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GOLD-FINANCE HOLDINGS LIMITED

金誠控股有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 1462)

DISCLOSABLE TRANSACTION IN RELATION TO SUCCESSFUL ACQUISITION OF THE LAND USE RIGHTS OF THE LAND

SUCCESSFUL ACQUISITION OF THE LAND USE RIGHTS OF THE LAND

The Board is pleased to announce that on 30 October 2017, Yang Zhou Jincheng, an indirect wholly-owned subsidiary of the Company, made a successful bid for the land use rights of the Land in the Auction held by the Vendor for the total consideration of RMB33.99 million.

FINANCIAL ASSISTANCE

The Board further announces that on 30 October 2017, the Lender entered into a facility agreement with the Borrower to provide the unsecured Facility to the Borrower in the amount of RMB200 million for a duration of three years.

LISTING RULE IMPLICATIONS

As one or more of the applicable ratios (as defined in the Listing Rules) in relation to the Acquisition exceed 5% but less than 25%, the Acquisition constitutes a disclosable transaction for the Company and is subject to the announcement and reporting requirements under Chapter 14 of the Listing Rules.

SUCCESSFUL ACQUISITION OF THE LAND USE RIGHTS OF THE LAND

Reference is made to the announcement of the Company of 9 October 2017 in relation to the Acquisition.

The Board is pleased to announce that on 30 October 2017, Yang Zhou Jincheng, an indirect wholly-owned subsidiary of the Company, made a successful bid for the land use rights of the Land in the Auction held by the Vendor for the total consideration of RMB33.99 million.

THE ACQUISITION

Parties

- (1) Yang Zhou Jincheng (as purchaser); and
- (2) the Vendor (as vendor).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Vendor is a governmental department of Gaoyou City and the Vendor and its ultimate beneficial owners are third parties independent of the Company and any connected person of the Company and are not connected persons of the Company.

Yang Zhou Jincheng

Yang Zhou Jincheng is an indirect wholly-owned subsidiary of the Company and it has not conducted any business activities as at the date of this announcement.

Consideration

The purchase price for the Land is RMB33.99 million, which shall be paid in the following manner:

- (1) RMB10.2 million, being the Deposit and part payment of the purchase price for the land use rights of the Land, has been paid by Yang Zhou Jincheng to the Vendor when the bid was submitted; and
- (2) the remaining balance of RMB23.79 million shall be paid by Yang Zhou Jincheng to the Vendor in accordance with the Land Use Rights Grant Contract, which shall be entered into no later than 17 November 2017.

The purchase price for the Land was determined by the Company with reference to the current and future business prospect and development potential in the region which the Land is situated and the overall prospect of the property market in the PRC. The purchase price for the Land will be fully funded by the internal resources, existing borrowings and facilities from financial institutions and/or the Facility. For further details of the Facility, please refer to the below section headed "Financial Assistance from Controlling Shareholders".

Completion

Under the requirements of the Auction, Yang Zhou Jincheng shall complete the confirmation procedures and the acceptance letter in relation to the Acquisition with the Vendor on or before 3 November 2017. Within 10 business days from the acceptance letter, Yang Zhou Jincheng shall execute the Land Use Rights Grant Contract with the Vendor. Completion shall take place in accordance with the Land Use Rights Grant Contract on or before 17 November 2017.

Information on the Land

The Land is located at Gaoyou City, Jiangsu Province, the PRC. The Land has a land area of approximately 32,365 sqm.

The Land is designated for commercial use with the term of 40 years.

Pursuant to the requirements of the Auction, the Company intends to erect commercial properties such as office buildings thereon.

REASONS AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in the provision of building services and provision of investment and asset management services. Since the second half of 2017, the Group has acquired the land use rights of several parcels of land in the PRC as it intends to expand its business portfolio in property investment and development with focuses primarily in developing unique towns in the PRC.

