
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Goldbond Group Holdings Limited** (the “Company”), you should at once hand this circular with the accompanying form of proxy to the purchaser or transferee or to the licensed securities dealer, the bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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This circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company.

**GOLDBOND GROUP HOLDINGS LIMITED****金榜集團控股有限公司***(Incorporated in Hong Kong with limited liability)***(Stock code: 172)****VERY SUBSTANTIAL DISPOSAL AND
CONNECTED TRANSACTIONS INVOLVING
INTRODUCTION OF AN INVESTOR
TO RZ GROUP AND RZ CAPITAL***Financial Adviser to the Company**Independent Financial Adviser to
the Independent Board Committee and the Independent Shareholders***CIMB Securities (HK) Limited**

A letter from the Board is set out on pages 10 to 40 of this circular and a letter from the Independent Board Committee is set out on pages 41 to 42 of this circular. A letter from CIMB, the independent financial adviser to the Independent Board Committee and the Independent Shareholders, containing its advice to the Independent Board Committee and the Independent Shareholders in respect of the Introduction (other than the Xie's S&P) and the transactions contemplated thereunder is set out on pages 43 to 74 of this circular.

A notice convening the EGM to be held at JW Marriott Ballroom, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Wednesday, 12 October 2011 at 10:00 a.m. is set out on pages EGM-1 to EGM-5 of this circular. Whether or not you are able to attend the EGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as possible and in any event not less than 24 hours before the time appointed for holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

23 September 2011

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meaning:

“Additional Subscription”	the subscription of the additional RZ Group Shares by Perfect Honour, Yonghua, Legend Crown and Plenty Boom at an aggregate subscription price of HK\$444 million in the Relevant Proportion prior to the Proposed IPO of the RZ Group Companies pursuant to the RZ Group Shareholders’ Agreement
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Bank”	a licensed bank under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) which is an Independent Third Party
“Board”	the board of Directors
“Business Day”	any day other than a Saturday, Sunday or public holiday on which banks are generally open for business in Hong Kong throughout their normal business hours
“BVI”	the British Virgin Islands
“CIMB”	CIMB Securities (HK) Limited, a licensed corporation to carry out type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities under the SFO and being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the Introduction (other than the Xie’s S&P) and the transactions contemplated thereunder, and the provision of the Corporate Guarantee by the Company upon the Transaction Documents Completion
“Company”	Goldbond Group Holdings Limited (Stock code: 172), a company incorporated in Hong Kong with limited liability, the issued Shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules

DEFINITIONS

“Corporate Guarantee”	the corporate guarantee provided by the Company in favour of the Bank to guarantee payment of 71% of all sums payable by Wuhan Rongjinhong under the Existing Facility Agreement (as amended by the Supplemental Facility Agreement) and the aforesaid percentage will be increased or decreased in the same proportion if the Company’s shareholding in Wuhan Rongjinhong changes provided that such percentage shall in no event be less than 51%
“Director(s)”	director(s) of the Company
“EGM”	an extraordinary general meeting of the Company to be convened for the purpose of considering, and if thought fit, approving the Transaction Documents (other than the Xie’s S&P Agreement), the RZ Group Shareholders’ Agreement, the RZ Capital Shareholders’ Agreement and the respective transactions contemplated thereunder (including but not limited to the entering into of the RZ Group Loan Agreement, the Loan and Guarantee Services Agreement), and the Supplemental Facility Agreement
“Existing Facility Agreement”	the facility agreement dated 2 September 2009 entered into between Wuhan Rongjinhong and the Bank in relation to the Loan Facility as may be amended or supplemented from time to time
“Existing RZ Group Loan Agreement”	the loan agreement dated 17 March 2010 entered into between RZ Group as borrower and Solomon Glory as lender in relation to the grant of a revolving loan facility of HK\$900,000,000 by Solomon Glory to RZ Group
“Financial Assistance”	the transactions contemplated under the Loan and Guarantee Service Agreement
“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
“Hony Capital”	Hony Capital Fund 2008, L.P.

