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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: FINANCE LEASE ARRANGEMENT**

The Board is pleased to announce that, on 25 February 2013 (after trading hours), RZ Leasing entered into the Finance Lease Arrangement with the Lessee, pursuant to which RZ Leasing has agreed to purchase the Equipment from the Lessee at a contract amount of approximately RMB200.0 million (equivalent to approximately HK\$246.9 million) and to lease back the Equipment to the Lessee for a term of 36 months with a total future lease payments of approximately RMB230.7 million (equivalent to approximately HK\$284.8 million), inclusive of interest. The agreed security deposit is approximately RMB70.0 million (equivalent to approximately HK\$86.4 million). In accordance with the relevant accounting standards, the amount of finance lease receivable recognized by RZ Leasing on inception date will be approximately RMB130.0 million (equivalent to approximately HK\$160.5 million).

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.

The Finance Lease Arrangement constitutes a discloseable transaction for the Company under the Listing Rules and is subject to the notification and announcement requirements set out in Rule 14.33 of the Listing Rules.

### **FINANCE LEASE ARRANGEMENT**

On 25 February 2013, RZ Leasing entered into the Finance Lease Arrangement with the Lessee, pursuant to which RZ Leasing has agreed to purchase the Equipment from the Lessee at a contract amount of approximately RMB200.0 million (equivalent to approximately HK\$246.9 million) and to lease back the Equipment to the Lessee for a term of 36 months with a total future lease payments of approximately RMB230.7 million (equivalent to approximately HK\$284.8 million), inclusive of interest. The Finance Lease Arrangement is governed by a Finance Lease Contract with details as set out below:

## **FINANCE LEASE CONTRACT**

### **Date of contract**

25 February 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 contract amount is made pursuant to the Finance Lease Contract.

### **Security deposit**

The security deposit of approximately RMB70.0 million (equivalent to approximately HK\$86.4 million) will be offset against part of the contract amount. This security deposit bears no interest and will be applied to make up part of the total future lease payments of approximately RMB230.7 million (equivalent to approximately HK\$284.8 million) during the lease period.

### **Lease payments**

The aggregate lease payments payable in twelve quarterly installments by the Lessee to RZ Leasing over the lease period is approximately RMB230.7 million (equivalent to approximately HK\$284.8 million), which includes a total interest of approximately RMB30.7 million (equivalent to approximately HK\$37.9 million), calculated at the PBOC Rate of compatible maturity period plus a premium. In accordance with the relevant accounting standards, the amount of finance lease receivable recognized by RZ Leasing on inception date will be approximately RMB130.0 million (equivalent to approximately HK\$160.5 million).

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 Beneficial Owners and Corporate Guarantor 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.

## **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.

The Finance Lease Arrangement constitutes a discloseable transaction for the Company under the Listing Rules and is subject to the notification and announcement requirements set out in Rule 14.33 of the Listing Rules.

## **DEFINITIONS**

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

|                             |   |
|-----------------------------|---|
| “Beneficial Owners”         | two individuals together holding 100% interest of the Lessee and each being a third party independent of the Company and its connected persons  |
| “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   |
| “Corporate Guarantor”       | a limited liability company established in the PRC with principal business in manufacturing of special steel, mold and special steel production equipment, wholly owned by the Beneficial Owners and a third party independent of the Company and its connected persons |
| “Director(s)”               | director(s) of the Company  |
| “Equipment”                 | the 7 sets of various production equipment of reduction furnace   |
| “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 25 February 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   |
| “Lessee”                 | a limited liability company established in the PRC with principal business in manufacturing of special steel, mold and special steel production equipment, 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   |
| “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, 25 February 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).*