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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 ACQUISITION OF LAND USE RIGHTS OF THE LAND AND PROPERTIES

The Board is pleased to announce that on 13 December 2017, Xuyi Baoming (an indirectly owned and controlled subsidiary of the Company) entered into the Contract with the Vendor in relation to the acquisition of the land use rights of the Land and the Properties at the aggregate consideration of RMB18 million.

The Land is designated for commercial and residential use with the term for commercial use expiring on 24 March 2051 and the term for residential use expiring on 24 March 2081. The Properties are erected on the Land with a gross floor area of approximately 4,913 sqm.

INTRODUCTION

The Board is pleased to announce that on 13 December 2017, Xuyi Baoming (an indirectly owned and controlled subsidiary of the Company) entered into the Contract with the Vendor in relation to the acquisition of the land use rights of the Land and the Properties.

THE CONTRACT

Major terms of the Contract are set out below:

Date: 13 December 2017

Parties: (1) Xuyi Baoming (an indirectly owned and controlled subsidiary of the Company and it has not conducted any business activities as at the date of this announcement); and
(2) the Vendor.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor and its ultimate beneficial owner are third party independent of, and not connected with, the Company or any of its connected persons (as defined in the Listing Rules).

- Land and Properties:** The Land is located at west of Shankoumen Pass, Shanshui Avenue, Xuyi County* (盱眙縣山水大道山口門段西側), Huaian City, Jiangsu Province, the PRC with a land area of approximately 9,173 sqm. The Land is designated for commercial and residential use with the term for commercial use expiring on 24 March 2051 and the term for residential use expiring on 24 March 2081. The Properties are erected on the Land with a gross floor area of approximately 4,913 sqm.
- Consideration and payment terms:** The Consideration is RMB18 million, which was agreed between the parties based on arm's length negotiations. The Directors consider that the Consideration is fair and reasonable after taking into account the current market conditions in the nearby area, the location, the development potential of the Land and the Properties and the prevailing market value of the land use rights of the Land and the Properties as appraised by Royson Valuation Advisory Limited of RMB30.7 million as at 30 November 2017. The Consideration shall be settled within 10 working days from the execution date of the Contract. The Consideration will be financed by the internal resources of the Group.
- Completion:** Completion will take place within 7 working days after full and complete settlement of the Consideration.

INFORMATION ON THE LAND AND THE PROPERTIES

The Land is located at west of Shankoumen Pass, Shanshui Avenue, Xuyi County* (盱眙縣山水大道山口門段西側), Huaian City, Jiangsu Province, the PRC. The Land is designated for commercial and residential use with a land area of approximately 9,173 sqm. The land use term for commercial use and residential use expires on 24 March 2051 and 24 March 2081, respectively. The Properties are seven commercial buildings erected on the Land with a gross floor area of approximately 4,913 sqm. The Land and the Properties are located at the center of Xuyi County. The commute distance from the Land to Nanjing City, the provincial capital of Jiangsu Province, is less than 80 kilometers.

Xuyi County is strategically located in Yangtze River Delta along the Yangtze River Economic Zone and One-hour Economic Circle of Nanjing City. Lying on the lower reaches of the Huai River* (淮河) and on the southern bank of Hongze Lake* (洪澤湖), Xuyi County has a total area of approximately 2,483 square kilometers and a total population of approximately 740,000. In terms of per capita area, it ranks first in Jiangsu Province. In 2016, Xuyi County has been awarded as the second batch of national all-for-one tourism demonstration area by the China National Tourism Administration and is the only county and/or city in the Jiangsu Province be awarded as the national forest tourism demonstration county (city) by China Forestry Industry Association (中國林業產業聯合會). It has been awarded as one of the hundredth small and medium sized cities in the PRC with most investment potential by the Chinese Academy of Social Sciences and nationally designated eco-demonstration region by the Ministry of Environmental Protection of the PRC as well. Xuyi County is a historical and cultural city. It is the site of some of the earliest traces of human activity in Jiangsu Province and more than 60 ancient cultural sites have been found in Xuyi County. Within Xuyi County, there are three 4A Scenic Tourist Resort Area (4A風景旅遊度假區). According to the statistics as published by the People's Government of Xuyi County, the total traveller throughput and tourism income of Xuyi County were approximately 6.1 million and RMB6.9 billion in 2016,

representing a growth of approximately 10.1% and 11.9% in comparison to 2015, respectively. Xuyi County is also well-known for its annually held international crayfish festival. In 2017, the annual output value of crayfish has surpassed RMB10 billion. In recent years, the local government of Xuyi County has vigorously promoted the development of the tourism industry and has implemented a series of measures to attract tourists. It is under the appraisal of the Office of the National Patriotic Health Campaign Committee for the award of national healthy city.

In light of the above, the Directors consider the Land and the Properties, located at a prime location in Jiangsu Province, are of great potential for development of cultural tourism.

REASONS FOR 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.

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 thereby able to benefit from the rapid growth of the PRC local economy. The Land and the Properties, located at a prime location in the Jiangsu Province, are of great potential for development of cultural tourism.

The Directors consider the Acquisition presents a valuable business opportunity for the Group to enhance its corporate development and property investment and development business in the PRC.

The Directors (including the independent non-executive Directors) consider the terms of the Acquisition are on normal commercial term, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

DEFINITIONS

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

“Acquisition”	acquisition of the land use rights of the Land and the Properties by the Xuyi Baoming from the Vendor
“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
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Contract
“Consideration”	the aggregate consideration of RMB18 million for the Acquisition

“Contract”	the state-owned land use rights grant contract dated 13 December 2017 entered into between the Xuyi Baoming and the Vendor in relation to the Acquisition
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Land”	a land parcel with a land area of approximately 9,173 sqm located at west of Shankoumen Pass, Shanshui Avenue, Xuyi County* (盱眙縣山水大道山口門段西側), Huaian City, Jiangsu Province, the PRC and a real estate ownership certificate No. 0019799
“PRC”	the People’s Republic of China
“Properties”	seven commercial buildings with a gross floor area of 4,913 sqm erected on the Land
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	shareholder(s) of the Company
“sqm”	square meter(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Huaian City Xuyi City Asset Management Co., Ltd.* (淮安市盱眙城市資產經營有限責任公司), a company established in the PRC with limited liability and wholly-owned by the People’s Government of Xuyi County* (盱眙縣人民政府)
“Xuyi Baoming”	Xuyi Baoming Real Estate Co., Ltd.* (盱眙寶明置業有限公司), a company established in the PRC with limited liability and an indirectly owned and controlled subsidiary of the Company
“%”	per cent

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

Hong Kong, 13 December 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 purposes only