DEFINITIONS

“Independent Board Committee”	the independent board committee of the Company, comprising Mr. Ma Ho Fai SBS JP, Mr. Melvin Jitsumi Shiraki and Mr. Cheng Yuk Wo, all being independent non-executive Directors
“Independent Third Party(ies)”	person(s) or company(ies) who/which is(are) independent from the Company and its connected persons
“Independent Shareholders”	Shareholders other than Mr. Xie, Ms. Wong and their respective associates
“Introduction”	the introduction of the Investor to invest in RZ Group and RZ Capital pursuant to the Transaction Documents and the transactions contemplated thereunder
“Investor”	Silver Creation Investments Limited, a company incorporated in the BVI with limited liability
“Latest Practicable Date”	21 September 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Legend Crown”	Legend Crown International Limited, a company incorporated in the BVI with limited liability and wholly-owned by Ms. Wong as at the Latest Practicable Date
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Loan and Guarantee Services Agreement”	the agreement to be entered into between RZ Group and RZ Capital on or before the Transaction Documents Completion in relation to (i) the grant of a revolving loan facility of not more than RMB150 million by the RZ Capital Companies to the RZ Group Companies; and (ii) the provision of the guarantee by the RZ Group Companies in favour of any financial institutions as security for the grant of banking facilities by such financial institutions to the RZ Capital Companies
“Loan Facility”	a loan facility of up to RMB100 million (equivalent to approximately HK\$119 million) provided to Wuhan Rongjinhong by the Bank under the Existing Facility Agreement (as amended by the Supplemental Facility Agreement)

DEFINITIONS

“Mr. Xie”	Mr. Xie Xiao Qing, an executive Director
“Ms. Wong”	Ms. Wong, Jacqueline Yue Yee, being the daughter of Mr. Wong Yu Lung, Charles, who is the Deputy Chairman of the Company and an executive Director
“Perfect Honour”	Perfect Honour Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of the Company as at the Latest Practicable Date
“Plenty Boom”	Plenty Boom Investments Limited, a company incorporated in the BVI with limited liability and wholly-owned by Ms. Wong as at the Latest Practicable Date
“PRC” or “China”	the People’s Republic of China which, for the purposes of this circular, excludes Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Pre-Completion Reorganisation”	a series of reorganisations involving, amongst others, the assignment and capitalisation of the RZ Capital Shareholders’ Loan and the acquisition of RZ Capital by Perfect Honour, Yonghua, Legend Crown and Plenty Boom in the Relevant Proportion from RZ Group to be completed on or prior to the Transaction Documents Completion
“Pre-Completion Reorganisation Completion”	completion of the Pre-Completion Reorganisation
“Proposed IPO”	the admission to trading of the RZ Group Shares and/or the RZ Capital Shares on the Stock Exchange, or any other recognised investment or stock exchange, or equivalent admission to trading of the shares in respect of any other member of the RZ Group Companies and/or the RZ Capital Companies which is the holding company of all or substantially all of the operating assets of the RZ Group Companies and/or the RZ Capital Companies (including but not limited to by way of reverse takeover, in which case the RZ Group Companies and the RZ Capital Companies (as the case may be) are required to comply with the reverse takeover rule under Rule 14.06(6) of the Listing Rules, where applicable)

DEFINITIONS

“Relevant Proportion”	in relation to Perfect Honour, Yonghua, Legend Crown and Plenty Boom, the ratio between the number of RZ Group Shares respectively owned by them as at the date of the Transaction Documents, being 71%, 19.01%, 5% and 4.99%, respectively
“Remaining Group”	the Group immediately after the Transaction Documents Completion
“RMB”	Renminbi, the lawful currency of the PRC
“RZ Capital”	Rongzhong Capital Holdings Limited, a company incorporated in the BVI with limited liability and indirectly owned as to 71% by Perfect Honour as at the Latest Practicable Date
“RZ Capital Companies”	RZ Capital and its subsidiaries
“RZ Capital Investment Amount”	the subscription price to be paid by the Investor pursuant to the RZ Capital Subscription Agreement
“RZ Capital Share(s)”	the ordinary share(s) of US\$1.00 each in the share capital of RZ Capital
“RZ Capital Shareholders’ Agreement”	the shareholders’ agreement of RZ Capital to be entered into amongst RZ Capital, Perfect Honour, the Investor, Yonghua, Legend Crown, Plenty Boom and Mr. Xie upon the Transaction Documents Completion to govern the rights and obligations of the shareholders of RZ Capital
“RZ Capital Shareholders’ Loan”	the loan of HK\$156 million due from RZ Capital to RZ Group which will be assigned to Solomon Glory which will then assign the same to Perfect Honour, Yonghua, Legend Crown and Plenty Boom in the Relevant Proportion and be subject to capitalisation upon the Pre-Completion Reorganisation Completion
“RZ Capital Subscription”	the subscription of 29,500 RZ Capital Shares by the Investor pursuant to the RZ Capital Subscription Agreement

