

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

## **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)**

### **DISCLOSEABLE TRANSACTION ACQUISITION AND SUBSCRIPTION OF SHARES IN TODAYIR HOLDINGS LIMITED AND UPDATE OF INTENDED USE OF LISTING PROCEEDS FOR BUSINESS DEVELOPMENT**

On 16 August 2011, the Purchaser entered into the Subscription Agreement and the Acquisition Agreement pursuant to which the Purchaser has agreed, subject to the fulfillment of certain conditions, to acquire through purchase from the Vendor, and subscribe from the Target Company, a total of 300 Target Shares (representing approximately 20% of the entire issued share capital of the Target Company) for a total consideration of HK\$26,017,345. In addition, it will subscribe HK\$1 for the GPS Warrant which carries the right to subscribe up to 150 Target Shares. Assuming completion of the Subscription Agreement and Acquisition Agreement and full exercise of the GPS Warrant, the Purchaser will hold 450 Target Shares (representing approximately 27.29% of the existing total issued Target Shares as enlarged by the Target Shares that fall to be issued pursuant to the Subscription Agreement and the GPS Warrant, or approximately 25.38% of the total issued Target Shares after further taking into account Target Shares that fall to be issued pursuant to other warrants to be issued by the Target Company).

The consideration for the Investment will be funded by part of the Listing Proceeds and the intended use of Listing Proceeds will be updated as more particularly set out below.

As one or more of the applicable percentage ratios (as defined in the GEM Listing Rules) exceed 5% but are less than 25%, the Investment constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules.

\* *For identification only*

## **THE INVESTMENT**

Reference is made to the announcement of the Company dated 15 July 2011 in relation to a memorandum of understanding for a possible acquisition entered into by the Company. On 16 August 2011, the Purchaser entered into the Subscription Agreement and the Acquisition Agreement pursuant to which the Purchaser has agreed, subject to the fulfillment of certain conditions, to acquire through purchase from the Vendor, and subscribe from the Target Company, a total of 300 Target Shares (representing approximately 20% of the entire issued share capital of the Target Company) for a total consideration of HK\$26,017,345. In addition, it will subscribe HK\$1 for the GPS Warrant which carries the right to subscribe up to 150 Target Shares. Assuming completion of the Subscription Agreement and Acquisition Agreement and full exercise of the GPS Warrant, the Purchaser will hold 450 Target Shares (representing approximately 27.29% of the existing total issued Target Shares as enlarged by the Target Shares that fall to be issued pursuant to the Subscription Agreement and the GPS Warrant, or approximately 25.38% of the total issued Target Shares after further taking into account Target Shares that fall to be issued pursuant to other warrants to be issued by the Target Company).

### **Background of the Target Group**

The Target Group was founded in 2005 and has become one of largest online investor relations platforms in Asia. It is presently operating mainly in Hong Kong and has also launched its Singapore platform in March 2011 and the Mainland China platform in July 2011. The Target Group is principally engaged in the provision of investor relations services with interactive online IR platforms; provision of up-to-date information of listed company clients to retail, institutional and private investors; financial data delivery for use in trading stocks and bonds; the collection and distribution of financial data, share dealing and financial transactions; provision for financial news and information; website design and development; online marketing and financial marketing; and the provision of related services. Currently, the Target Group consists of the Target Company, TodayIR Holdings Limited, the holding company incorporated in the British Virgin Islands in 2011, and its direct wholly-owned subsidiaries: (1) TodayIR (Hong Kong) Limited, a company incorporated in Hong Kong in 2011; (2) Tomolion Communications Limited, a company incorporated in Hong Kong in 2005; and (3) TodayIR (Singapore) Limited, a company incorporated in the British Virgin Islands in 2011.

### **Reasons for the Investment**

The principal activity of the Company is investment holding while its subsidiaries are principally engaged in the provision of asset appraisal and asset advisory services, corporate services and consultancy services.

The Investment will provide the Company with a good opportunity to expand its client network for all its business activities, develop new market, achieve economy of scale and, at the same time, achieve wider range of services in its provision of corporate services business. One of the major reasons for the proposed acquisition is the promising expansion of the Target Group's client network as described below. The Investment gives the Company the ability to cross-sell corporate and investor relation

services and develop bundling opportunities for those services, which is in line with the Company's stated strategy to establish itself as a one-stop professional service provider. Following the expansion of the businesses of the Target Group into Mainland China and Singapore, it is expected that the number of new clients of the Target Group, which will consist mainly of listed companies in both countries, will substantially increase.

