above, the Pre-Disposal Transfer shall take place, and the Share Transfer Registration shall be completed; and
3. within ten (10) days from the Share Transfer Registration, the Target Company Documents shall be delivered to Hongxinglaihua Hotel.

Basis for the Determination of the Consideration

The Consideration was arrived at after arm's length negotiations between the Baokai Industries and the Hongxinglaihua Hotel with reference to, among other things, (i) the reasons for the Disposal as discussed in the section headed "Reasons for and benefits of the Disposal" below; (ii) the proportionate interest of 75.50% of the carrying value of the Target Company as at 31 December 2021; (iii) the preliminary valuation of the Target Company of approximately HK\$1,189 million as at 31 December 2021 according to the valuation by an independent Hong Kong valuer appointed by the Company using the underlying asset method under the cost approach. 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 the Company.

Any payment for the Consideration shall be settled by Hongxinglaihua Hotel by bank transfer of funds to the designated account of Baokai Industries.

The Board (including the independent non-executive Directors of the Company) considers that the terms of the Equity Transfer Agreement and the Transaction (including the Disposal) are on normal commercial terms, fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Conditions Precedents

Completion is conditional upon the fulfillment of the following conditions precedent on or before the Long Stop Date:—

- 1) Baokai Industries, the Target Company and Company having complied with their respective disclosure obligations under the Listing Rules in respect of the Equity Transfer Agreement and the transactions contemplated thereunder;
- 2) the Shareholders passing resolutions to approve the Equity Transfer Agreement and the Transaction (including the Disposal) in accordance with the Listing Rules and having obtained all necessary consent from the relevant authority;
- 3) the shareholders of Hongxinglaihua Hotel approving the transactions contemplated hereunder the Equity Transfer Agreement and having obtained all necessary consent from the governmental or official authority (if any);
- 4) the warranties remaining true, accurate and not misleading in any material respect at Completion and at all times between the date of the Equity Transfer Agreement and Completion;
- 5) there having been no material adverse change in respect of the Target Company since the date of the Equity Transfer Agreement;

- 6) no statute, regulation or decision which would reasonably be expected to prohibit, restrict or materially delay the execution, delivery or performance of the Equity Transfer Agreement, the consummation of the transactions contemplated under the Equity Transfer Agreement having been proposed, enacted or taken by any governmental or official authority whether in Hong Kong, the PRC or elsewhere; and
- 7) the completion of the Pre-Disposal Transfer.

Completion

Completion shall take place on the date of the Share Transfer Registration.

Upon Completion, the Company will cease to have any interest in the Target Company which will cease to be the subsidiary of the Company and the financial results of the Target Company will cease to be consolidated into the consolidated financial statements of the Company.

Discharge of the Securities

Bank Loan Securities

Under the Bank Loan, a facility in the principal amount of RMB1,000 million (equivalent to approximately HK\$1,230 million) was granted to the Target Company by the Bank; and as at the date of this announcement, the outstanding principal of the Bank Loan is approximately RMB588,530,000 (equivalent to approximately HK\$723,891,900).

The Group has provided the Bank Loan Securities, including a pledge over the property project in Ganzhou held by a subsidiary of the Company and a corporate guarantee provided by the Company, as the securities for the indebtedness of the Bank Loan owed by the Target Company to the Bank.

Pursuant to the Equity Transfer Agreement, within the date of the Share Transfer Registration and immediately following the Completion, Hongxinglaihua Hotel shall procure the discharge of the Bank Loan Securities. Within twenty (20) days from the full discharge of the Bank Loan Securities and the full payment of the Second Instalment, Baokai Industries shall procure the release of the pledge over the Property Units and complete its registration.

Other Securities under the Bank Loan

Pursuant to the Equity Transfer Agreement, the Target Share Pledge shall be discharged within seventy-five (75) days from the date of the First Instalment; and Hongxinglaihua Hotel shall also procure the discharge of the property pledge in respect of the Baoxin Technology Park Project, which is a security provided by the Target Company under the Bank Loan.

Default and Termination of the Agreement

Pursuant to the Equity Transfer Agreement, in the event of any breach, the non-breaching party should have the right to terminate the Equity Transfer Agreement unilaterally. Further, in the event that a breaching party has caused the non-breaching party to suffer an economic loss of RMB50 million (equivalent to approximately HK\$61.5 million) or above, the non-breaching party shall have the right to terminate the Equity Transfer Agreement unilaterally.

