

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company 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.



GOLD-FINANCE HOLDINGS LIMITED

金誠控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1462)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2016

The board (the “Board”) of directors (the “Directors”) of Gold-Finance Holdings Limited (the “Company”) is pleased to present the unaudited condensed consolidated financial information of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 September 2016 (the “Period”) together with comparative figures for the corresponding period in the previous year as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Six months ended 30 September 2016

		Unaudited Six months ended 30 September	
	<i>Notes</i>	2016	2015
		HK\$'000	HK\$'000
REVENUE	6	313,130	291,476
Contract costs		(297,382)	(265,107)
Gross profit		15,748	26,369
Other income and gains	6	2,588	1,351
Selling and distribution expenses		(4,360)	(55)
Administrative expenses		(10,900)	(8,573)
Finance costs	7	–	(407)
Other expenses, net		–	(2,582)
PROFIT BEFORE TAX	8	3,076	16,103
Income tax expense	9	(1,320)	(3,192)
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		1,756	12,911
Profit and total comprehensive income attributable to equity holders of the parent		1,756	12,911
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT			
Basic and diluted	11	HK\$0.44 cents	HK\$3.23 cents

Details of dividend are disclosed in note 10 to the condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
30 September 2016

		Unaudited 30 September 2016 HK\$'000	Audited 31 March 2016 HK\$'000
	<i>Notes</i>		
NON-CURRENT ASSETS			
Property, plant and equipment	12	64,232	61,485
Investment property		7,900	7,900
Pledged deposit for a life insurance product		6,373	6,292
Prepayment for acquisition of items of property, plant and equipment		–	1,000
Total non-current assets		78,505	76,677
CURRENT ASSETS			
Gross amount due from customers for contract works		44,796	79,302
Accounts receivable	13	66,658	51,989
Prepayments, deposits and other receivables		68,294	72,085
Tax recoverable		3,168	2,066
Cash and cash equivalents		89,415	79,175
Total current assets		272,331	284,617
CURRENT LIABILITIES			
Accounts payable	14	25,396	23,208
Accruals of costs for contract works		65,837	79,370
Other payables and accruals		3,666	4,535
Total current liabilities		94,899	107,113
NET CURRENT ASSETS		177,432	177,504
TOTAL ASSETS LESS CURRENT LIABILITIES		255,937	254,181
NON-CURRENT LIABILITIES			
Deferred tax liabilities		184	184
Net assets		255,753	253,997
EQUITY			
Equity attributable to equity holders of the parent			
Issued capital	15	4,000	4,000
Reserves		251,753	249,997
Total equity		255,753	253,997

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1. CORPORATE INFORMATION

The Company is an exempted company with limited liability incorporated in the Cayman Islands. The registered office address of the Company is Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands. The principal place of business of the Company is located at 2806-2807, 28/F., Champion Tower, 3 Garden Road, Central, Hong Kong.

The Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Company is an investment holding company. The Group’s principal subsidiaries were engaged in the provision of building services (“Building Services”) in Hong Kong.

2. BASIS OF PREPARATION

This unaudited condensed consolidated interim financial information for the six months ended 30 September 2016 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the applicable disclosure requirements set out in Appendix 16 of Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

The accounting policies and the basis of preparation adopted in the preparation of this condensed consolidated financial information is consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 31 March 2016 except for the adoption of the revised HKFRSs as disclosed in note 3 below.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current period’s unaudited interim condensed consolidated financial statements.

Amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011)	<i>Investment Entities: Applying the Consolidation Exception</i>
Amendments to HKFRS 11	<i>Accounting for Acquisitions of Interests in Joint Operations</i>
Amendments to HKAS 1	<i>Disclosure Initiative</i>
Amendments to HKAS 16 and HKAS 38	<i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>
Amendments to HKAS 16 and HKAS 41	<i>Agriculture: Bearer Plants</i>
Amendments to HKAS 27 (2011)	<i>Equity Method in Separate Financial Statements</i>
Annual Improvements to HKFRSs 2012 – 2014 Cycle	Amendments to a number of HKFRSs

The adoption of these new and revised HKFRSs has had no significant financial effect on these unaudited interim condensed consolidated financial information and there has been no significant changes to the accounting policies in the unaudited interim condensed consolidated financial information.