Gaoyou City is strategically located in Yangtze River Delta along the Yangtze River Economic Zone. It has been awarded as one of the hundredth small and medium sized cities in the PRC with most investment potential for seven consecutive years by the Chinese Academy of Social Sciences. The Land is situated in Gaoyou City, Jiangsu Province, the PRC. In recent years, the local government of Gaoyou City has vigorously promoted the development of economic zones and has implemented a series of measures to attract investments into Gaoyou City. The Company considers the Acquisition is in line with the business strategies of the Group to expand the footprint of the Group's business to property investment and development and the outlook of the Acquisition is promising in view of the strategic location, the investment potential and favourable policies of the local government.

The Board considers the terms of the Acquisition are on normal commercial terms, fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

FINANCIAL ASSISTANCE FROM CONTROLLING SHAREHOLDERS

On 30 October 2017, the Lender, a company indirectly owned and controlled by, among others, Mr. Wei Jie, an executive Director and a controlling Shareholder, and Ms. Xu Li Yun, an executive Director, entered into a facility agreement with an indirect wholly-owned subsidiary of the Company (the “**Borrower**”) pursuant to which the Lender agreed to provide the unsecured Facility of RMB200 million to the Borrower for a duration of three years from the date of drawdown at an interest rate of 6% per annum. Pursuant to the facility agreement, the Facility will be used by the Borrower as its working capital and the drawdown of loan from the Facility is at the discretion of the Borrower. As at the date of this announcement, the Borrower has not yet utilised the unsecured Facility. The Group intends to use part of the Facility to partially finance the Acquisition and will assess the financial needs for its business development on an ongoing basis.

As Mr. Wei Jie is an executive Director and a controlling Shareholder and Ms. Xu Li Yun is an executive Director, the Facility will constitute a connected transaction in the form of financial assistance from the Lender in favour of the Borrower. However, as the Facility is not secured by any assets of the Group, and as the Directors (including the independent non-executive Directors) consider that the terms of the Facility are on normal commercial terms or better, the Facility is fully-exempt from shareholders' approval, annual review and all disclosure requirements pursuant to Rule 14A.90 of the Listing Rules.

LISTING RULES IMPLICATION

As one or more of the applicable ratios (as defined in the Listing Rules) in relation to the Acquisition exceed 5% but less than 25%, the Acquisition constitutes a disclosable transaction for the Company and is subject to the announcement and reporting requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires.

“Acquisition”	the acquisition of the land use rights of the Land by Yang Zhou Jincheng from the Vendor through the Auction
“Auction”	an open auction for the land use rights of the Land
“Board”	the board of Directors
“Company”	Gold-Finance Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Deposit”	the initial deposit of RMB10.2 million paid by Yang Zhou Jincheng, as a bidder, to the Vendor pursuant to the Auction documents
“Directors”	the directors of the Company
“Facility”	a facility in the amount of RMB200 million provided by the Lender to an indirect wholly-owned subsidiary of the Company pursuant to the facility agreement entered into between the Lender and the indirect wholly-owned subsidiary of the Company on 30 October 2017
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Land”	a land parcel with a land area of approximately 32,365 sqm located at Gaoyou City, Jiangsu Province, the PRC
“Land Use Rights Grant Contract”	the land use rights grant contract* (國有建設用地使用權出讓合同) in relation to the Acquisition to be entered into by Yang Zhou Jincheng and the Vendor pursuant to the Auction requirements
“Lender”	Wuxi Ren Yu Tourism Development Company Limited* (無錫人魚旅遊發展有限公司), a company established in the PRC with limited liability and a company indirectly owned and controlled by, among others, Mr. Wei Jie, an executive Director and a controlling Shareholder, and Ms. Xu Li Yun, an executive Director
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holders of shares of the Company
“sqm.”	square meters
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Gaoyou City Land Resources Bureau* 高郵市國土資源局
“Yang Zhou Jincheng”	Yang Zhou Jincheng Star Commercial Development Co., Ltd.* (揚州金誠之星商業發展有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“%”	per cent.

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

Hong Kong, 31 October 2017

At the date of this announcement, the board of directors of the Company 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 purposes only*