DEFINITIONS

“RZ Capital Subscription Agreement”	the conditional subscription agreement dated 24 August 2011 entered into between RZ Capital (as issuer) and the Investor (as subscriber) in respect of the RZ Capital Subscription
“RZ Capital Subscription Completion”	completion of the RZ Capital Subscription
“RZ Group”	Rongzhong Group Limited, a company incorporated in the BVI with limited liability and a 71% owned subsidiary of Perfect Honour as at the Latest Practicable Date
“RZ Group 2013 Profit”	the audited consolidated net profits attributable to the owners of RZ Group for the financial year ending on 31 March 2013 (excluding extraordinary items)
“RZ Group Companies”	RZ Group and its subsidiaries (excluding the RZ Capital Companies)
“RZ Group Investment Amount”	the aggregate purchase price to be paid by the Investor to Perfect Honour and Yonghua pursuant to the RZ Group S&P Agreement and the Xie’s S&P Agreement, plus the subscription price paid by the Investor pursuant to the RZ Group Subscription Agreement
“RZ Group Loan Agreement”	the supplemental deed to be entered into between RZ Group as borrower and Solomon Glory as lender on or before the Transaction Documents Completion in relation to, amongst others, reduction of interest rate and extension of the final repayment date under the Existing RZ Group Loan Agreement
“RZ Group S&P”	the purchase of 4,750,000 RZ Group Shares from Perfect Honour by the Investor pursuant to the RZ Group S&P Agreement
“RZ Group S&P Agreement”	the conditional sale and purchase agreement dated 24 August 2011 entered into between the Investor (as buyer) and Perfect Honour (as seller) in relation to the RZ Group S&P
“RZ Group S&P Completion”	completion of the RZ Group S&P

DEFINITIONS

“RZ Group Share(s)”	the ordinary share(s) of US\$1.00 each in the share capital of RZ Group
“RZ Group Shareholders’ Agreement”	the shareholders’ agreement to be entered into amongst RZ Group, Perfect Honour, the Investor, Yonghua, Legend Crown, Plenty Boom and Mr. Xie upon the Transaction Documents Completion to govern the rights and obligations of the shareholders of RZ Group
“RZ Group Shareholders’ Loan”	part of the loan in the sum of HK\$444 million due from RZ Group to Solomon Glory under the Existing RZ Group Loan Agreement
“RZ Group Subscription”	the subscription of 8,275,000 RZ Group Shares by the Investor as subscriber pursuant to the terms and conditions of the RZ Group Subscription Agreement
“RZ Group Subscription Agreement”	the conditional subscription agreement dated 24 August 2011 entered into between RZ Group (as issuer) and the Investor (as subscriber) in respect of the RZ Group Subscription
“RZ Group Subscription Completion”	completion of the RZ Group Subscription
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	the ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Solomon Glory”	Solomon Glory Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Facility Agreement”	the supplemental facility agreement dated 3 September 2011 entered into between Wuhan Rongjinhong and the Bank to extend the maturity date of the Loan Facility for one year to 4 September 2012