4. IMPACT OF ISSUED BUT NOT YET EFFECTIVE HKFRSs

The Group has not early applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these unaudited interim condensed consolidated financial information.

HKFRS 9	<i>Financial Instruments</i> ²
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ⁴
HKFRS 15	<i>Revenue from Contracts with Customers</i> ²
HKFRS 16	<i>Leases</i> ³
Amendments to HKFRS 2	<i>Classification and Measurement of Share-based, Payment Transactions</i> ²
Amendments to HKFRS 15	<i>Clarifications to HKFRS 15 Revenue from Contracts with Customers</i> ²
Amendments to HKAS 7	<i>Disclosure Initiative</i> ¹
Amendments to HKAS 12	<i>Recognition of Deferred Tax Assets for Unrealised Losses</i> ¹

¹ Effective for annual periods beginning on or after 1 January 2017

² Effective for annual periods beginning on or after 1 January 2018

³ Effective for annual periods beginning on or after 1 January 2019

⁴ No mandatory effective date is determined but is available for early adoption

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, the Group considers that these new and revised HKFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

5. SEGMENT INFORMATION

For management purposes, the Group has only one reportable operating segment, which is the provision of Building Services. Since this is the only operating segment of the Group, no further operating segment analysis thereof is presented.

The Group's revenue from external customers was derived solely from its operations in Hong Kong during the six months ended 30 September 2016 and 2015, and the non-current assets of the Group were located in Hong Kong as at 30 September 2016 and 31 March 2016.

6. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue, other income and gains is as follows:

	Unaudited Six months ended 30 September	
	2016	2015
	HK\$'000	HK\$'000
Revenue		
Contract revenue	<u>313,130</u>	<u>291,476</u>
Other income and gains		
Interest income	1,668	933
Gross rental income	108	8
Gain on disposal of items of property, plant and equipment	1	48
Management fee income	804	355
Sundry income	<u>7</u>	<u>7</u>
	<u>2,588</u>	<u>1,351</u>

7. FINANCE COSTS

	Unaudited Six months ended 30 September	
	2016	2015
	HK\$'000	HK\$'000
Interest on bank loans wholly repayable within five years	<u>–</u>	<u>407</u>

8. PROFIT BEFORE TAX

Profit before tax is arrived at after charging:

	Unaudited Six months ended 30 September	
	2016	2015
	HK\$'000	HK\$'000
Depreciation	1,789	1,745
Employee benefit expenses (exclusive of Directors' remuneration)	22,271	17,374
Directors' remuneration	513	5,544
Exchange loss, net*	–	1,089
Fair value losses on financial assets at fair value through profit or loss*	<u>–</u>	<u>1,493</u>

* Included in "other expenses, net" in the condensed consolidated statement of profit or loss and other comprehensive income

9. INCOME TAX

Hong Kong profit tax has been provided at the rate of 16.5% (six months ended 30 September 2015: 16.5%) on the estimated assessable profits arising in Hong Kong for the Period.

	Unaudited Six months ended 30 September	
	2016	2015
	HK\$'000	HK\$'000
Current – Hong Kong charge for the period	1,320	3,151
Deferred	<u>–</u>	<u>41</u>
Total tax charge for the period	<u>1,320</u>	<u>3,192</u>

10. DIVIDEND

The Board does not recommend the payment of any dividend for the six months ended 30 September 2016 (six months ended 30 September 2015: Nil).

11. EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share for the Period is based on the consolidated profit attributable to owners of the Company and the weighted average number of 400,000,000 (six months ended 30 September 2015: 400,000,000) ordinary shares in issue during the Period.

No adjustment has been made to the basic earnings per share amounts presented for the six months ended 30 September 2016 and 2015 as the Company had no potentially dilutive ordinary share in issue during those periods.

12. ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2016, the Group incurred approximately HK\$4,536,000 (six months ended 30 September 2015: approximately HK\$9,920,000) on the additions of items of property, plant and equipment.