Through the Investment, the Company and the Target Group can also achieve synergy for their business development and hence enhance value for their respective shareholders.

### **Financial performance of the Target Group**

Since the Target Group commenced its operation in 2007, it has achieved double digit growth both in terms of revenue and number of clients. For the year ended 31 December 2010, the Target Group recorded a turnover of HK\$5,115,759 and a net income of HK\$851,783, representing a 59% and 274% growth respectively from the previous year. The Target Group also maintained a positive improvement in its profit margin throughout the years from 5% (year ended 31 December 2007) to 16% in (year ended 31 December 2010). The Target Group's client base has grown 75% between 2009 and 2010, and approximately 26% since the beginning of this year. Presently, the Target Group has around 230 clients comprising more than 210 Hong Kong listed companies and the rest being potential IPO candidates and US listed companies.

The Target Group's key revenue generator is the provision of the online investor relations platform, which accounted for 80% of its revenue for the year ended 31 December 2010. Besides its webcast and design services, the Target Group is also expanding into other services including event solutions and online roadshows. In terms of geographic segments, the Target Group is now actively engaging in business development in Mainland China and Singapore.

The Target Company does not hold any material assets or liabilities other than the entire equity interests in its subsidiaries. The principal operating subsidiary within the Target Group is Tomolion Communications Limited. As the Target Company and its subsidiaries (other than Tomolion Communications Limited) were not in operation until this year, there is no historical financial information for the two years ended 31 December 2009 and 31 December 2010 available in respect of these companies. The unaudited consolidated net asset value of the Target Group as of 31 May 2011 is HK\$13,286,948. The following table sets out the audited net profits (before and after taxation) of Tomolion Communications Limited for the two years ended 31 December 2009 and 31 December 2010:

	<b>Net Profits for year ended 31 December 2009 (HK\$)</b>		<b>Net Profits for year ended 31 December 2010 (HK\$)</b>	
	(before taxation)	(after taxation)	(before taxation)	(after taxation)
Tomolion Communications Limited	245,637	227,604	1,057,589	851,783

## **THE ACQUISITION AGREEMENT**

### **Date**

16 August 2011

### **Parties**

- (a) The Vendor, a company incorporated in the British Virgin Islands and principally engaged in investment holding, and whose entire issued share capital is directly owned by a group of 4 individual investors;
- (b) The Purchaser;
- (c) The Target Company, further information relating to which is set out below; and
- (d) Mr. Chau Ki Shun, an Existing Shareholder.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the Target Company, Vendor and its ultimate shareholders, the Existing Shareholders and their ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the GEM Listing Rules).

### **Acquisition of Target Shares**

Pursuant to the Acquisition Agreement, the Purchaser has agreed to acquire and the Vendor has agreed to sell 276 Target Shares.

### **Consideration**

The consideration per Target Share is HK\$86,724.48 and the aggregate consideration payable by the Purchaser under the Acquisition Agreement is HK\$23,935,957, to be satisfied in cash.

### **Conditions Precedent and Completion**

Completion of the Acquisition Agreement is conditional upon, among other things:

- (a) obtaining of all necessary and unconditional approvals, authorisations or consents in Hong Kong, or elsewhere from banks, governmental or official authorities as may be required under any agreement or document to which the Purchaser is a party and applicable laws and applicable rules of any stock exchange in relation to the transactions contemplated under the Acquisition Agreement and no statute, regulation or decision which would prohibit, restrict or materially delay the sale and purchase of the Target Shares under the Acquisition Agreement (if applicable);
- (b) the Purchaser being satisfied in all respects with the results of its due diligence investigations on the Target Company in all aspects;

- (c) each of the Existing Shareholders having provided its written consent to the sale of Target Shares by the Vendor to the Purchaser pursuant to the Acquisition Agreement; and
- (d) completion of the Subscription Agreement.

If the conditions precedent are not satisfied or waived on or before 19 August 2011, the Acquisition Agreement shall terminate and the obligations and liabilities of the parties shall cease and determine (save for any rights and remedies which have accrued prior to termination). Completion of the Acquisition Agreement is to take place on third business day following the satisfaction of the conditions precedent (to the extent not waived by the Purchaser) or such other date as may be agreed by the parties.

## **THE SUBSCRIPTION AGREEMENT**

### **Date**

16 August 2011

### **Parties**

- (a) The Purchaser
- (b) The Target Company
- (c) The Existing Shareholders

### **Subscription of Target Shares**

Pursuant to the Subscription Agreement, the Purchaser has agreed to subscribe, and the Target Company has agreed to issue and allot to the Purchaser, 24 new Target Shares.

