

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

GOLDEN FAITH GROUP HOLDINGS LIMITED

高豐集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2863)

INSIDE INFORMATION

This announcement is made by Golden Faith Group Holdings Limited (the “**Company**” together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company wishes to inform its shareholders (the “**Shareholders**”) and potential investors that (i) the Group has been involved in the M+ Museum construction project (the “**M+ Construction Project**”) in the West Kowloon Cultural District in Hong Kong as one of the sub-contractors to a company which, to the information available to the Company, is a subsidiary of Hsin Chong Construction Company Limited (the “**HCC**”), whose parent company is Hsin Chong Group Holdings Limited (stock code: 00404) (the “**HCG**” and collectively with its subsidiaries, the “**HCA Group**”). The Group provides electrical works services as a subcontractor to HCA Group for the construction of the M+ Museum; (ii) the HCA Group is one of the major customers of the Group; and (iii) the M+ Construction Project is one of the key projects of the Group for the two financial years ending 30 September 2019.

The West Kowloon Cultural District Authority (the “**Authority**”) has announced that it has terminated the employment under the contract for the M+ Construction Project with HCC (the “**Termination**”). Reference are made to (i) the press releases published by the Authority on 17 August 2018, 19 August 2018, 21 August 2018 and 22 August 2018 respectively; and (ii) the press release and the announcement published by HCG on 18 August 2018 and 21 August 2018 respectively. As far as the subcontract (the “**Subcontract**”) entered into by the Group with a subsidiary of the HCA Group in relation to the M+ Construction Project is concerned, the Board considers such Subcontract to be validly subsisting as at the date of this announcement. The Group has continued to engage in offsite activities in relation to the M+ Construction Project, such as manufacturing and drawing preparation.

Based on the current information available to the Board, should the Termination be concluded and that the Subcontract be validly terminated, the recoverability of the trade and retention receivables of the Group may be adversely affected and that as a result, the Group is likely to record a decrease in revenue and profit and total comprehensive income for the year ending 30 September 2018. The Authority has announced certain measures in its press release of 17 August 2018, including (i) it has initiated discussion with subcontractors for the M+ Construction Project; (ii) it intends to use its best endeavours to secure all the current subcontractors for the M+ Construction Project by way of novation; (iii) it will urgently carry out a restricted tender to secure a management contractor to take over the M+ Construction Project and to see it through to completion. The Authority anticipates that it will take about six to eight weeks from 17 August 2018 to make the aforesaid arrangements. After realization of these arrangements and depends on details of the relevant terms, the interests of the Group under the M+ Construction Project may be adequately protected. As such, the Board considers that the financial position of the Group may or may not be affected by conclusion of the Termination.

The Directors will continue to (i) liaise with the Authority about the subsequent subcontracting arrangement of the remaining M+ construction works with a view to secure the Group's interest in the M+ Construction Project; (ii) closely monitor the recoverability of the trade and retention receivables of the Group in relation to the M+ Construction Project, the development of the Termination and the progress of the M+ Construction Project; (iii) pay attention to the latest financial affairs of a subsidiary of the HCA Group; and (iv) take appropriate follow up actions to safeguard the interest of the Company and the Shareholders. The Company will issue further announcement(s) as and when appropriate.

The information contained in this announcement is based solely on the preliminary assessment by the Board with reference to the information currently available. Shareholders and prospective investors of the shares of the Company (the "Shares") are advised to exercise caution when dealing in the Shares.

By order of the Board
Golden Faith Group Holdings Limited
Yung On Wah
Chairman

Hong Kong, 23 August 2018

As at the date of this announcement the executive Directors are Mr. Yung On Wah, Mr. Li Kar Fai, Peter and Mr. Pu Li Wei; and the independent non-executive Directors are Mr. Chan Cho Chak, Mr. Chan Wing Fai, Ir. Yan Wai Yan and Mr. Yeung Wai Lung.