13. ACCOUNTS RECEIVABLE

	Unaudited 30 September 2016 HK\$'000	Audited 31 March 2016 HK\$'000
Due from third parties	62,103	47,235
Due from related parties	4,555	4,754
	<u>66,658</u>	<u>51,989</u>

Accounts receivable represented receivables for contract works. The payment terms of receivables for contract works are stipulated in the relevant contracts and the receivables are usually due for settlement within seven days after the customers receive interim payments from their project employers.

At 30 September 2016, retentions receivable (including those classified under amounts due from related parties) included in accounts receivable amounted to HK\$24,771,000 (31 March 2016: HK\$20,226,000), which are repayable on terms ranging from two to three years.

The credit terms offered to the related parties are similar to those offered to other major independent customers of the Group.

The aging analysis of the accounts receivable that are not individually nor collectively considered to be impaired is as follows:

	Unaudited 30 September 2016 HK\$'000	Audited 31 March 2016 HK\$'000
Past due but not impaired:		
One to three months past due	4,200	–
Four to six months past due	–	–
Over six months past due	<u>2,282</u>	<u>2,990</u>
	6,482	2,990
Neither past due nor impaired:	<u>60,176</u>	<u>48,999</u>
	<u>66,658</u>	<u>51,989</u>

Accounts receivable that were past due but not impaired relate to a number of independent customers and a related party that have a good track record with the Group. Based on past experience, the Directors are of the opinion that no allowance for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancement over these balances.

Accounts receivable that are neither past due nor impaired relate to a number of independent customers and related parties for whom there was no recent history of default.

14. ACCOUNTS PAYABLE

An aging analysis of the accounts payable at the end of the reporting date, based on the invoice date, is as follows:

	Unaudited 30 September 2016 HK\$'000	Audited 31 March 2016 HK\$'000
Current to 3 months	<u>25,396</u>	<u>23,208</u>

At 30 September 2016, retentions payable included in accounts payable amounted to HK\$17,611,000 (31 March 2016: HK\$11,856,000) which are normally settled on terms ranging from two to three years.

Accounts payable are non-interest-bearing and are normally settled within three months. The payment terms are stipulated in the relevant contracts.

15. SHARE CAPITAL OF THE COMPANY

Shares

	Unaudited 30 September 2016 HK\$'000	Audited 31 March 2016 HK\$'000
Authorised:		
1,000,000,000 ordinary shares of HK\$0.01 each	<u>10,000</u>	<u>10,000</u>
Issued and fully paid:		
400,000,000 ordinary shares of HK\$0.01 each	<u>4,000</u>	<u>4,000</u>

16. CONTINGENT LIABILITIES

As at 30 September 2016, the Group had performance bonds issued by a bank in favour of certain contract customers amounted to approximately HK\$23,166,000 (31 March 2016: HK\$18,562,000).

In the ordinary course of the Group's Building Services business, the Group has been subject to a number of claims due to personal injuries suffered by employees of the Group or the subcontractors in accidents arising out of and in the course of their employment. The Directors are of the opinion that such claims are well covered by insurance and would not result in any material adverse impact on the financial position or results and operations of the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Overview

The Group is principally engaged in the provision of Building Services in Hong Kong as a subcontractor.

The engineering works undertaken by the Group are mainly related to (i) electrical installation works; (ii) air-conditioning installation works; and (iii) fire services installation works. The Group undertakes engineering projects in both public and private sectors, which are mainly building related projects including (i) new building development; and (ii) existing building renovation. All of the Group's revenues were derived in Hong Kong.

As at 30 September 2016, the Group had over 60 one-off projects and retainer projects in progress, with a total estimated outstanding contract sum and work order value of approximately HK1,231.7 million. The Group's business is undertaken by an operating subsidiary, Fungs E & M Engineering Company Limited, a Building Services engineering specialist in various building works in both public and private sectors in Hong Kong. Since 1 April 2016, and up to the date of this announcement, the Group was awarded with new contracts with an aggregate estimated contract sum of approximately HK\$280.3 million.