### **Consideration**

The consideration per Target Share is HK\$86,724.50 and the aggregate consideration payable by the Purchaser under the Subscription Agreement is HK\$2,081,388, to be satisfied in cash.

### **Completion**

Completion of the Subscription Agreement is to take place on or before completion of the Acquisition Agreement.

## **GPS Warrant**

Pursuant to the Subscription Agreement, the Purchaser will on completion also subscribe HK\$1 for the GPS Warrant which carries the right to further subscribe up to 150 new Target Shares. The principal terms of the GPS Warrant are set out in the table below:

Number of underlying Target Shares issuable	:	The GPS Warrant carries rights to subscribe up to 150 Target Shares
Exercise Price	:	HK\$87,000 per Target Share
Exercise Period	:	Any time commencing on the date of issue of the GPS Warrant and ending on the second anniversary after the issue of the GPS Warrant (or if that day is not a business day, the first business day thereafter)
Ranking of the underlying Target Shares	:	Target Shares issued pursuant to the exercise of the GPS Warrant shall rank pari passu with all other Target Shares
Transferability	:	The GPS Warrant and all rights thereunder are transferable to any transferee designated by the Company

## **SHAREHOLDERS AGREEMENT AND ARRANGEMENTS WITH OTHER SHAREHOLDERS**

As a completion item to the Acquisition Agreement, the Purchaser will agree to become a party to the Shareholders Agreement with the Target Company and the Existing Shareholders in order to regulate certain rights and obligations as shareholders of the Target Company. Under the Shareholders Agreement, the Company and the Target Company will (subject to compliance with applicable laws and contractual obligations) share its client contact information with each other and make introductions of its clients to each other.

The Shareholders Agreement contains various customary rights such as board nomination rights, information access rights, and reserved matters which require special approval by the board of directors or shareholders of the Target Company. In the event of transfers of shares by Existing Shareholders and issues of new shares by the Target Company, the Purchaser will together with other shareholders, enjoy rights of first refusal in proportion to their respective shareholdings in the Target Company. However, the Purchaser will be subject to drag-along obligations should Chau Ki Shun (the majority shareholder of the Target Company) dispose of his entire shareholding in the Target Company. The Shareholders Agreement contains non-compete undertakings in respect of online investor relations services business in Hong Kong, given by each shareholder of the Target Company and its respective subsidiaries (except Mok Koon Yip, the Vendor, and the Purchaser) in favour of the Target Company.

The board of directors of the Target Company shall consist of a maximum of 6 directors and the Purchaser shall be entitled to appoint one director.

Pursuant to the Shareholders Agreement, the Target Company will, on or after completion, also issue for HK\$1 each warrants to Wilkinson & Coopers Assets Limited (an Existing Shareholder) and the staff/management of the Target Company carrying rights respectively to subscribe for 34 Target Shares at the exercise price of HK\$89,000 per Target Share and 90 Target Shares at the exercise price of HK\$87,000 per Target Share.

## **SHAREHOLDING STRUCTURE OF TARGET COMPANY AFTER COMPLETION**

Assuming that completion of the Subscription Agreement and Acquisition Agreement takes place and full exercise of the GPS Warrant, the Company will hold 450 Target Shares (representing approximately 27.29% of the existing total issued Target Shares as enlarged by the Target Shares that fall to be issued pursuant to the Subscription Agreement and the GPS Warrant, or approximately 25.38% of the total issued Target Shares after further taking into account Target Shares that fall to be issued pursuant to other warrants to be issued by the Target Company.

## **PAYMENT OF CONSIDERATION AND UPDATE OF INTENDED USE OF LISTING PROCEEDS FOR BUSINESS DEVELOPMENT**

The total consideration for the Investment is HK\$26,017,345 which was arrived at after arm's length negotiations by the Company with the Target Company and the Vendor, taking into account various factors including financial performance and position of the Target Company and its subsidiaries, the potential growth of the businesses of the Target Group, the synergies between operations of the Company and the Target Group, including in respect of client base development and the fully diluted issued share capital of the Target Company. The Directors intend to fund the total Investment consideration using part of the Listing Proceeds.

The Directors note that the opportunity to make the Investment was only introduced to the Company recently, and was not foreseeable at the time the business plan of the Company was formulated and disclosed in the Prospectus. Consequently, the intended use of Listing Proceeds at the time of listing did not provide any allocation for the Investment consideration. However, given the benefits of the Investment, the Directors believe that the change to the intended use of Listing Proceeds is justified.

