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GOLD-FINANCE HOLDINGS LIMITED

金誠控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1462)

VOLUNTARY ANNOUNCEMENT

FULLY EXEMPT CONNECTED TRANSACTION — ACQUISITION OF TARGET COMPANY

ACQUISITION OF TARGET COMPANY

On 9 June 2017 (after trading hours), the Company entered into the Share Purchase Agreement with the Vendor pursuant to which the Company agreed to acquire and the Vendor agreed to sell the Sale Capital (representing 100% equity interests in the Target Company) at the Consideration of US\$1.00 (equivalent to approximately HK\$7.80).

LISTING RULES IMPLICATIONS

As at the date of this announcement, Mr. Wei, the controlling shareholder, chairman and executive Director of the Company, is interested in 3,000,000,000 Shares, representing in aggregate 75% of the total issued share capital of the Company, through entities controlled by him (namely Gold-Finance (Hong Kong) Asset Management Limited and Gold-Finance (Holdings) Group Co. Limited) and is therefore a connected person of the Company. The Vendor is beneficially wholly-owned by Mr. Wei and is therefore an associate of Mr. Wei and a connected person of the Company. Accordingly, the Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As none of the applicable percentage ratios in respect of the Acquisition exceed 5% and the Consideration is below HK\$3 million, the Acquisition is exempt from the relevant requirements of reporting, announcement and approval of the independent shareholders under Chapter 14A of the Listing Rules. However, for the sake of good corporate governance, the Board made this voluntary announcement.

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SHARE PURCHASE AGREEMENT

Date

9 June 2017

Parties

- (1) the Company; and
- (2) the Vendor, a company incorporated in the Cayman Islands with limited liability, which is beneficially wholly-owned by Mr. Wei, the controlling shareholder, chairman and executive Director of the Company.

Consideration

The Consideration for the Acquisition is US\$1.00 (equivalent to approximately HK\$7.80), which shall be fully satisfied by cash by way of internal resources of the Company. The Consideration was agreed between the Company and the Vendor after arm's length negotiations with reference to the value of the issued share capital of the Target Company.

Completion

The Share Purchase Agreement is not subject to any conditions and completion shall take place forthwith upon the signing of the Share Purchase Agreement.

Upon completion of the Acquisition, the Target Company and its subsidiary, namely Bao Ming (Hong Kong), will be wholly-owned by the Company and accounted for as the subsidiaries of the Company. The profit and loss of the Target Group will be consolidated into the financial results of the Group.

Information on the Target Group

The Target Company is a company incorporated in the BVI with limited liability on 15 May 2017. The Target Company wholly-owns Bao Ming (Hong Kong), a company incorporated in Hong Kong with limited liability on 12 May 2017 with an issued share capital of HK\$1.00. Neither member of the Target Group, has commenced operation since its respective date of incorporation. Bao Ming (Hong Kong) is in the process of applying for the establishment of a wholly foreign owned enterprise in the PRC (the “**PRC Subsidiary**”) with business scope encompassing, among others, property investment and development. The PRC Subsidiary, upon establishment, will be wholly-owned by Bao Ming (Hong Kong) and that the registered capital of the PRC Subsidiary is expected to be approximately RMB10 billion. The Company intends to obtain a shareholder loan from Mr. Wei to partially fund the registered capital to be injected into the PRC Subsidiary. The Company will make further announcement(s) in respect of the shareholder loan from Mr. Wei as and when appropriate in accordance with the Listing Rules.

REASONS FOR AND BENEFITS OF ACQUISITION

The Company, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange, is an investment holding company. The Group is principally engaged in the provision of building services in Hong Kong as a subcontractor and asset management service in PRC.

In the past year or so, the Group has commenced the expansion of its business portfolio into the areas of investment and asset management. As referred to in the Company's announcement dated 16 October 2016, 18 October 2016 and 11 January 2017 and circular dated 18 November 2016, the Group has expanded its business portfolio by (i) acquiring a company engaging in investment management and consultation, (ii) investing into an investment fund and (iii) looking into the possible creation of a private equity fund.