FINANCIAL REVIEW

Revenue

The Group's revenue for the six months ended 30 September 2016 was approximately HK\$313.1 million, representing an increase of approximately 7.4% from approximately HK\$291.5 million for the corresponding period of the last financial year. This increase was mainly due to higher revenue of HK\$54.8 million was generated for a one-off project in the private sector in Kai Tak, of which significant portion of works were carried out during the Period while no revenue has been certified for the project for the corresponding period of the last financial year.

Gross profit margin

The gross profit margin decreased from approximately 9.1% for the six months period ended 30 September 2015 to approximately 5.0% for the six months ended 30 September 2016. The decrease was mainly due to a one-off project in the public sector in Tai Lam which recorded negative gross profit margin due to the incurrence of additional contract costs for the Period.

Other income and gains

The Group's other income and gains were approximately HK\$2.6 million and HK\$1.4 million for the six months ended 30 September in 2016 and 2015 respectively. The increase was mainly attributable to the increase in interest income and management fee income.

Selling and distribution expenses

The Group's selling and distribution expenses for the six months ended 30 September 2016 was approximately HK\$4.4 million, representing an increase of 7827% from approximately HK\$55,000 for the corresponding period of the last financial year. This was mainly attributable to the increasing marketing cost for the Group during the six months ended 30 September 2016.

Net profit after tax

For the six months ended 30 September 2016, the Group recorded net profit of approximately HK\$1.8 million, a decrease of approximately 86.0% as compared to the net profit of approximately HK\$12.9 million for the corresponding period in the last financial year. This was mainly due to the combined effect of the decrease in gross profit and the increase in selling and distribution expenses and administrative expenses.

Liquidity and Financial Resources

As at 30 September 2016, the Group had cash and cash equivalents of approximately HK\$89.4 million, representing an increase of 12.9% from approximately HK\$79.2 million as of 31 March 2016. The Group did not have any pledged deposits other than a pledged deposit for a life insurance product with a carrying amount of approximately HK\$6.4 million and HK\$6.3 million as at 30 September 2016 and 31 March 2016, respectively. The increase in cash and cash equivalents during the Period was mainly due to the combined effects of (i) net cash inflow from operating activities of approximately HK\$14 million; and (ii) the payment of approximately HK\$3.5 million in relation to the purchases of items of property, plant and equipment.

Gearing ratio is calculated based on the amount of total interest-bearing bank borrowings divided by the total equity. As at 30 September 2016, the gearing ratio is 0% (31 March 2016: 0%).

As at 30 September 2016, the Group had aggregate banking facilities of approximately HK\$55.3 million, of which approximately HK\$23.2 million was utilised. As at 30 September 2016, the banking facilities were secured by (i) legal charge over a building of the Group with carrying amount of approximately HK\$46.7 million; and (ii) a pledged deposit for a life insurance product with a carrying amount of approximately HK\$6.4 million.

Contingent Liabilities

As at 30 September 2016, the Group had performance bonds issued by a bank in favour of certain contract customers amounted to approximately HK\$23,166,000 (31 March 2016: HK\$18,562,000).

In the ordinary course of the Group's Building Services business, the Group has been subject to a number of claims due to personal injuries suffered by employees of the Group or the subcontractors in accidents arising out of and in the course of their employment. The Directors are of the opinion that such claims are well covered by insurance and would not result in any material adverse impact on the financial position or results and operations of the Group.

Capital Commitments

As at 30 September 2016, the Group did not have any significant capital commitments (31 March 2016: HK\$3.3 million).

PROSPECTS

Whilst the Group remains its focus on its principal business in the provision of Building Services in Hong Kong, the Board continuously explores investment opportunities to strengthen the long term growth of the Group.

Looking ahead, the Directors stay optimistic about the future development of the Group despite rising labour costs and raw materials cost. According to the Hong Kong 2016–17 Budget, the Hong Kong Government will allocate approximately HK\$79 billion to capital works. With a number of projects at their construction peaks, capital works expenditure is expected to remain at relatively high levels in the next few years. Moreover, the building services industry is steering towards designing and installing more complex and more energy efficient systems for buildings in Hong Kong. The public's increasing awareness of energy efficiency, indoor air quality and sustainability have triggered contractors in the building services industry to construct better heating, ventilation and air-conditioning systems. Therefore, the design and installation work processes that go into the servicing of intelligent buildings are more complicated.