REASONS FOR AND BENEFITS OF THE DISPOSAL

As disclosed in the 2021 Annual Result announcement of the Company, as the result of the policy initiations regarding the property market in the PRC, such as “Three Red Lines” and the “Housing Loan Concentration Management” by banks, the overall financing environment in the property development market has gradually tightened, the difficulty and cost of financing have substantially increased, and lowering debt has become one of the most important tasks for property development enterprises.

Facing the increasingly turbulent and challenging property market conditions in PRC, the Disposal is part of the Group’s overall strategic plan to streamline and reorganize its existing property investment and development project portfolios for optimizing the gearing ratio and thus effectively reducing the financial risks of the Group.

As disclosed in the Previous Announcements, the final phase of the Baoxin Technology Park Project was under construction which was interrupted and delayed due to the outbreak of COVID-19. It is expected that further costs will be incurred for the prolonged development of the Baoxin Technology Park Project, in addition to the current significant level of liabilities of the Target Company under the Bank Loan. The Disposal will release the Group from heavy financial burden. Further, upon the release of the Bank Loan Securities, the Disposal will reduce the financial risks faced by the Company in its investments and lower the Company’s debt, which will be beneficial for obtaining future financing.

As discussed in the paragraphs headed “Financial Effect of the Disposal”, it is estimated that a preliminary net gain on the Disposal in a sum of HK\$4.33 million will arise. Under the prevailing property market condition in the PRC, the Board also considers that the Disposal represents a good opportunity for the Company to realize its investment in the Baoxin Technology Park Project and the proceeds from the Disposal will strengthen the financial position of the Company, maintain a stronger cash flow and improve the liquidity of the Group, which will allow the Group to reallocate its resources for future development.

Notwithstanding the Second Instalment will be paid after the Completion under the Equity Transfer Agreement, taking into account (i) the prevailing property market condition in the PRC; (ii) the continuing financial strain on the Group should the Group support the

development of the Baoxin Technology Park Project; (iii) the expected gain on the Disposal as mentioned in the paragraph headed “Financial effect of the Disposal” in this announcement; (iv) the availability of the pledge over the Property Units to secure the liabilities of Hongxinglaihua Hotel under the Equity Transfer Agreement, including the payment obligation of the Second Instalment, the Directors (including the independent non-executive directors of the Company) are of the view that the terms of the Equity Transfer Agreement and the Transactions (including the Disposal) are on normal commercial terms after arm’s length negotiation between the parties, and are fair and reasonable, and that the Transactions (including the Disposal) are in the interests of the Company and the Shareholders as a whole.

FINANCIAL INFORMATION OF THE TARGET GROUP

The Target Company is a company incorporated in the PRC and is principally engaged in property investment and development in Shenzhen. It holds Baoxin Technology Park Project.

The audited financial information of the Target Company for the two financial years ended 31 December 2020 and 2021 are set out as follows:

	For the year ended 31 December 2020 (Audited) HK\$’000	For the year ended 31 December 2021 (Audited) HK\$’000
Revenue	76,976	111,039
Profit/(loss) before taxation	(484,374)	189,824
Profit/(loss) after taxation	(360,081)	154,151

As at 31 December 2021, the carrying value of the Target Company, as included in the audited consolidated financial statements of the Group for the year ended 31 December 2021, was approximately HK\$1,297 million.

FINANCIAL EFFECTS OF THE DISPOSAL

Immediately after Completion, the Company will cease to have any interest in the Target Company which will cease to be subsidiaries of the Company and the financial results of the Target Company will no longer be consolidated into the consolidated financial statements of the Group.

It is estimated that a preliminary net gain on the Disposal in the amount of approximately HK\$4.33 million, with reference to the Consideration and the carrying value of the Target Company attributable to the Group as at 31 December 2021. The actual amount of the gain

arising from the Disposal is subject to audit. The actual amount of gain to be recognized by the Group can only be determined when the net assets of the Target Company as at the completion date of Disposal is ascertained, and therefore may be different from the aforesaid expected unaudited gain amount.

INTENDED USE OF PROCEEDS FROM THE DISPOSAL

The Company intends to apply the net proceeds from the Disposal of approximately RMB800 million (equivalent to approximately HK\$984 million) for the general working capital.

GENERAL INFORMATION

The Company is an investment holding company. The Group is principally engaged in financial services, automation, manufacturing, securities investment and property investment and development.

