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GREATERCHINA PROFESSIONAL SERVICES LIMITED

漢華專業服務有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8193)

MEMORANDUM OF UNDERSTANDING IN RELATION TO A PROPOSED ACQUISITION

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board is pleased to announce that on 20 October 2015 (after trading hours), the Purchaser, a direct wholly-owned subsidiary of the Company, has entered into the New MOU with the Vendor.

In the event that the Proposed Acquisition materialises, it may constitute a notifiable transaction for the Company under the GEM Listing Rules. Further announcement(s) will be made by the Company in accordance with all applicable requirements of the GEM Listing Rules as and when appropriate.

Shareholders of the Company and/or investors should note that the Proposed Acquisition may or may not materialise, as no formally binding documentation has been executed between the parties and negotiations are still in progress. Accordingly, shareholders of the Company and/or investors are advised to exercise caution when dealing in the Company's securities.

This announcement is made pursuant to Rule 17.10 of the Rules (the "GEM Listing Rules") Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO").

Reference is made to the announcement of GreaterChina Professional Services Limited (the "Company") dated 8 September 2014 in relation to the entering into of a memorandum of understanding (the "Old MOU"). The Old MOU has lapsed and the New MOU (as defined below) with essentially the same principal terms as the Old MOU are set out below.

The board (the "Board") of directors (the "Directors") of the Company is pleased to announce that on 20 October 2015 (after trading hours), Zhong Nan Investments Limited (the "Purchaser"), a direct wholly-owned subsidiary of the Company, has entered into a non-legally binding memorandum of understanding (the "New MOU") with Mr. Lai Kui

* For identification purpose only

Shing, Andy (the “Vendor”), being a third party independent of the Company and not a connected person (as defined in the GEM Listing Rules) of the Company. Pursuant to the New MOU, it is proposed that the Purchaser may acquire not less than 30% and not more than 70% (the “Proposed Acquisition”) of the entire issued share capital of IAM Group Inc. (the “Target Company”), which is wholly-owned by the Vendor as at the date of the New MOU. The New MOU does not constitute a legally-binding commitment on the part of the Purchaser and the Vendor in respect of the Proposed Acquisition.

The Target Company is an investment holding company and has a direct wholly-owned subsidiary, which is licensed to carry out type 1 (dealing in securities) regulated activity (as defined by the SFO) as at the date of the New MOU. Under the New MOU, both the Purchaser and the Vendor will proceed to the negotiation for a legally-binding formal sale and purchase agreement in relation to the Proposed Acquisition (the “Agreement”) on or before the date falling six months from the date of the New MOU or such later date as the Purchaser may agree.

The terms and conditions, including the consideration amount and the way of settlement, of the Proposed Acquisition will be subject to arm’s length negotiations between the Purchaser and the Vendor. As at the date of this announcement, the terms and conditions of the Proposed Acquisition have not yet been agreed. The Proposed Acquisition will be subject to the execution and completion of the Agreement.

A refundable deposit in the amount of HK\$5 million (the “Deposit”) has been paid by the Purchaser to the Vendor. The Deposit and interest accrued thereon shall be used to satisfy the part payment of the consideration of the Proposed Acquisition at the completion of the Proposed Acquisition. The Vendor shall pay interest on the Deposit at a rate of 1% per annum from the date receiving the Deposit until the date of repayment of the Deposit or the date of entering into the Agreement between the Purchaser and the Vendor. In the event that the Agreement has not been entered into on or before the date falling six months from the date of the New MOU, the Vendor shall fully refund the Deposit in cash and pay the interest accrued thereon in cash to the Purchaser (or as he may direct) within seven business days upon written notification of the Purchaser.

In addition, the Purchaser shall and shall procure that its advisers and agents shall, forthwith upon the signing of the New MOU, conduct such review of the assets, liabilities, business plan, operations and affairs of the Target Company and its direct wholly-owned subsidiary (the “Target Group”) as the Purchaser may consider appropriate and the Vendor shall provide and procure the Target Group and its agents to provide such assistance as the Purchaser and its advisers and agents may require in connection with such review so as to enable the review to be completed on or before the date falling six months from the date of the New MOU.

It is also agreed that the Vendor will not, and will procure that the Target Group will not, for a period of six months from the date of the New MOU negotiate with any party other than the Purchaser or its affiliates for the Proposed Acquisition.

In the event that the Proposed Acquisition materialises, it may constitute a notifiable transaction for the Company under the GEM Listing Rules. Further announcement(s) will be made by the Company in accordance with all applicable requirements of the GEM Listing Rules as and when appropriate.

Shareholders of the Company and/or investors should note that the Proposed Acquisition may or may not materialise, as no formally binding documentation has been executed between the parties and negotiations are still in progress. Accordingly, shareholders of the Company and/or investors are advised to exercise caution when dealing in the Company's securities.

By order of the Board
GreaterChina Professional Services Limited
Ip Kwok Kwong
Executive Director

Hong Kong, 20 October 2015

As at the date of this announcement, the Board comprises Mr. Ip Kwok Kwong (Managing Director), Mr. Yip Chung Wai, David and Mr. Wu Di as executive Directors; Ms. Ma Lin as non-executive Director; Mr. Tso Ping Cheong, Brian (Chairman), Mr. Chu Siu Lun, Ivan and Mr. So Chung Shing as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the website of GEM (www.hkgem.com) for at least 7 days from its date of publication and on the website of the Company at www.gca.com.hk.