In view of the aforesaid increasing public expenditure on capital works and the market development, the Directors believe that there will be more opportunities for the Group's Building Services business in both private and public sectors in the future. Having considered the Group's solid experience in the building services industry, possession of the requisite licences and registrations and track record for undertaking engineering projects in both private and public sectors, the Directors are of the view that the Group is well positioned to capture the emerging business opportunities.

On 3 October 2016, Hangzhou Jinkai Yuanguan Investment Management Company Limited* (杭州金開圓觀投資管理有限公司) (the "Subsidiary"), an indirect wholly-owned subsidiary of the Company established in the PRC, has made an application to contribute RMB200 million for the subscription of the participating shares as a limited partner in a fund (the "Transaction"). On 18 October 2016, the Subsidiary entered into a limited partnership agreement in relation to the Transaction. Details of the Transaction are set out in the Company's announcements dated 3 October 2016 and 18 October 2016 and the Company's circular dated 18 November 2016 (the "Circular").

On 14 October 2016, the Subsidiary entered into a share purchase agreement with Zhejiang Chengze Jinkai Investment Management Company Limited* (浙江誠澤金開投資管理有限公司) in relation to the acquisition (the “Acquisition”) of 100% equity interests in Hangzhou Jin Zhong Xing Investment Management Company Limited* (杭州金仲興投資管理有限公司) (the “Target Company”). The Target Company has successfully registered with the Asset Management Association of China as private investment fund manager, which enables the Group, through the Target Company, to form new private funds in the PRC to develop its asset management and investment business, with focuses on government related infrastructure projects. Details of the Acquisition are set out in the Company’s announcement of 16 October 2016.

The Acquisition, together with the Transaction, present an excellent platform for the Group to develop its asset management and investment business and to broaden the sources of its revenue for creating greater profits and returns for the shareholders of the Company. Having considered (i) the relevant favourable government policies of the PRC on infrastructure projects and the increasing number of the infrastructure projects to be launched by the PRC government, details of which are set out in the Circular; (ii) the Group’s strategy to enhance its long term growth, diversity risks and increase return to the shareholders of the Company and (iii) the capabilities and experience in investment and asset management possessed by certain members of the Board, the Company intends to invest and operate funds in the PRC that are designated for financing infrastructure projects of the PRC government and state-owned enterprises.

FOREIGN EXCHANGE RISK

Since the Group operates in Hong Kong and all of the revenue and transactions arising from its operations were settled in Hong Kong dollar, and the Group’s assets and liabilities are primarily denominated in Hong Kong dollar, the Directors believe that the Group’s risk in foreign exchange is insignificant and the Group will have sufficient foreign exchange to meet its foreign exchange requirements. The Group has not experienced any material difficulties or effects on its operations or liquidity as a result of fluctuations in currency exchange rates and has not adopted any currency hedging policy or other hedging instruments during the Period.

MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During the Period, there was no acquisition or disposal of subsidiaries and associated companies by the Company.

SIGNIFICANT INVESTMENTS

During the Period, the Company did not hold any significant investment.

STAFF AND REMUNERATION POLICY

As of 30 September 2016, the Group employed 65 employees in Hong Kong. The Group reviewed employees' remuneration from time to time and salary adjustment was normally made on an annual basis with reference to their performance, work experience and the prevailing market conditions. Staff benefits include mandatory provident fund and training programs.

The total remuneration cost incurred by the Group for the Period was approximately HK\$22.8 million (six months ended 30 September 2015: approximately HK\$22.9 million).

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Period.

