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## **GOLDBOND GROUP HOLDINGS LIMITED**

**金榜集團控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock code: 00172)**

### **DISCLOSEABLE TRANSACTION OF A FINANCE LEASE ARRANGEMENT**

The Board is pleased to announce that, on 7 January 2013 (after trading hours), RZ Leasing, being a subsidiary of the Company and owned as to approximately 50.055% by the Company, entered into the Finance Lease Arrangement with the Lessee, being an independent third party, pursuant to which RZ Leasing has agreed to purchase the Equipment from the Lessee at a consideration of approximately RMB20.0 million (equivalent to approximately HK\$24.7 million) and to lease back the Equipment to the Lessee for a term of 36 months with a total future lease payments of approximately RMB24.8 million (equivalent to approximately HK\$30.6 million), inclusive of interest and other fees.

As the Finance Lease Arrangement and the Other Finance Lease Arrangement were entered into within a 12-month period prior to and inclusive of the date of the Finance Lease Contract, all these Leases are aggregated as a series of transactions as if they were one transaction of the Group pursuant to Rule 14.22 of the Listing Rules. Since the relevant Percentage Ratios in respect of the aggregated Leases are more than 5% but less than 25%, the entering into of the Finance Lease Arrangement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, each of the Lessee, the associate and the affiliated company of the Lessee is a third party independent of the Company and its connected persons.

### **FINANCE LEASE ARRANGEMENT**

On 7 January 2013, RZ Leasing, being a subsidiary of the Company and owned as to approximately 50.055% by the Company, entered into the Finance Lease Arrangement with the Lessee, being an independent third party, pursuant to which RZ Leasing has agreed to purchase the Equipment from the Lessee at a consideration of approximately RMB20.0 million (equivalent to approximately HK\$24.7 million) and to lease back the Equipment to the Lessee for a term of 36 months with a total future lease payments of approximately RMB24.8 million (equivalent to approximately HK\$30.6 million), inclusive of interest and other fees. The Finance Lease Arrangement is governed by a Finance Lease Contract with details as set out below:

## **FINANCE LEASE CONTRACT**

### **Date of contract**

7 January 2013

### **Parties**

Lessor: RZ Leasing; and

Lessee: the Lessee.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the Lessee and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

### **Lease period**

Three years from the date on which the initial settlement of the consideration of the Equipment is made pursuant to the Finance Lease Contract.

### **Security deposit**

The security deposit of approximately RMB4.0 million (equivalent to approximately HK\$4.9 million) will be paid by the Lessee to RZ Leasing on or before the date on which the initial settlement of the consideration of the Equipment is made pursuant to the Finance Lease Contract. This security deposit bears no interest and will be used as payment for part of the final lease payment to set off against the residual principal amount.

### **Lease payments**

The aggregate lease payments payable in thirty-six monthly installments by the Lessee to RZ Leasing over the lease period is approximately RMB24.8 million (equivalent to approximately HK\$30.6 million), which includes a total interest of approximately RMB2.8 million (equivalent to approximately HK\$3.5 million), calculated at the PBOC Rate of compatible maturity period plus a premium and subject to adjustment with reference to the change of the PBOC Rate during the lease period, and a total fixed fee of approximately RMB2.0 million (equivalent to approximately HK\$2.4 million). The amount of finance lease receivable recognized by RZ Leasing on inception date will be approximately RMB20.0 million (equivalent to approximately HK\$24.7 million) in accordance with the relevant accounting standards.

The lease payments were determined after arm's length negotiations between the Lessee and RZ Leasing with reference to, among others, the principal of the lease and the prevailing market practice.

### **Equipment ownership**

During the lease period, the ownership of the Equipment vests in RZ Leasing. Subject to the Lessee having duly and fully performed all its obligations under the Finance Lease Contract, RZ Leasing will transfer the ownership of the Equipment to the Lessee at nil consideration upon the expiry of the Finance Lease Contract.

## Guarantees

The Other Lessee, its affiliated company, the Controlling Shareholder and two of its shareholders have provided guarantees in favour of RZ Leasing to secure due payment of the lease payments by the Lessee to RZ Leasing in accordance with the terms of the Finance Lease Contract.

