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## **GOLDIN FINANCIAL HOLDINGS LIMITED**

**高銀金融（集團）有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 530)**

- (1) TERMINATION OF THE MAY AGREEMENT;  
(2) MAJOR TRANSACTION  
IN RELATION TO  
THE DISPOSAL OF THE ENTIRE ISSUED SHARE CAPITAL OF  
RICH FAST INTERNATIONAL LIMITED;  
(3) POSSIBLE MAJOR TRANSACTION IN RELATION TO  
THE ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF  
SINO SHIELD LIMITED UNDER THE OPTIONS;  
(4) PROJECT MANAGEMENT AGREEMENT IN RELATION TO  
MANAGEMENT OF THE DEVELOPMENT PROJECT;  
AND  
(5) RESUMPTION OF TRADING**

### **TERMINATION OF THE MAY AGREEMENT**

Reference is made to the announcement of the Company dated 10 May 2020 in relation to the proposed disposal by Golden Sphere of the entire issued share capital of and shareholder's loan owed by Gold Flair to the May Agreement Purchaser pursuant to the May Agreement. Golden Sphere is an indirect wholly-owned subsidiary of the Company and is the holding company of Gold Flair, which in turn held all the issued shares of the Property Company at the time of the May Agreement. The principal asset of the Property Company is the Property, being the piece of land parcel situated at Kai Tak Area 4B Site 4. As the conditions precedent to completion of the May Agreement were yet to be fulfilled or waived, on 17 July 2020, the parties to the May Agreement entered into a termination agreement with mutual consent. Further information is provided below.

## **THE AGREEMENT, THE OPTION DEED AND THE PM AGREEMENT**

On 17 July 2020, the Group also entered into certain agreements with, among others, the Purchaser as follows:

- (i) the Agreement entered into among Gold Flair as vendor (hereinafter also referred to as the Vendor), the Purchaser, the Company (as the Vendor's guarantor) and Mr. Pan (as the Vendor's guarantor) in relation to the disposal of all the issued shares of the Property Company by the Vendor to the Purchaser for a cash payment of HK\$2,500 million to the Vendor at the Disposal Completion. The Disposal Completion took place on 17 July 2020 upon signing of the Agreement. Pursuant to the Agreement, the Purchaser will provide a loan of not more than HK\$1,140.2 million to the Property Company in due course after the signing of the Agreement for the Property Company to renew its existing bank loan with a new facility in the amount of not less than HK\$2,426.8 million. The Purchaser is a third party independent of the May Agreement Purchaser;
- (ii) the Option Deed entered into among Agile World (the holding company of the Purchaser), the Vendor, the Company (as the Vendor's guarantor) and Mr. Pan (as the Vendor's guarantor) in relation to the grant of (a) the Call Option, which entitles the Vendor to require Agile World to sell to it the issued share capital of the Purchaser; and (b) the Put Option, which entitles Agile World to require the Vendor to acquire from it the issued share capital of the Purchaser. Further information of the Options is provided below; and
- (iii) the PM Agreement entered into among the Property Company, the Project Manager and Mr. Pan (as the Project Manager's guarantor) in relation to the management of the development project to be undertaken on the Property.

### **LISTING RULES IMPLICATIONS**

As (i) the highest applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Disposal exceeds 25% but all applicable percentage ratios are less than 75%; and (ii) the highest applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Possible Acquisition upon the exercise of the Call Option or the Put Option exceeds 25% but all applicable percentage ratios are less than 100%, each of the Disposal and the Possible Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement, circular and Shareholders' approval requirements.

Mr. Pan, an executive Director and the Chairman of the Board, as well as the controlling shareholder of the Company, is one of the Vendor's guarantors under the Agreement and the Option Deed and the Project Manager's guarantor under the PM Agreement to guarantee the due and punctual performance of the obligations including relevant payment obligations of the Vendor and the Project Manager under the relevant agreements. Since the aforesaid guarantees are provided on normal commercial terms or better to the Group and not secured by any assets of the Group, the guarantees provided by Mr. Pan to the Group constitute a fully-exempt connected transaction under Chapter 14A of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder has a material interest in the Disposal and the Possible Acquisition and accordingly no Shareholder is required to abstain from voting if the Company were to convene a general meeting for approving the resolutions in respect of the Agreement and the Option Deed and the transactions contemplated thereunder respectively. As at the date of this announcement, Mr. Pan personally held 239,063,000 Shares and his Controlled Companies, namely Clear Jade International Limited, Goldin Equities Limited and Goldin Global Holdings Limited, held 44,316,000 Shares, 187,213,998 Shares and 4,483,291,636 Shares respectively. The written approval from Mr. Pan and his Controlled Companies (being a closely allied group of Shareholders holding 4,953,884,634 Shares in aggregate (representing approximately 70.86% of the issued share capital of the Company as at the date of this announcement)) has been obtained in respect of the Agreement and the Option Deed and the transactions contemplated thereunder and such written approval is accepted in lieu of holding a general meeting pursuant to Rule 14.44 of the Listing Rules.

A circular containing, among other things, (i) details of the Agreement, the Option Deed and the PM Agreement; (ii) the financial information of the Group; (iii) the financial information of the Purchaser and the Property Company; (iv) the valuation report on the Property; and (v) the unaudited pro forma financial information of the Group assuming the Option Completion has taken place is required to be despatched to the Shareholders within 15 business days after the date of this announcement in accordance with Rule 14.41(a) of the Listing Rules. As additional time is needed for the Company to compile the information required for the circular, an application will be made by the Company to the Stock Exchange for a waiver from strict compliance with Rule 14.41(a) of the Listing Rules and extending the deadline for the despatch of the circular to 31 August 2020.