Assuming that completion of the Subscription Agreement and Acquisition Agreement take place and without taking into account the exercise of the GPS Warrant (“Completion”), the Directors intend to update the intended use of the Listing Proceeds as follows:

	<b>Before Completion</b> <i>(HK\$ million)</i>	<b>After Completion</b> <i>(HK\$ million)</i>
<b>Business Development</b>		
— in asset appraisal and corporate service	27.95	17.78
— in asset advisory services	28.25	17.97
— in corporate consultancy business	15.30	9.73
— the Investment	<u>—</u>	<u>26.02</u>
	71.50	71.50
Improvement of Public Awareness	1.00	1.00
Human Resources Deployment	<u>5.50</u>	<u>5.50</u>
Total	<u>78.00</u>	<u>78.00</u>

The source of funding for the exercise of the GPS Warrant will be determined by the Directors at the time of the exercise of the GPS Warrant. The Directors (including the independent non-executive directors) are of the view that the Subscription Agreement, Acquisition Agreement and Shareholders Agreement are fair and reasonable, on normal commercial terms and in the interests of the Company and its shareholders as a whole.

### **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as defined in the GEM Listing Rules) exceed 5% but are less than 25%, the Investment constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules.



## DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“Acquisition Agreement”	the conditional sale and purchase agreement dated 16 August 2011 by and among the Purchaser, the Vendor, the Target Company and Mr. Chau Ki Shun, pursuant to which the Purchaser agrees to purchase and the Vendor agrees to sell 276 Target Shares
“Board”	the board of Directors
“Company”	GreaterChina Professional Services Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited
“Director(s)”	director(s) of the Company
“Existing Shareholders”	the existing shareholders of the Target Company as at the date of this announcement, being the Vendor, Wilkinson & Coopers Assets Limited, Chau Ki Shun, Pang Wai King and Mok Koon Yip
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited
“GPS Warrant”	the warrant to be issued to the Purchaser carrying the right to subscribe up to an aggregate of 150 Target Shares
“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
“Investment”	the acquisition of Target Shares by the Purchaser pursuant to the Acquisition Agreement, and the subscription of Target Shares and the GPS Warrant by the Purchaser pursuant to the Subscription Agreement
“Listing Proceeds”	the net proceeds from the placing of shares by the Company in connection with the listing of the shares of the Company on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited, as more particularly described in the Prospectus
“Prospectus”	the prospectus of the Company dated 25 May 2011 in connection with the listing of the shares of the Company on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited

“Purchaser”	Creative Market Holdings Limited, a wholly-owned subsidiary of the Company
“Shareholders Agreement”	the shareholders agreement dated 25 February 2011 by and among the Target Company, the Vendor, Chau Ki Shun, Pang Wai King and Mok Koon Yip, as amended by the share subscription agreement dated 14 June 2011 by and among the same parties and the supplemental shareholders agreement to be entered into by and among the Purchaser, the Target Company and the Existing Shareholders, which governs their relationship as shareholders of the Target Company
“Subscription Agreement”	the subscription agreement dated 16 August 2011 by and among the Purchaser, the Target Company and the Existing Shareholders, pursuant to which the Purchaser agrees to subscribe for 24 Target Shares and the GPS Warrant
“Target Company”	TodayIR Holdings Limited, a company incorporated in the British Virgin Islands
“Target Group”	the Target Company and its direct wholly-owned subsidiaries, TodayIR (Hong Kong) Limited, Tomolion Communications Limited and TodayIR (Singapore) Limited
“Target Shares”	ordinary shares of US\$1.00 each in the share capital of the Target Company
“Vendor”	GNEC 2011 Limited, a company registered in the British Virgin Islands
“%”	per cent

By Order of the Board of  
**GreaterChina Professional Services Limited**  
**Ip Kwok Kwong**  
*Managing Director*

Hong Kong, 16 August 2011

*As at the date of this announcement, the Board comprises two executive directors, namely Mr. Ip Kwok Kwong and Mr. Leung Siu Hong and three independent non-executive directors, namely Mr. Au-Yang Cheong Yan, Peter, Mr. Wu Chi Keung and Mr. Wan Kam To.*

*This announcement for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purposes 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 website of the GEM of the Stock Exchange at [www.hkgem.com](http://www.hkgem.com) on the “Latest Company Announcements” page for at least 7 days from the date of its posting. This announcement will also be published and remains on the website of the Company at [www.gca.com.hk](http://www.gca.com.hk).*