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國美金融科技有限公司
Gome Finance Technology Co., Ltd.

(Incorporated in Bermuda with limited liability)

(Stock Code: 628)

CONNECTED TRANSACTION
ASSIGNMENT OF FACTORING LOANS

On 25 October 2019, GOME Xinda, a wholly-owned subsidiary of the Company, entered into the Re-Factoring Agreement with Qianhai Zhongrong, pursuant to which GOME Xinda has agreed to assign and transfer, and Qianhai Zhongrong has agreed to accept the assignment and transfer of, GOME Xinda's rights and obligations under the Original Factoring Agreements in respect of the Factoring Loans which was advanced by GOME Xinda to the Borrower subject to the transfer of the Receivables by the Borrower. The total consideration for the Assignment is RMB6.136 million (equivalent to approximately HK\$6.811 million), representing the total outstanding principal amount plus accrued interest of the Factoring Loans up to the date of Assignment.

Qianhai Zhongrong is ultimately wholly-owned by Mr. Wong, the spouse of Ms. Du who is the controlling shareholder of the Company holding approximately 61.20% shareholding interest in the Company as at the date of this announcement. Accordingly, Qianhai Zhongrong is a connected person of the Company under the Listing Rules and the Assignment constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Assignment exceeds 0.1% and all of the applicable percentage ratios are less than 5%, the Assignment is subject to the reporting and announcement requirements but is exempted from the independent Shareholders' approval and circular requirements under Chapter 14A of the Listing Rules.

RE-FACTORIZING AGREEMENT

The principal terms of the Re-Factoring Agreement are as follows:

Date

25 October 2019

Parties

Assignor: GOME Xinda

Assignee: Qianhai Zhongrong

Assets to be assigned

Pursuant to the Re-Factoring Agreement, GOME Xinda has agreed to assign and transfer, and Qianhai Zhongrong has agreed to accept the assignment and transfer of, the rights of GOME Xinda under the Original Factoring Agreements in respect of the Factoring Loans and the Receivables.

The Factoring Loans were advanced by GOME Xinda to the Borrower under the Original Factoring Agreements subject to the transfer of the Receivables and have a maturity date falling on 31 October 2019.

Consideration

The consideration of the Assignment is RMB6.136 million, comprising (i) the outstanding principal amount of the Factoring Loans of RMB 6 million and (ii) the accrued interest of the Factoring Loans up to the completion of the Assignment. The consideration is payable by Qianhai Zhongrong to GOME Xinda immediately prior to the Assignment taking effect.

The consideration of the Assignment was determined after arm's length negotiation and with reference to, among others, the amounts outstanding and receivable by GOME Xinda under the Original Factoring Agreements.

Completion

The Assignment will take effect immediately after GOME Xinda's receipt of the consideration pursuant to the Re-Factoring Agreement.

No gain or loss is expected to arise from the Assignment as the Factoring Loans and interest accrued thereon are treated as if they had been repaid in full at par. The proceeds from the Assignment will be used for the general working capital purposes of the Group.

REASONS AND BENEFITS OF THE ASSIGNMENT

As at the date of this announcement, the Group recorded loan receivables in the amount of RMB6.136 million (equivalent to approximately HK\$6.811 million). The Assignment would eliminate the Group's inherent risk of non-recoverability associated with such amounts and enable the Group to save time and resources that will otherwise be utilized for recovering and collecting such amount.

The Directors consider that the Assignment is in the best interests of the Company as it eliminates potential risk of non-recoverability of such amounts.

The Directors (including the independent non-executive Directors) consider that the Re-Factoring Agreement is entered into in the ordinary course of business of the Group and the terms of the Re-Factoring Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

To the best knowledge of the Directors, none of the Directors has a material interest in the transactions contemplated under the Re-Factoring Agreement. Accordingly, no Director is required to abstain from voting on the relevant Board resolution approving the Re-Factoring Agreement and the transaction contemplated thereunder.

INFORMATION ON THE PARTIES INVOLVED

GOME Xinda is a company established in the PRC with limited liability and is a wholly-owned subsidiary of the Company. It is principally engaged in the commercial factoring business in the PRC.