**As the Option Completion is subject to fulfilment of certain conditions contained in the Option Deed, the Possible Acquisition may or may not proceed. Shareholders and/or potential investors of the Company are advised to exercise caution in dealing in the securities of the Company.**

## **TERMINATION OF THE MAY AGREEMENT**

Reference is made to the announcement of the Company dated 10 May 2020 in relation to the proposed disposal by Golden Sphere of the entire issued share capital of and shareholder's loan owed by Gold Flair to the May Agreement Purchaser pursuant to the May Agreement. Golden Sphere is an indirect wholly-owned subsidiary of the Company and is the holding company of Gold Flair, which in turn held all the issued shares of the Property Company at the time of the signing of the May Agreement. The principal asset of the Property Company is the Property. As the conditions precedent to completion of the May Agreement had not been fulfilled or waived on or before the completion date specified therein (being 19 June 2020), the parties to the May Agreement had agreed to extend the completion date to 20 August 2020 in accordance with the terms of the May Agreement.

As the May Agreement was yet to become unconditional in all aspects, on 17 July 2020, the parties to the May Agreement entered into the termination agreement with mutual consent to terminate the May Agreement. Upon termination, all rights and obligations of the parties shall cease and no party shall have any claim against each other in connection with the May Agreement except for any antecedent breaches.

Reference is also made to the announcements of the Company dated 2 June 2020 and 12 June 2020 respectively in relation to, among other things, the delay in despatch of circular regarding the May Agreement. As a result of the termination of the said agreement, no circular will be despatched by the Company to the Shareholders in this regard.

## **THE AGREEMENT**

On 17 July 2020, the Vendor (i.e. Gold Flair), the Purchaser, the Company and Mr. Pan entered into the Agreement (as amended by two supplemental agreements in relation to the fulfilment of the conditions to the Agreement), pursuant to which the Vendor agreed to sell and the Purchaser agreed to acquire the Sale Shares, which represent all the issued shares of the Property Company. Disposal Completion took place upon signing of the Agreement. Details of the Agreement are set out below.

### **Date**

17 July 2020

### **Parties**

- (i) Gold Flair Holdings Limited (as vendor);
- (ii) Sino Shield Limited (as purchaser);
- (iii) the Company (as the Vendor's guarantor); and

(iv) Mr. Pan (as the Vendor's guarantor).

The Vendor is an indirect wholly-owned subsidiary of the Company and an investment holding company. Mr. Pan is an executive Director and the Chairman of the Board and is the controlling shareholder of the Company holding, directly and indirectly through his Controlled Companies, 4,953,884,634 Shares in aggregate (representing approximately 70.86% of the issued share capital of the Company as at the date of this announcement).

### **Assets to be disposed of**

Pursuant to the Agreement, the Vendor agreed to sell and the Purchaser agreed to acquire the Sale Shares, representing all the issued shares of the Property Company, free from all encumbrances (save for the Share Charge) and with all rights attached to the Sale Shares including the right to receive all dividends and other distributions declared, made or paid on or after the date of the Agreement.

### **Consideration**

In consideration of the sale by the Vendor of the Sale Shares to the Purchaser, the Purchaser (i) has paid HK\$2,500 million in cash (the "**Cash Payment**") to the Vendor at the Disposal Completion; and (ii) will provide a loan of not more than HK\$1,140.2 million to the Property Company in due course after the signing of the Agreement for the Property Company to renew its existing bank loan with a new facility in the amount of not less than HK\$2,426.8 million. The Cash Payment is subject to deduction of an amount (if any) equal to all outstanding indebtedness or liabilities of any kind of the Property Company as shown in the unaudited financial statements of the Property Company as at the Disposal Completion Date (other than the outstanding principal amount of the existing Bank Loan owed by the Property Company). In the event that any such deduction shall occur, the Vendor shall pay to and compensate the Purchaser for such amount within five Business Days upon demand by the Purchaser.

The Cash Payment was determined after arm's length negotiations among the parties with reference to, among others, (i) the net liabilities of the Property Company of approximately HK\$20 million as at 30 June 2020, which amount has been arrived at with the Property being accounted for at its book value of approximately HK\$9,287 million (the "**Property Book Value**") and the Bank Loan in the principal amount of HK\$3,563 million; (ii) the capitalisation of the shareholder's loan of approximately HK\$5,697 million in total owed by the Property Company to the Group upon completion of the Loan Restructuring; and (iii) the shortfall of approximately HK\$2,287 million from the Property Book Value arising from the valuation of the Property as at 31 March 2020 of HK\$7,000 million as appraised by an independent valuer based on market approach. The sum of the aforesaid amounts under (i), (ii) and (iii) of approximately HK\$3,390 million is hereafter referred to as "**Adjusted NAV**" and the Cash Payment represents a discount of approximately HK\$890 million to the Adjusted NAV.

## **Loan Restructuring**

As at the date of the Agreement, the Property Company was indebted to the Group in the aggregate amount of approximately HK\$5,697 million. In accordance with the Agreement, the Property Company and the Group completed a loan restructuring prior to the entering into of the Agreement, whereby all such loans had been assigned to and capitalised by the Vendor.

## **Conditions to the Agreement**

Despite that the Disposal Completion has taken place, the parties to the Agreement are required to fulfill the following conditions post Disposal Completion, unless such conditions are waived:

- (i) the representations, warranties and undertakings given by the Vendor remaining true, accurate and complete in all material respects and not misleading in any material respect at all times between the date of the Agreement and Disposal Completion and the Vendor having fully performed and complied with its obligations, agreements and covenants under the Agreement to be performed on or before the Disposal Completion Date;
- (ii) the Vendor having provided to the Purchaser declarations of solvency (together with certified copies of the board and shareholder's resolutions, and the pro forma statement of financial position and profit and loss of the Vendor) in respect of its solvency in accordance with the laws of the BVI;
- (iii) the Vendor having provided to the Purchaser a certificate confirming the Loan Restructuring had been validly completed, supported with copies all relevant documents;
- (iv) the Vendor having complied with all its obligations under the Agreement which are required to be complied with immediately before Disposal Completion;
- (v) the Vendor having delivered to the Purchaser a written confirmation from the Banks of the outstanding balance of all loans or debts and interests thereon due and owed by the Property Company to the Banks as of the Disposal Completion Date, which outstanding balance shall not be more than HK\$3,567 million;
- (vi) the Vendor having delivered the completion accounts of the Property Company as at the Disposal Completion Date to the Purchaser;
- (vii) the Purchaser being satisfied, in its absolute opinion, with the results of such enquiries, investigations and due diligence reviews of the legal, business affairs, operations and financial position of the Property Company, the draft master programme for the Development Project, title of the Property and the development

thereon by the Purchaser or any of its officers, employees, agents, professional advisers or other agents as the Purchaser in its discretion deems necessary, desirable or appropriate to undertake;