Apart from expanding into investment and asset management business, the Board is also exploring other investment opportunities to further enhance the Group's long term growth. The Board believes that the business of property investment and development with focuses primarily in developing unique towns in the PRC represents an opportunity for the Group to achieve sustainable long term growth. In coming into this decision, the Group has taken into account the following considerations: (i) one of the Group's strategies is to enhance its long term growth, diversify risks and increase return to Shareholders; (ii) the favourable government policies in promoting the development of unique towns and industrial structure modernisation throughout the PRC; (iii) the substantial knowledge and experience of Hang Zhou Jin Cheng Xin Cheng Zhen Investment Group Limited* 杭州金誠新城鎮投資集團有限公司, a company under the control of Mr. Wei, in developing unique towns in the PRC; (iv) the capabilities and experience in property investment and development in the PRC possessed by certain members of the Board; and (v) the ability of the Group to take up property investment and development projects in unique towns in the PRC upon completion of the Acquisition and the establishment of the PRC Subsidiary. The Acquisition represents an initial step of the Group to commence its expansion into the property investment and development business in unique towns by establishing a corporate structure for the future development of this line of business. As mentioned above, the Target Group is in the process of applying for the establishment of the PRC Subsidiary containing property investment and development in its scope of business. The PRC Subsidiary will, upon establishment, become the Group's principal entity in undertaking the business of property investment and development in unique towns in the PRC.

The PRC government has promulgated favourable policies to promote the development of unique towns in the PRC since February 2016. According to the Opinion on Deepening the Construction of New Urbanisation* (Guofa 2016 (No. 8)) 關於深入推進新型城鎮化建設的若干意見 (國法2016(8號)) issued by the State Council of the PRC in February 2016, the development of unique towns combining leisure tourism, trade, folk culture heritage, science and technology and advanced manufacturing is encouraged to be accelerated to promote agricultural modernisation and town urbanisation. Subsequently, the PRC government has also promulgated a number of policies to promote the development of unique towns in the PRC. In particular, in July 2016, the Notice on Cultivation of Unique Towns* (Jiancun 2016 (No. 147)) 關於開展特色小鎮培育工作的通知 (建村2016 (147號)) issued by the National Development and Reform Commission set a target to develop approximately 1,000 unique towns throughout the PRC by 2020. Further, many provincial governments have implemented specific policies to provide developers of unique towns certain benefits including subsidies, financial support and credit support.

Based on the above and with reference to the value of the issued share capital of the Target Company, the Directors consider the terms of the Share Purchase Agreement and the transactions contemplated thereunder are fair and reasonable and on normal commercial terms or better and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

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DEFINITIONS

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

“Acquisition”	the acquisition of the Sale Capital pursuant to the Share Purchase Agreement
“associate”	has the meaning ascribed to it in the Listing Rules
“Bao Ming (Hong Kong)”	Bao Ming (Hong Kong) Real Estate Group Limited 寶明(香港)房地產集團有限公司, a company incorporated with limited liability in Hong Kong, a direct wholly-owned subsidiary of the Target Company
“Board”	the board of Directors of the Company
“BVI”	the British Virgin Islands
“Company”	Gold-Finance Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Stock Exchange
“Completion Date”	the completion of the Acquisition pursuant to the Share Purchase Agreement
“connected person”	has the meaning ascribed to it in the Listing Rules
“Consideration”	the consideration of US\$1.00 (equivalent to approximately HK\$7.80) for the Acquisition pursuant to the Share Purchase Agreement
“controlling shareholder”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Wei”	Mr. Wei Jie, the controlling shareholder, the chairman and the executive Director of the Company
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Capital”	100% equity interests in the Target Company held by the Vendor as of the date of the Share Purchase Agreement
“Share(s)”	the ordinary shares(s) of HK\$0.001 each in the share capital of the Company
“Share Purchase Agreement”	the share purchase agreement dated 9 June 2017 entered into between the Company and the Vendor regarding the Acquisition
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Bao Ming (BVI) Group Co. Ltd (寶明(控股)集團有限公司), a company incorporated with limited liability in the BVI
“Target Group”	the Target Company and its subsidiary, namely Bao Ming (Hong Kong)
“US\$”	United States dollars, the lawful currency of the United States of America
“Vendor”	Bao Ming (Holdings) Group Co. Ltd (寶明(控股)集團有限公司), a company incorporated with limited liability in the Cayman Islands
“%”	percentage

By Order of the Board
Gold-Finance Holdings Limited
WEI Jie
Chairman and Executive Director

Hong Kong, 9 June 2017

At the date of this announcement, the Board comprises Mr. Wei Jie, Ms. Xu Li Yun 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.

* For identification purpose only