## OTHER FINANCE LEASE ARRANGEMENT

The following table summarizes the brief information in relation to the Other Finance Lease Arrangement entered into between RZ Leasing as lessor and the Other Lessee as lessee within a 12-month period prior to and inclusive of the date of the Finance Lease Contract:

Date	High purity ferrosilicon production equipment	Lease period (months)	Total lease payments (inclusive of interest and other fees) (RMB'000)	Total interest and fees (RMB'000)	Finance leases receivable recognized on inception date (RMB'000)	Guaranteed by
17 December 2012	143 sets	36	29,943 (Note 1)	4,943	25,000	The Lessee, its affiliated company, the Controlling Shareholder and two of its shareholders

### Notes:

- (1) The total lease payments were determined after arm's length negotiations between the Other Lessee and RZ Leasing with reference to, among others, the principal of the lease and the prevailing market practice.
- (2) To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the Other Lessee and its respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

## REASONS FOR, AND BENEFITS OF, THE TRANSACTIONS

The Company is an investment holding company and its subsidiaries are principally engaged in the provision of financial leasing and financing services.

The Directors consider that the entering into of the Finance Lease Arrangement is in the ordinary and usual course of business of RZ Leasing and that will generate revenue and profit to the Group over the lease period. Since the Finance Lease Contract was entered into under normal commercial terms, the Directors are of the view that the terms of the Finance Lease Arrangement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

As the Finance Lease Arrangement and the Other Finance Lease Arrangement were entered into within a 12-month period prior to and inclusive of the date of the Finance Lease Contract, all these Leases are aggregated as a series of transactions with an aggregate finance lease receivable of approximately RMB45.0 million (equivalent to approximately HK\$55.6 million) as if they were one transaction of the Group pursuant to Rule 14.22 of the Listing Rules. Since the relevant Percentage Ratios in respect of the aggregate Leases are more than 5% but less than 25%, the entering into of the Finance Lease Arrangement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

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

“affiliated company(ies)”	the affiliated company(ies) as defined under Rule 13.11(2)(a) of the Listing Rules
“associate(s)”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Goldbond Group Holdings Limited, a limited liability company incorporated in Hong Kong with its issued shares listed on the Main Board of the Stock Exchange
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Controlling Shareholder”	a limited liability company established in the PRC with principal business in investment holding, a third party independent of the Company and its connected persons and a company holding more than 30% interest in each of the Lessee and the Other Lessee
“Director(s)”	director(s) of the Company
“Equipment”	the 292 sets of various apparel manufacturing equipment
“Finance Lease Arrangement”	the finance lease arrangement under which RZ Leasing will purchase the Equipment from the Lessee and then lease it back to the Lessee
“Finance Lease Contract”	the finance lease contract dated 7 January 2013 and entered into between RZ Leasing and the Lessee
“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

“Leases”	all lease arrangements carried out pursuant to the terms and conditions as stipulated in the Finance Lease Contract and the Other Finance Lease Contract
“Lessee”	a limited liability company established in the PRC with principal business in manufacturing and trading of apparel, accessories and related textile products, and a third party independent of the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Other Finance Lease Arrangement”	the finance lease arrangement made within a 12-month period prior to and inclusive of the date of the Finance Lease Contract between RZ Leasing and the associate of the Lessee pursuant to the terms and conditions as stipulated in the Other Finance Lease Contract
“Other Finance Lease Contract”	the finance lease contract entered into under the Other Finance Lease Arrangement between RZ Leasing and the associate of the Lessee with the brief details as set out in the section headed “Other Finance Lease Arrangement”
“Other Lessee”	a limited liability company established in the PRC with principal business in manufacturing and trading of silicon products and high purity ferrosilicon, an affiliated company of the Lessee and a third party independent of the Company and its connected persons
“PBOC Rate”	the benchmark interest rate promulgated by the People’s Bank of China for RMB loans
“Percentage Ratio(s)”	the percentage ratio(s) as set out in Rule 14.07 of the Listing Rules to be applied for determining the classification of a transaction
“PRC”	the People’s Republic of China which, for the purposes of this announcement, excludes Hong Kong, Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“RZ Leasing”	Rongzhong International Financial Leasing Co. Ltd. (融眾國際融資租賃有限公司), a limited liability company incorporated in the PRC and owned as to approximately 50.055% by the Company
“Shareholder(s)”	the holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

*Unless otherwise defined, for the purpose of this announcement and for the purpose of illustration only, HK\$ amounts have been translated using the following rates:*

*RMB1:HK\$1.2346*

*Such translations should not be construed as a representation that the amounts in question have been, could have been or could be converted at any particular rate at all.*

**By order of the Board**  
**Goldbond Group Holdings Limited**  
**Kelly Li**  
*Company Secretary*

Hong Kong, 7 January 2013

*As at the date of this announcement, the Board comprises Mr. Wang Jun, Mr. Wong Yu Lung, Charles, Mr. Ding Chung Keung, Ms. Wong, Michelle Yatyee and Mr. Melvin Jitsumi Shiraki (all being executive Directors), Mr. Ma Ho Fai SBS JP, Mr. Cheng Yuk Wo and Mr. Ng Chi Keung MH (all being independent non-executive Directors).*