- (viii) no change, event or circumstance having occurred since the date of the Agreement and at all times up to the Disposal Completion Date which has or may have a material adverse effect on the Property Company or the Vendor;
- (ix) all necessary approvals, waiver and consents required to be obtained by the Vendor and the Group from any authority or other third party, and all relevant and applicable laws and regulations required to be complied with by the Vendor and its holding company(ies), in respect of the Transaction Documents and/or the transactions contemplated thereunder having been obtained or complied with (as the case may be) unconditionally and irrevocably, or where such approval or consent is given subject to conditions, on such conditions as are acceptable to the Purchaser;
- (x) the Property Company having obtained all required approvals, consents, waivers, permissions, or exemptions from the relevant authorities and third party (including but not limited to the consents from the Banks in accordance with the security documents in relation to the Bank Loan) in connection with the execution and performance of the Transaction Documents and the transactions contemplated thereunder and the operation of the business of the Property Company, and such approvals, consents, waivers, permissions or exemptions remaining in full force and effect as of Disposal Completion;
- (xi) the Purchaser being satisfied, in its absolute opinion (acting reasonably), that the Gold Flair Agreement had been duly and validly terminated in accordance with applicable laws and regulations (including but not limited to the Listing Rules) and ceased to have any effect and that there is and will be no obligation on the part of the Property Company, the Vendor or the Purchaser in relation thereto;
- (xii) the Vendor having proved good title to the Property in accordance with Section 13 of the Conveyancing and Property Ordinance (Chapter 219 of the Laws of Hong Kong);
- (xiii) those construction contracts of the Property Company as requested by the Purchaser having been novated or assigned to the Project Manager or such other party designated by the Purchaser. For the avoidance of doubt, upon the novation or assignment of such construction contracts of the Property Company, those contracts become construction contracts of the Project Manager for all intents and purposes;
- (xiv) the Property Company having renewed the maturity date of the Bank Loan to a date which is equal to or no less than three (3) years from the date of the Agreement at a facility amount of not less than HK\$2,426.8 million (the “**Renewed Bank Loan**”) upon terms and conditions to the Purchaser’s satisfaction with support of written evidence, and the Bank Loan is not terminated or cancelled because of the entering

into of the Transaction Documents and the transactions contemplated therein, and the Renewed Bank Loan remaining in full force and effect as of Disposal Completion;

- (xv) the Vendor having obtained the written consent from the Banks that they had consented, and confirmed to (a) the Transaction Documents and the transactions contemplated therein; (b) the change of ownership of the Property Company as a result of the Agreement; (c) release the Share Charge or replace the Share Charge by a charge of the Sale Shares by the Purchaser; and (d) enter into a subordination agreement with the Property Company, the Purchaser and other party as requested by the Banks as at Disposal Completion on terms satisfactory to the Purchaser, does not constitute any breach to the Bank Loan or, as appropriate, the Renewed Bank Loan;
- (xvi) no notice, order, judgment, action or proceeding of any court, arbitrator, authority, statutory or regulatory body having been served, issued or made which restrains, prohibits or makes unlawful any transaction contemplated by the Agreement or which is reasonably likely to materially and adversely affect the right of the Purchaser to own the legal and beneficial title to the Sale Shares, free from encumbrances (save for the encumbrances created under the security documents in relation to the Bank Loan), following Disposal Completion;
- (xvii) no notice or order having been served, issued or made and there is no events, facts or circumstances having occurred that the Conditions of Sale in respect of the Property might be withdrawn, terminated, forfeited or become ceased to be effective;
- (xviii) the PM Agreement having been signed at or prior to Disposal Completion;
- (xix) the Vendor having proved to the absolute satisfaction of the Purchaser that save for the Bank Loan or the Renewed Bank Loan (as appropriate), the Property Company does not have any liabilities; and
- (xx) no events, facts or circumstance, which has constituted or may constitute any breach of any provisions of the Agreement or the Bank Loan having happened on or before the Disposal Completion Date.

The Purchaser may in its absolute discretion waive any or all of the conditions (save for (ix), (x) and (xi)) by notice in writing to the Vendor.

As at the date of this announcement, (i) the Purchaser has not waived, or agreed to waive, any of the conditions and/or subject matters referred to or contemplated by the conditions; and (ii) the Vendor, the Company and Mr. Pan have undertaken to procure performance, satisfaction or fulfillment of all conditions notwithstanding the Disposal Completion.

## **Purchaser's loan to the Property Company**

It is agreed by the parties that the Property Company shall renew the Bank Loan with a facility amount of not less than HK\$2,426.8 million. In this connection, the Purchaser will provide a loan of not more than HK\$1,140.2 million to the Property Company for its payment to the Banks to meet the difference between the Bank Loan and the Renewed Bank Loan.

## **THE OPTION DEED**

In conjunction with the Agreement and on the same day of 17 July 2020, the Company, the Vendor, Agile World and Mr. Pan entered into the Option Deed in relation to the Options involving the possible acquisition of the entire issued share capital of the Purchaser. Details of the Option Deed are set out below.