Hongxinglaihua Hotel is a limited company incorporated in the PRC, the principal activities of which include hotel management and operation.

The Target Company is a limited company incorporated in the PRC. The principal activity of the Target Company is investment holding. As at the date of this announcement, the Target Company holds Baoxin Technology Park Project, which is located at Guangming Gaoxin District in Shenzhen holding properties for office, industrial and dormitory use.

The Bank is a bank incorporated in the PRC and is principally engaged in banking and lending business. As at the date of this announcement, to the best of the knowledge, information and belief of the Directors and having made all reasonable enquires, the Bank is an independent third party who is not a connected person of the Company and is independent of and not connected with any of the connected person of the Company.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Disposal calculated under Rule 14.07 of the Listing Rules is more than 25% but less than 75%, the Disposal constitutes a major transaction under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements thereunder.

WRITTEN SHAREHOLDERS' APPROVAL

As at the date of this announcement, Mr. Yao Jianhui is directly interested in 44,468,000 Shares and indirectly interested in 13,302,647,600 Shares, equivalent to approximately 42.21% of the entire issued share capital of the Company. The aggregate of 13,302,647,600 Shares are beneficially owned by (i) Bao Xin Development Limited being interested in

13,196,447,600 Shares; and (ii) Laihua Holdings Group Limited being interested in 53,100,000 Shares respectively. Laihua Holdings Group Limited and Bao Xin Development Limited are indirectly held as to 99.5% and 100% respectively by Mr. Yao Jianhui. Further, Mr. Yao Zhenhua, the brother of Mr. Yao Jianhui, is indirectly interested in 4,219,560,000 Shares through Qianhai Life Insurance Co., Limited, representing approximately 13.44% of the entire issued share capital of the Company. Mr. Yao Jianhui and Mr. Yao Zhenhua collectively holding an aggregate of 17,513,575,600 Shares, representing approximately 55.80% of the total number of the Shares in issue as at the date of this announcement, are closely allied group of Shareholders.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Shareholders has any material interest in the Equity Transfer Agreement and the Transactions (including the Disposal) and therefore no Shareholder is required to abstain from voting on the proposed relevant resolution(s) approving the Equity Transfer Agreement and the Transactions (including the Disposal).

Pursuant to Rule 14.44 of the Listing Rules, written approval for the Equity Transfer Agreement and the Transactions (including the Disposal) has been obtained from the aforesaid closely allied group of substantial Shareholders, collectively holding an aggregate of 17,513,575,600 Shares, representing approximately 55.80% of the total number of the Shares in issue as at the date of this announcement. Accordingly, no extraordinary general meeting of the Company will be convened for the purpose of approving the Equity Transfer Agreement and the Transactions (including the Disposal).

GENERAL

A circular of the Company containing, among other things, further details of the Equity Transfer Agreement and the Transactions (including the Disposal) and such other information as required under the Listing Rules is expected to be despatched to the Shareholders on or before 23 May 2022.

DEFINITIONS

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

- “Baokai Commercial Land” 深圳寶開商置集團有限公司 (Shenzhen Baokai Commercial Land Group Company Limited*), a company incorporated in the PRC and an indirect wholly-owned subsidiary of the Company
- “Baokai Industries” 深圳寶開實業有限公司 (Shenzhen Baokai Industries Company Limited*), a company incorporated in the PRC and an indirect wholly-owned subsidiary of the Company

“Bank”	平安銀行股份有限公司深圳分行 (Ping An Bank Co., Ltd Shenzhen Branch*)
“Bank Loan”	the banking facility granted by the Bank to the Target Company, as at the date of the announcement, the outstanding borrowing sum amounted to approximately RMB588,530,000 (equivalent to approximately HK\$723,891,900)
“Bank Loan Securities”	the securities provided by the Group for the payment obligation of the Target Company under the Bank Loan, including a pledge over the Ganzhou property project held by a subsidiary of the Company and a corporate guarantee provided by the Company
“Baoxin Technology Park Project”	a property development project located at Guangming Gaoxin District in Shenzhen holding properties for office, industrial and dormitory use
“Capital Injections”	the capital injections to the Target Company by Baokai Industries and Hongxinglaihua Hotel as contemplated under the Capital Injection Agreements
“Capital Injection Agreements”	Capital Injection Agreement I and Capital Injection Agreement II, and each a “Capital Injection Agreement”
“Capital Injection Agreement I”	the capital injection agreement dated 14 January 2022 entered into between Baokai Industries as subscriber and the Target Company as issuer in respect of the subscription of 280,000,000 subscription shares
“Capital Injection Agreement II”	the capital injection agreement dated 14 January 2022 entered into between Hongxinglaihua Hotel as subscriber and the Target Company as issuer in respect of the subscription of 500,000,000 Subscription Shares
“Company”	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)
“Completion”	the completion of the Disposal pursuant to the terms of the Equity Transfer Agreement