CORPORATE GOVERNANCE

The Directors recognise the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability. This announcement outlines the principles and the code provisions of the Code on Corporate Governance Practices (the "Code") contained in Appendix 14 of the Listing Rules. The Directors consider that the Company has applied the principles and complied with all the applicable code provisions set out in the Code since the Listing Date, except for the below deviation:

Code Provisions A.2

Mr. Wei Jie, the Chairman of the Group, is responsible for the leadership and effective running of the Board, ensuring that all material issues are decided by the Board in a conducive manner. Mr. Wei Jie is also responsible for running the Group's business and effective implementation of the strategies of the Group. The Company is aware of the requirement under paragraph A.2 of the Code that the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. Nevertheless, the Board considers that the combination of the roles of Chairman and Chief Executive Officer will not impair the balance of power and authority between the Board and the management of the Company as the Board will meet regularly to consider major matters affecting the operations of the Group. The Board is of the view that this structure provides the Group with strong and consistent leadership, which can facilitate the formulation and implementation of its strategies and decisions and enable it to grasp business opportunities and react to changes efficiently. As such, the Board believes that it is beneficial to the business prospects of the Group with Mr. Wei Jie performing both the roles of Chairman and Chief Executive Officer.

Code Provisions A.6.7 and E.1.2

Under code provision A.6.7, independent non-executive directors and other non-executive directors should attend general meetings. The independent non-executive Director Mr. Niu Zhongjie, Mr. Cheung Ying Kwan and Mr. Chen Zhao had not attended the annual general meeting held on 19 September 2016 (the “2016 AGM”) due to other business engagements. Under code provision E.1.2, the Chairman of the Board should attend the annual general meeting. Due to other business engagement which must be attended to by the Chairman, Mr. Wei Jie, he was unable to attend the 2016 AGM. Mr. Wong Kam Ting, an executive Director and the Company Secretary of the Company, acted as the chairman of the 2016 AGM.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF THE COMPANY

The Company has adopted a model code of conduct regarding securities transactions by the Directors on terms no less than the required standards as set out in the Model Code. Having made specific enquiry of all Directors, all Directors have confirmed that they complied with the required standards set out in the Model Code during the Period.

USE OF NET PROCEEDS FROM INITIAL PUBLIC OFFERING

The net proceeds from the share offer of the Company in connection with the Listing on 16 October 2014 was approximately HK\$92.6 million. According to the section “Future Plans and Use of Proceeds” set out in the prospectus of the Company dated 30 September 2014 (the “Prospectus”), the Group has used the net proceeds as follows:

	Actual net proceeds <i>HK\$ million</i>	Used amount <i>HK\$ million</i>	Unused amount <i>HK\$ million</i>
Operation of prospective projects	55.5	55.5	—
Hiring of additional staff	18.5	2.7	15.8
Upgrade of computer system and software	9.3	0.2	9.1
General working capital	9.3	9.3	—
	<hr/>	<hr/>	<hr/>
Total	92.6	67.7	24.9

The unutilised net proceeds are mainly placed in the current account with certain licensed financial institutions.

INTERIM DIVIDEND

The Board resolved not to declare any interim dividend in respect of the Period.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is available to the Company and within the knowledge of the Directors as at the date of this announcement, the Company has maintained the prescribed minimum public float under the Listing Rules.

REVIEWED BY AUDIT COMMITTEE

The audit committee of the Company (the “Audit Committee”) comprises three independent non-executive Directors, namely Mr. Cheung Ying Kwan, Mr. Niu Zhongjie, Mr. Chen Zhao, with written terms of reference in accordance with the requirements of the Listing Rules, and reports to the Board. The Audit Committee has reviewed the Group’s condensed consolidated financial information for the six months ended 30 September 2016, including the accounting principles adopted by the Group, with the Company’s management.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement will be published on the respective websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.gold-finance-gp.com.hk>). The Company’s interim report for the Period will also be despatched to the shareholders of the Company and made available for review on the aforesaid website in due course.

By Order of the Board
Gold-Finance Holdings Limited
Wei Jie
Chairman and Chief Executive Officer

Hong Kong, 25 November 2016

As at the date of this announcement, the Board comprises Mr. Wei Jie, Ms. Xu Li Yun, Mr. Jiang Junwei and Mr. Wong Kam Ting as executive directors; and Mr. Niu Zhongjie, Mr. Cheung Ying Kwan and Mr. Chen Zhao as independent non-executive directors.