### **Date**

17 July 2020

### **Parties**

- (i) Agile World;
- (ii) the Vendor;
- (iii) the Company (as the Vendor's guarantor); and
- (iv) Mr. Pan (as the Vendor's guarantor).

### **The Call Option**

In consideration of the payment of the Option Costs by the Vendor to Agile World, Agile World shall grant the Call Option to the Vendor, pursuant to which the Vendor shall have the right to exercise the Call Option during the Call Option Period (being a 365-day period commencing from the date of the Option Deed) to require Agile World to sell to the Vendor all but not part of the Purchaser Shares at the Option Exercise Price. The Purchaser Shares shall represent the entire issued share capital of the Purchaser held by Agile World.

### **The Put Option**

In consideration of the grant by Agile World to the Vendor of the Call Option, the Vendor grants the Put Option to Agile World, pursuant to which Agile World shall have the right to exercise the Put Option during the Put Option Period (being a 90-day period from the expiry of the Call Option Period) to require the Vendor to purchase from Agile World all but not part of the Purchaser Shares at the Option Exercise Price.

## **The Option Costs**

The Option Costs shall be paid by the Vendor in cash according to the following schedule:

- (i) as to HK\$426,520,000, on the 183<sup>rd</sup> day after the Disposal Completion Date (i.e. 16 January 2021) or on the Option Completion Date, whichever is the earlier; and
- (ii) as to HK\$426,520,000, on the 365<sup>th</sup> day after the Disposal Completion Date (i.e. 17 July 2021) or on the Option Completion Date, whichever is the earlier.

The payment under (ii) above may be deferred for 30 days upon the payment of HK\$70,112,877 in cash by the Vendor to Agile World, in which case the expiry of the Call Option Period and the Put Option Period shall be deferred for 30 days accordingly.

In the event that the Vendor shall fail to make payments in accordance with the aforesaid schedule, interest shall accrue on the unpaid amount from the due date up to the date of actual payment at the rate of 30% per annum on a daily basis.

To facilitate the operation of the Option Deed including but not limited to payment of the amount due under the Option Costs, the Vendor shall be responsible for making due and punctual payment of the Bank Loan Payments. In the event that the Property Company, the Purchaser or Agile World has settled any of such Bank Loan Payments, the Vendor, the Company and Mr. Pan shall, upon the request of Agile World, make full indemnification to them. Interest shall also accrue on any unpaid amount of the Bank Loan Payments at the rate of 30% per annum on a daily basis if the Property Company, the Purchaser or Agile World has settled any sum of the Bank Loan Payments.

## **The Option Exercise Price**

The Option Exercise Price amounts to HK\$2,500 million plus (i) the loans or amounts advanced by Agile World or the Purchaser to the Property Company for any fees and/or expenses in relation to the Development Project with the prior written consent of the Vendor; (ii) the amount paid by the Purchaser to the Banks to cover the difference between the new loan amount made available to the Property Company under the New Bank Loan and the existing principal amount of the Bank Loan; and (iii) any amounts owing by the Vendor, the Company or Mr. Pan under the Transaction Documents, and shall include any claims that Agile World may have against the Vendor, the Company, Mr. Pan or the Project Manager.

The Option Exercise Price is determined by reference to the Cash Payment made by the Purchaser to the Vendor under the Agreement, the loan to be provided by the Purchaser to the Property Company for the purpose of repayment of the Bank Loan as mentioned in the paragraph headed “Purchaser’s loan to the Property Company” in the section headed “The Agreement” above, and any other loans or advances that may be provided by Agile World or the Purchaser to the Property Company.

The Option Exercise Price and unpaid balance of the Option Costs (if any) shall be payable by the Vendor to Agile World in cash on the Option Completion Date.

### **Pre-conditions to exercise of the Call Option**

The exercise of the Call Option shall be conditional upon each of the following conditions having been satisfied in full subject to any manner as required by Agile World at its absolute discretion:

- (i) no events, facts or circumstances, which has constituted or may constitute any material breach or default on the part of the Vendor, the Company and Mr. Pan (as the Vendor’s guarantors) under the Agreement which has not been remedied or rectified to the reasonable satisfaction of the Purchaser within a period of 15 days (but in any event, prior to the expiry of the Call Option Period) after written notice of such breach shall have been served by the Purchaser on the Vendor and such breach remains subsisting as at the date of service of the Exercise Notice;
- (ii) no events, facts or circumstances, which has constituted or may constitute any material breach or default on the part of the Project Manager or Mr. Pan (as the Project Manager’s guarantor) under the PM Agreement which has not been remedied or rectified to the reasonable satisfaction of the Purchaser within a period of 15 days (but in any event, prior to the expiry of the Call Option Period) after written notice of such breach shall have been served by the Purchaser on the Company and such breach remains subsisting as at the date of service of the Exercise Notice;
- (iii) the Vendor and the Project Manager shall have made due and punctual payment of all the interests, costs and expenses in relation to the Development Project, the Bank Loan and the New Bank Loan (as the case may be), and, where applicable, on behalf of the Purchaser or Property Company (as the case may be), and, in the event that the Property Company, the Purchaser or Agile World having settled such amount and, upon the request of Agile World, the Vendor and the Project Manager shall have made full indemnification to the Property Company, the Purchaser or Agile World, as Agile World may direct;
- (iv) the Vendor, the Company and Mr. Pan shall have procured the release of the securities and guarantees provided by Agile World, the Purchaser, their shareholder(s) and/or ultimate shareholder(s) in relation to the Bank Loan and the New Bank Loan (or any part thereof) to the satisfaction of Agile World; and if the Banks or the lenders under the New Bank Loan shall require the discharge of the

securities, guarantees and/or mortgages as a condition of the change in ownership of the Purchaser, the Vendor, the Company and Mr. Pan shall have procured the discharge of such securities, guarantees and/or mortgages. Any fees, costs and expenses arising out of or in connection with the aforementioned consent and release by the Banks or the lenders of the New Bank Loan (including those incurred by Agile World) shall have been borne by the Vendor;