Qianhai Zhongrong is a company established in the PRC with limited liability. To the best of the Director's knowledge, information and belief having made all reasonable enquiries, (i) Qianhai Zhongrong is ultimately wholly-owned by Mr. Wong, the spouse of Ms. Du who is a controlling shareholder of the Company; and (ii) Qianhai Zhongrong is principally engaged in commercial factoring business and related ancillary services in the PRC.

The Borrower is a company established in the PRC with limited liability. To the best of the Director's knowledge, information and belief having made all reasonable enquiries, (i) the Borrower is principally engaged in technology development and provision of technical services in the PRC; and (ii) save that the Borrower is a supplier of the GOME Group, the Borrower and its ultimate beneficial owners are third parties independent of and not connected with the Company and the connected persons of the Company.

LISTING RULES IMPLICATIONS

Qianhai Zhongrong is ultimately wholly-owned by Mr. Wong, the spouse of Ms. Du who is the controlling shareholder of the Company holding approximately 61.20% shareholding interest in the Company as at the date of this announcement. Accordingly, Qianhai Zhongrong is a connected person of the Company and the Assignment constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Assignment exceeds 0.1% and all of the applicable percentage ratios are less than 5%, the Assignment is subject to the reporting and announcement requirements but is exempted from the independent Shareholders' approval and circular requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

Unless the context otherwise requires, capitalized terms used in this announcement shall have the following meanings:

“Assignment”	assignment and transfer of GOME Xinda’s rights and obligations in respect of the Factoring Loans and the Receivables under the Original Factoring Agreements
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Borrower”	Beijing Sochen Technology Co., Ltd.* (北京索辰科技有限公司), a company established in the PRC with limited liability
“Company”	Gome Finance Technology Co., Ltd., a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 628)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“GOME”	GOME Retail Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 493)

“GOME Group”	GOME and its subsidiaries
“GOME Xinda”	Gome Xinda Commercial Factoring Co., Ltd.* (國美信達商業保理有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Factoring Loans”	commercial factoring loans with total principal amount of RMB6 million in aggregate advanced by GOME Xinda to the Borrower pursuant to the terms and conditions of the Original Factoring Agreements
“Mr. Wong”	Mr. Wong Kwong Yu (黃光裕先生), the spouse of Ms. Du
“Ms. Du”	Ms. Du Juan (杜鵑女士), a controlling shareholder of the Company holding approximately 61.20% interest in the issued share capital of the Company as at the date of this announcement
“Original Factoring Agreements”	the factoring agreements entered into between GOME Xinda and the Borrower dated 2 August 2019 and 26 August 2019 respectively in respect of the provision of the Factoring Loans subject to the transfer of the Receivables
“PRC”	the People’s Republic of China
“Qianhai Zhongrong”	Qianhai Zhongrong International Commercial Factoring (Shenzhen) Co., Ltd* (前海中融國際商業保理(深圳)有限公司), a company established in the PRC with limited liability and is ultimately owned as to 82.59% by Mr. Wong

“Re-Factoring Agreement”	the agreement entered into between GOME Xinda and Qianhai Zhongrong dated 25 October 2019 in relation to the Assignment
“RMB”	Renminbi, the lawful currency of the PRC
“Receivables”	the trade receivables of the Borrower
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

For the purpose of this announcement, unless otherwise indicated, the exchange rate of RMB1.00=HK\$1.11 have been used for currency translation, where applicable. Such exchange rate is for the purpose of illustration only and does not constitute a representation that any amounts in RMB or HK\$ have been, could have been or may be converted at such or any other rates or at all.

By order of the Board
Gome Finance Technology Co., Ltd.
Chen Wei
Executive Director

Hong Kong, 25 October 2019

As at the date of this announcement, the Company’s executive Directors are Ms. Chen Wei and Mr. Chung Tat Fun; the non-executive Director is Ms. Wei Qiuli; and the independent non-executive Directors are Mr. Cao Dakuan, Mr. Hung Ka Hai Clement, Mr. Wan Jianhua and Mr. Zhang Liqing.

* *for identification purpose only*