“connected person(s)”	has the meaning ascribed thereto in the Listing Rules and “connected” shall be construed accordingly
“Consideration”	the total consideration of RMB800 million (equivalent to approximately HK\$984 million) to be paid by Hongxinglaihua Hotel to Baokai Industries for 75.50% of the entire issued share capital in the Target Company pursuant to the Equity Transfer Agreement
“Director(s)”	director(s) of the Company
“Deemed Disposal”	the deemed disposal of the equity interest in the Target Company from 75.50% to 54.91% indirectly owned by the Company upon completion of the Capital Injections under the Capital Injection Agreements, the particulars are disclosed in the Previous Announcements;
“Disposal”	the disposal of 543,600,000 Target Shares, representing 75.50% of the entire issued share capital in the Target Company by the Baokai Industries to Hongxinglaihua Hotel, pursuant to the terms and conditions of the Equity Transfer Agreement
“Equity Transfer Agreement”	the equity transfer agreement dated 28 April 2022 entered into between Baokai Industries, Hongxinglaihua Hotel and the Target Company in relation to, among other things, the Disposal
“Group”	the Company and its subsidiaries
“Hongxinglaihua Hotel”	深圳鴻興萊華酒店有限公司 (Shenzhen Hongxinglaihua Hotel Company Limited*), a company incorporated in the PRC and a connected person of the Company at a subsidiary level
“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
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	30 June 2022

“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
“Previous Announcements”	the announcements of the Company dated 14 January 2022 and 20 January 2022 in relation to, among other things, the Deemed Disposal of the equity interest in the Target Company
“Pre-Disposal Transfer”	the transfer of 360,000,000 Target Shares from Baokai Commercial Land to Baokai Industries prior to the Completion, pursuant to the Equity Transfer Agreement
“RMB”	Renminbi, the lawful currency of the PRC
“Share Transfer Registration”	the change of the business registration with the relevant government authority in respect of the transfer of 543,600,000 Target Shares from Baokai Industries to Hongxinglaihua Hotel in accordance with the Equity Transfer Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“subsidiary” or “subsidiaries”	has the meaning ascribed to it under the Listing Rules
“Target Company”	深圳邦凱新能源股份有限公司 (Shenzhen B&K New Energy Co., Limited*), a company incorporated in the PRC and an indirect non-wholly owned subsidiary of the Company
“Target Company Documents”	the original and copy of essential documents of the Target Company, including all relevant company chops and seals, the cheque book and bank information, business registration certificate and other title documents
“Target Share(s)”	the share(s) in the Target Company

“Target Share Pledge”	the pledge on an aggregate of 543,600,000 Target Share(s) owned by Baokai Commercial Land and Baokai Industries in favour of the Bank as the security for the payment obligation of the Target Company under the Bank Loan
“Transaction(s)”	the transactions contemplated under the Equity Transfer Agreement, including the Disposal
“Unpaid Registered Capital”	the unpaid registered capital committed under the Capital Injection by Baokai Industries being RMB280 million or by Hongxinglaihua Hotel being RMB500 million, as the case may be, particulars are disclosed in the Previous Announcements
“%”	per cent.

By Order of the Board of
Glory Sun Financial Group Limited
Yao Jianhui
Chairman and Chief Executive Officer

Hong Kong, 28 April 2022

As at the date of this announcement, the Board comprises three executive directors, namely Mr. Yao Jianhui, Mr. Li Minbin and Mr. Huang Wei; one non-executive director, namely Mr. Zhang Chi; and three independent non-executive directors, namely Mr. Wong Chun Bong, Professor Lee Kwok On, Matthew and Mr. Lee Kwan Hung, Eddie.

For the purpose of this announcement, conversions of RMB into HK\$ are based on the exchange rate of RMB1 to HK\$1.23 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.

*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).*