- (v) the Vendor shall have provided the original of a certificate signed by all of its directors dated as of the date of the relevant Exercise Notice certifying that all of the conditions for exercising the Call Option have been fulfilled;
- (vi) the relevant representations, warranties and undertakings given by the Vendor, the Company, Mr. Pan or the Project Manager under the Option Deed, the Agreement, the PM Agreement and the relevant construction contracts of the Project Manager shall have remained true, accurate and not misleading in all material respects at the date of the Option Deed as if repeated at the expiry of the Call Option Period and at all times between the date of the Option Deed and the relevant Option Completion Date;
- (vii) the Vendor, the Company, Mr. Pan and the Project Manager shall have (a) fully performed and complied with its obligations in all material respects under the Option Deed, the Agreement, the PM Agreement and the relevant construction contracts of the Project Manager to be performed on or before the Option Completion Date; and (b) made due and punctual payment of all the amounts payable under the Option Deed, the Agreement, the PM Agreement and the relevant construction contracts of the Project Manager;
- (viii) the Company shall have complied with all the necessary requirements under all laws (including the Listing Rules) applicable to the execution and performance of the Option Deed and any of the transactions contemplated thereunder;
- (ix) the Vendor, the Company and Mr. Pan shall have obtained all necessary approvals, consents, waivers, permissions or exemptions from government or regulatory authorities or third parties (including the Banks and other lenders (where applicable)) which are necessary in connection with the execution and performance of the Option Deed and any of the transactions contemplated thereunder and such approvals, consents, waivers, permissions or exemptions remaining in full force and effect as of the Option Completion Date;
- (x) no change, event or circumstance shall have occurred since the date of the Option Deed and at all times up to the Option Completion Date which has or may have a material adverse effect on the Property Company or the Vendor;
- (xi) no order shall have been made or petition presented or resolution passed for the winding up of the Vendor; none of the Agreement, the Option Deed, the PM Agreement, and the relevant construction contracts of the Project Manager or any

part thereof shall have been rescinded, repudiated, annulled, cancelled or otherwise ceased for any reason (including compulsion of law), or it has become impossible or unlawful for any of them to perform any of their respective obligations thereunder; and

- (xii) none of the securities and guarantees in relation to the Bank Loan and the New Bank Loan (or any part thereof), the Agreement, the Option Deed, the PM Agreement or the relevant construction contracts of the Project Manager shall have become, either entirely or partially, invalid, expired, terminated or otherwise become unenforceable or that any party has enforced or taken step to enforce any of such securities or guarantees.

If any of the pre-conditions to exercise the Call Option has not been satisfied or fulfilled during the Call Option Period and up to Option Completion, and which has not been remedied or rectified to the reasonable satisfaction of Agile World after 15 days (but in any event, prior to the day falling on the 365<sup>th</sup> day from the date of the Option Deed upon the occurrence of such non-compliance or non-fulfilment (as the case may be):

- (i) the Call Option shall immediately lapse;
- (ii) the Put Option shall become immediately exercisable; and
- (iii) Agile World shall have a sole and absolute discretion to decide either to exercise the Put Option or terminate the Option Deed.

#### **Acceleration of right to exercise the Put Option**

There are no pre-conditions to the exercise of the Put Option, but the right of Agile World to exercise the Put Option may be accelerated if at any time during the Call Option Period any of the following events or circumstances have occurred or arisen:

- (i) any events, facts or circumstances, which has constituted or may constitute any material breach or default on the part of the Vendor and the Company and Mr. Pan (as the Vendor's guarantors) under the Agreement which has not been remedied or rectified to the reasonable satisfaction of the Purchaser within a period of 15 days (but in any event prior to the expiry of the Call Option Period) after written notice of such breach shall have been served by the Purchaser on the Vendor and such breach remains subsisting as at the date of service of the Exercise Notice for the Put Option by Agile World;
- (ii) any events, facts or circumstances, which has constituted or may constitute any material breach or default on the part of the Vendor, the Company or Mr. Pan under the Option Deed which has not been remedied or rectified to the reasonable satisfaction of the Purchaser within a period of 15 days (but in any event prior to the

expiry of the Call Option Period) after written notice of such breach shall have been served by the Purchaser on the Vendor and such breach remains subsisting as at the date of service of the Exercise Notice for the Put Option by Agile World;

- (iii) any events, facts or circumstances, which has constituted or may constitute any material breach or default on the part of the Project Manager or Mr. Pan (as the Project Manager's guarantor) under the PM Agreement which has not been remedied or rectified to the reasonable satisfaction of the Purchaser within a period of 15 days (but in any event prior to the expiry of the Call Option Period) after written notice of such breach shall have been served by the Purchaser on the Company and such breach remains subsisting as at the date of service of the Exercise Notice for the Put Option by Agile World;
- (iv) any change, event or circumstance shall have occurred since the date of the Option Deed and at all times up to the Option Completion Date which has or may have a material adverse effect on the Property Company or the Vendor;
- (v) any distress, attachment, execution or other process is levied or enforced against the Vendor against all or any part of the property, assets or revenues (where applicable) of the Vendor and any event analogous to the aforesaid is threatened against the Vendor;
- (vi) any steps has been taken for the appointment of an administrator or receiver of any part of the Vendor's assets and the Vendor has made or proposed any arrangement or composition with its creditors or any class of its creditors and any event analogous to the aforesaid is threatened against the Vendor;
- (vii) any litigation, arbitration, administrative, governmental, regulatory or other investigations, proceedings or disputes are commenced or threatened in relation to the Option Deed, the Agreement, the PM Agreement and the relevant construction contracts of the Project Manager or the transactions contemplated therein or against the Vendor, the Company, Mr. Pan or its assets (as regards the Company and Mr. Pan, in relation to any such action which would affect the Property Company or the Property or the Company or Mr. Pan's ability to carry out their obligations under the Option Deed) which has or might be expected to have a material adverse effect;
- (viii) the Vendor (a) fails to pay all or any part of its debts as they fall due, (b) stops, suspends or threatens to stop or suspend payment of all or any part of its debts, (c) has proposed or made a general assignment or an arrangement or composition with or for the benefit of its/his creditors or any group or class thereof, (d) has ceased or threatened to cease to carry on all or any material part of the business carried on by it or him, and (e) has filed a petition for suspension of payments or other relief of debtors or for bankruptcy, liquidation or winding-up (as the case may be) or has declared bankrupt, liquidated or wound-up (as the case may be) or a moratorium is agreed or declared in respect of or affecting all or any part of its or his indebtedness;  
or

- (ix) any of the information (including but not limited to any liability of the Property Company or the Vendor or the Company) disclosed or provided by the Vendor, the Company or Mr. Pan was untrue or misleading in any material respect or deceptive.

### **Option Completion**

Option Completion shall take place on the date specified in the Exercise Notice, provided that the earliest time for Option Completion shall be not less than 30 days from the date of the relevant Exercise Notice.

### **THE PM AGREEMENT**

As one of the conditions precedent to the Disposal Completion, the Property Company, the Project Manager and Mr. Pan entered into the PM Agreement on 17 July 2020 in relation to the management of the Development Project. Details of the PM Agreement are set out below.

#### **Date**

17 July 2020

#### **Parties**

- (i) The Property Company;
- (ii) the Project Manager; and
- (iii) Mr. Pan (as the guarantor of the Project Manager).

The Project Manager is an indirect wholly-owned subsidiary of the Company established for the purpose of performing the role as the project manager for the Development Project to be undertaken on the Property as stipulated under the PM Agreement.

#### **Subject matter**

The Property Company has appointed the Project Manager as the sole and exclusive project manager of the Development Project and to manage, supervise and control the Development Project. The Project Manager shall provide and perform all services and duties required for the satisfactory completion of the Development Project with the skill, care and diligence reasonably expected of a properly qualified and competent project manager experienced in such services and duties for projects in Hong Kong comparable in purpose, size, scope and complexity to the Development Project.

### **Appointment period**

The appointment period shall commence on the date of the PM Agreement and expire on the date of expiry of the latest defects liability period under the main contract or the date of issuance of the certificate of practical completion or the date of the issuance of an occupation permit and/or a certificate of compliance, or the date of the handover of the Development Project, whichever shall be the later.

### **Costs and expenses**

The Project Manager shall be solely responsible for all costs and expenses in the provision or performance of the Project Manager's services and duties under the PM Agreement, and all payments due and payable under the relevant construction contracts, all claims commenced or brought in connection with the relevant construction contracts, and all costs and expenses in connection with the performance of the relevant construction contracts. Any amount received or receivables arising out of the relevant construction contracts, claims or the like shall belong to the Project Manager solely.

### **Termination**

The Property Company shall be entitled to terminate the PM Agreement forthwith if the Project Manager or Mr. Pan is unable to or fails to duly and punctually perform, or to observe, any of its obligations, or is otherwise in breach of any material obligation, under the PM Agreement or any of the relevant construction contracts and such breach is not remedied within seven Business Days from the date on which the Property Company has notified the Project Manager and Mr. Pan of such failure or breach in writing, or if an insolvency event occurs in respect of the Project Manager or Mr. Pan.

The PM Agreement shall be automatically terminated:

- (i) upon the exercise of the Call Option;
- (ii) upon the completion of the Put Option;
- (iii) if the Call Option or the Put Option shall have lapsed or deemed to have lapsed in accordance with its terms; or
- (iv) the Option Deed is terminated by any of the parties thereto in accordance with its terms.

### **INFORMATION OF THE PROPERTY COMPANY AND THE PROPERTY**

The Property Company was incorporated in Hong Kong with limited liability on 26 October 2018 and a wholly-owned subsidiary of the Vendor, which is in turn an indirect wholly-owned subsidiary of the Company, immediately before the Disposal Completion. It is principally engaged in property development and the principal asset of which is the Property.

The Property is the piece of land parcel known as New Kowloon Inland Lot No. 6591 situated at Kai Tak Area 4B Site 4, Kai Tak, Kowloon, which covers a total site area of approximately 9,708 sq. m. with minimum and maximum developable GFA of 32,037 sq. m. and 53,394 sq. m., respectively. It shall be developed for private residential use. As at the date of this announcement, foundation work has yet to be commenced.

Set out below are certain financial information of the Property Company extracted from its audited financial statements for the period from 26 October 2018 (date of incorporation) to 30 June 2019 and its unaudited financial statements for the year ended 30 June 2020 respectively:

	<b>For the period from 26 October 2018 (date of incorporation) to 30 June 2019 (Audited) <i>Approximately HK\$'000</i></b>	<b>For the year ended 30 June 2020 (Unaudited) <i>Approximately HK\$'000</i></b>
Loss before taxation	6,590	13,228
Loss after taxation	6,590	13,228

As at 30 June 2020, the unaudited net liabilities of the Property Company amounted to approximately HK\$20 million, after taking into account principally the Property Book Value of approximately HK\$9,287 million, the loans and amounts due to the Group of approximately HK\$5,697 million in aggregate and the outstanding principal amount of the Bank Loan of approximately HK\$3,563 million respectively. Having taken into account (i) the valuation of the Property as at 31 March 2020 of HK\$7,000 million as appraised by an independent valuer based on market approach; and (ii) completion of the Loan Restructuring pursuant to the Agreement, the Adjusted NAV of the Property Company as at 30 June 2020 would have been approximately HK\$3,390 million. The Cash Payment under the Agreement represents a discount of approximately 26.3% to the Adjusted NAV.

## **INFORMATION OF THE PURCHASER AND AGILE WORLD**

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, (i) the Purchaser is a company incorporated in the BVI on 8 June 2020 with limited liability and is a wholly-owned subsidiary of Agile World as at the date of this announcement; (ii) both the Purchaser and Agile World are principally engaged in

investment holding; (iii) the only material asset of the Purchaser is the Sale Shares as at the Disposal Completion; and (iv) Agile World, the Purchaser and their ultimate beneficial owner(s) are Independent Third Parties.

Pursuant to the Option Deed, Agile World has undertaken to the Vendor that it shall procure at all times after Disposal Completion and during the Option Period that each of the Purchaser and the Property Company not to, among other things, grant any financial or performance guarantee to any other persons or borrow any moneys or acceptance of credit facilities without prior consent of the Vendor, except that such matters are made in their ordinary and usual course of business.

## **FINANCIAL EFFECTS OF THE DISPOSAL AND THE POSSIBLE ACQUISITION**

Following the Disposal Completion, the Property Company will remain as a subsidiary of the Company so long as the Put Option has not been exercised and has not lapsed in accordance with the terms of Option Deed. It is acknowledged that the Cash Payment is at a discount of approximately HK\$890 million to the Adjusted NAV of the Property Company, however as the Option Exercise Price is also calculated with reference to the Cash Payment as more particularly described above, no gain or loss is expected to arise as a result of the Disposal Completion.

## **REASONS FOR AND BENEFITS OF THE DISPOSAL, THE POSSIBLE ACQUISITION AND THE PM AGREEMENT**

The Company is an investment holding company. The Group is principally engaged in (i) property development and investment; (ii) winery and wine related business; (iii) provision of factoring services; and (iv) financial investments.

The Directors consider the overall business environment in Hong Kong is experiencing increasing challenges, causing uncertainties and pressure to the Group's property development and investment business. The Group will receive fresh capital in the amount of HK\$2,500 million from the Disposal to enhance its financial flexibility to repay its other borrowings. The Option Deed provides a mechanism for the Group to repurchase the Property at a pre-agreed price equivalent to the sum of the Cash Payment, the Purchaser's loan to the Property Company and the Option Costs in a definite period. The PM Agreement, taken together with the Agreement and the Option Deed as a whole, enables the Group to maintain control over the development of the Property throughout the Option Period.

Based on the above, the Directors consider that the terms of the Agreement, the Option Deed and the PM Agreement are fair and reasonable, and the Disposal, the Possible Acquisition and the engagement of the Project Manager are in the interests of the Company and the Shareholders as a whole.

## LISTING RULES IMPLICATIONS

As (i) the highest applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Disposal exceeds 25% but all applicable percentage ratios are less than 75%; and (ii) the highest applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Possible Acquisition upon the exercise of the Call Option or the Put Option exceeds 25% but all applicable percentage ratios are less than 100%, each of the Disposal and the Possible Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement, circular and Shareholders' approval requirements.

Mr. Pan, an executive Director and the Chairman of the Board, as well as the controlling shareholder of the Company, is one of the Vendor's guarantors under the Agreement and the Option Deed and the Project Manager's guarantor under the PM Agreement to guarantee the due and punctual performance of the obligations including relevant payment obligations of the Vendor and the Project Manager under the relevant agreements. Since the aforesaid guarantees are provided on normal commercial terms or better to the Group and not secured by any assets of the Group, the guarantees provided by Mr. Pan to the Group constitute a fully-exempt connected transaction under Chapter 14A of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder has a material interest in the Disposal and the Possible Acquisition and accordingly no Shareholder is required to abstain from voting if the Company were to convene a general meeting for approving the resolutions in respect of the Agreement and the Option Deed and the transactions contemplated thereunder respectively. As at the date of this announcement, Mr. Pan personally held 239,063,000 Shares and his Controlled Companies, namely Clear Jade International Limited, Goldin Equities Limited and Goldin Global Holdings Limited, held 44,316,000 Shares, 187,213,998 Shares and 4,483,291,636 Shares respectively. The written approval from Mr. Pan and his Controlled Companies (being a closely allied group of Shareholders holding 4,953,884,634 Shares in aggregate (representing approximately 70.86% of the issued share capital of the Company as at the date of this announcement)) has been obtained in respect of the Agreement and the Option Deed and the transactions contemplated thereunder and such written approval is accepted in lieu of holding a general meeting pursuant to Rule 14.44 of the Listing Rules.

A circular containing, among other things, (i) details of the Agreement, the Option Deed and the PM Agreement; (ii) the financial information of the Group; (iii) the financial information of the Purchaser and the Property Company; (iv) the valuation report on the Property; and (v) the unaudited pro forma financial information of the Group assuming the Option Completion has taken place is required to be despatched to the Shareholders within 15 business days after the date of this announcement in accordance with Rule 14.41(a) of the Listing Rules. As additional time is needed for the Company to compile

the information required for the circular, an application will be made by the Company to the Stock Exchange for a waiver from strict compliance with Rule 14.41(a) of the Listing Rules and extending the deadline for the despatch of the circular to 31 August 2020.

**As the Option Completion is subject to fulfilment of certain conditions contained in the Option Deed, the Possible Acquisition may or may not proceed. Shareholders and/or potential investors of the Company are advised to exercise caution in dealing in the securities of the Company.**

## **RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 17 July 2020 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 24 July 2020.

## **DEFINITIONS**

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

“Agile World”	Agile World Limited, a company incorporated in the BVI with limited liability and the holding company of the Purchaser
“Agreement”	the conditional sale and purchase agreement dated 17 July 2020 (as amended and supplemented by two supplemental agreements dated 17 July 2020) entered into among the Purchaser, the Vendor, the Company and Mr. Pan in relation to the Disposal
“Bank Loan”	the term loan facility of up to HK\$3,567 million made available to the Property Company by the Banks pursuant to a facility agreement (as amended and supplemented) and where the context shall so require, the outstanding amount of the principal sum and any interest accrued thereon
“Bank Loan Payments”	all principal, interests, costs, fees and expenses arising out of or in connection with the Bank Loan and the New Bank Loan or otherwise payable by the Property Company during the Option Period
“Banks”	the banks providing the Bank Loan or the New Bank Loan
“Board”	the board of Directors
“Business Day(s)”	a day(s) (excluding Saturday, Sunday or public holiday) on which licensed banks generally are open in Hong Kong for the transaction of general banking business

“BVI”	the British Virgin Islands
“Call Option”	the option exercisable by the Vendor to require Agile World to sell the Purchaser Shares pursuant to the terms and conditions of the Option Deed
“Call Option Period”	the period commencing on the date of the Option Deed and ending on the 365 <sup>th</sup> day from the date of the Option Deed (which may be extended for 30 days pursuant to the terms of the Option Deed as described in this announcement)
“Company”	Goldin Financial Holdings Limited, an exempted company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 530)
“Controlled Companies”	Clear Jade International Limited, Goldin Equities Limited and Goldin Global Holdings Limited, all controlled corporate entities beneficially and wholly owned by Mr. Pan that held an aggregate of 4,714,821,634 Shares as at the date of this announcement
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Development Project”	the development project to be undertaken at the Property
“Director(s)”	director(s) of the Company
“Disposal”	the disposal of the Sale Shares by the Vendor to the Purchaser pursuant to the Agreement
“Disposal Completion”	completion of the Disposal pursuant to the terms and conditions of the Agreement
“Disposal Completion Date”	the date on which Disposal Completion takes place
“Exercise Notice”	the notice to exercise the Call Option or the Put Option to be served by the Vendor or Agile World (as the case may be)
“Gold Flair” or “Vendor”	Gold Flair Holdings Limited, a company incorporated in the BVI with limited liability and an indirect wholly-owned subsidiary of the Company

“Golden Sphere”	Golden Sphere Developments Limited, a company incorporated in the BVI with limited liability and an indirect wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“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
“Independent Third Parties”	third parties independent of the Company and its connected persons (as defined in the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Restructuring”	the capitalisation of all loans and debts owed by the Property Company to the Company, the Vendor and another member of the Group before signing of the Agreement
“May Agreement”	the conditional agreement dated 10 May 2020 entered into among Golden Sphere (as vendor) and the May Agreement Purchaser (as purchaser) in relation to the sale and purchase of the entire issued share capital of and shareholder’s loan owed by Gold Flair
“May Agreement Purchaser”	Top Family Group Limited, a company incorporated in the BVI with limited liability
“Mr. Pan”	Mr. Pan Sutong, the Chairman of the Board, an executive Director and the controlling shareholder of the Company
“New Bank Loan”	any new term loan facility or financing made available to the Property Company by the Banks or other lenders before Option Completion or the lapse of the Call Option and the Put Option
“Options”	together, the Call Option and the Put Option
“Option Completion”	completion of the sale and purchase of the Purchaser Shares pursuant to the exercise of the Call Option or the Put Option (as the case may be)
“Option Completion Date”	the date on which Option Completion takes place

“Option Costs”	the costs payable by the Vendor to Agile World for the grant of the Call Option
“Option Deed”	the deed of option dated 17 July 2020 executed among Agile World, the Vendor, the Company and Mr. Pan in relation to the grant of the Options
“Option Exercise Price”	the price payable by the Vendor to Agile World for all the Purchaser Shares upon exercise of the Call Option or the Put Option (as the case may be)
“Option Period”	the Call Option Period and the Put Option Period
“PM Agreement”	the project management agreement dated 17 July 2020 entered into among the Property Company, the Project Manager and Mr. Pan in relation to the development of the Property
“Possible Acquisition”	the possible acquisition of the Purchaser Shares by the Vendor from Agile World pursuant to the exercise of the Call Option or the Put Option (as the case may be)
“Project Manager”	Starry Horizon Global Limited, a company incorporated in the BVI with limited liability and an indirect wholly-owned subsidiary of the Company
“Property”	the piece of land parcel known as New Kowloon Inland Lot No. 6591 situated at Kai Tak Area 4B Site 4, Kai Tak, Kowloon and where the context permits or requires, includes the building and the development to be erected thereon
“Property Company”	Rich Fast International Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company immediately prior to Disposal Completion
“Purchaser”	Sino Shield Limited, a company incorporated in the BVI with limited liability
“Purchaser Shares”	100 ordinary shares of the Purchaser, representing all the issued shares of the Purchaser held by Agile World
“Put Option”	the option exercisable by Agile World to require the Vendor to purchase the Purchaser Shares upon the terms and conditions of the Option Deed

“Put Option Period”	subject to certain acceleration provisions, the period commencing on the next day of the expiry of the Call Option Period and ending on the 90 <sup>th</sup> day thereafter
“Sale Shares”	two ordinary shares in the capital of the Property Company, representing all the issued shares of the Property Company
“Share Charge”	the charge of the Sale Shares by the Vendor in favour of the Banks
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transaction Documents”	collectively, the Agreement, the Option Deed, the PM Agreement and any other documents executed by the Vendor, the Company or Mr. Pan pursuant to the terms of the Agreement
“sq. m.”	square metre(s)
“%”	per cent.

By order of the Board  
**Goldin Financial Holdings Limited**  
 高銀金融(集團)有限公司\*  
**Hui Wai Man, Shirley**  
*Executive Director*

Hong Kong, 23 July 2020

*As at the date of this announcement, the Board comprises Mr. Pan Sutong, JP (Chairman), Mr. Zhou Xiaojun, Mr. Huang Rui and Ms. Hui Wai Man, Shirley as the executive Directors; Mr. Ma Lai Chee, Gerald (Vice Chairman) as the non-executive Director; and Hon. Shek Lai Him Abraham (GBS, JP), Mr. Wong Wai Leung Joseph, Mr. Tang Yiu Wing and Ms. Gao Min as the independent non-executive Directors respectively.*

\* *for identification purposes only*