DEFINITIONS

“Total Investment Amount”	the aggregate of the RZ Group Investment Amount and the RZ Capital Investment Amount
“Trademark Licence”	the trademark licence agreements to be entered into between Mr. Xie and RZ Group, and between Mr. Xie and RZ Capital, in relation to the grant of the right to use certain trademarks owned by Mr. Xie to the RZ Group Companies and the RZ Capital Companies respectively
“Transaction Documents”	collectively the RZ Group S&P Agreement, the Xie’s S&P Agreement, the RZ Group Subscription Agreement and the RZ Capital Subscription Agreement
“Transaction Documents Completion”	the completion of the Transaction Documents in accordance with their respective terms and conditions
“US\$”	United States dollars, the lawful currency of the United States of America
“Wuhan Rongjinhong”	武漢融金弘企業管理有限公司 (Wuhan Rongjinhong Enterprise Management Co., Ltd.*), a company incorporated in the PRC with limited liability, and wholly-owned by RZ Group as at the Latest Practicable Date
“Xie’s S&P”	the purchase of 685,000 RZ Group Shares from Yonghua by the Investor pursuant to the Xie’s S&P Agreement
“Xie’s S&P Agreement”	the conditional sale and purchase agreement dated 24 August 2011 entered into between Yonghua (as seller), the Investor (as buyer) and Mr. Xie (as Yonghua’s guarantor) in relation to the Xie’s S&P
“Xie’s S&P Completion”	completion of the Xie’s S&P
“Yonghua”	Yong Hua International Limited, a company incorporated in the BVI with limited liability and wholly-owned by Mr. Xie as at the Latest Practicable Date
“%”	per cent

* for identification purpose only

DEFINITIONS

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

*US\$1 : HK\$7.80
RMB1 : HK\$1.19*

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.

LETTER FROM THE BOARD



GOLDBOND GROUP HOLDINGS LIMITED

金榜集團控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 172)

Executive Directors:

Mr. Wang Jun

(Chairman)

Mr. Wong Yu Lung, Charles

(Deputy Chairman)

Mr. Ding Chung Keung

(Chief Executive Officer)

Mr. Kee Wah Sze

Mr. Xie Xiao Qing

Ms. Wong, Michelle Yatye

Registered office:

Units 1901-06, 19th Floor

Tower One, Lippo Centre

89 Queensway

Hong Kong

Independent non-executive Directors:

Mr. Ma Ho Fai SBS JP

Mr. Melvin Jitsumi Shiraki

Mr. Cheng Yuk Wo

23 September 2011

To the Shareholders

Dear Sir or Madam,

**VERY SUBSTANTIAL DISPOSAL AND
CONNECTED TRANSACTIONS INVOLVING
INTRODUCTION OF AN INVESTOR
TO RZ GROUP AND RZ CAPITAL**

INTRODUCTION

The Introduction

As announced by the Company on 29 August 2011, the Group will conditionally effect the Introduction involving, amongst others, the subscription of new RZ Group Shares and new RZ Capital Shares by the Investor and the acquisition of existing RZ Group Shares by the Investor. The Total Investment Amount payable by the Investor pursuant to the Introduction amounts to

LETTER FROM THE BOARD

approximately US\$154.8 million (equivalent to approximately HK\$1,207.4 million). As at the Latest Practicable Date, RZ Group was owned as to 71% by the Company (through Perfect Honour), 19.01% by Yonghua (a company wholly-owned by Mr. Xie) and 9.99% by Legend Crown and Plenty Boom (two companies wholly-owned by Ms. Wong); while RZ Capital was wholly-owned by RZ Group.

To effect the Introduction, the following parties have entered into the following agreements on 24 August 2011 (after trading hours):

- (1) Perfect Honour has entered into the RZ Group S&P Agreement with the Investor in relation to the acquisition of 4,750,000 RZ Group Shares by the Investor at a consideration of approximately US\$39.2 million (equivalent to approximately HK\$305.4 million);
- (2) Yonghua has entered into the Xie's S&P Agreement with the Investor in relation to the acquisition of 685,000 RZ Group Shares by the Investor at a consideration of approximately US\$5.6 million (equivalent to approximately HK\$44.0 million); and
- (3) each of RZ Group and RZ Capital has entered into the RZ Group Subscription Agreement and the RZ Capital Subscription Agreement respectively with the Investor for the Investor to subscribe for 8,275,000 RZ Group Shares and 29,500 RZ Capital Shares, respectively at a consideration of approximately US\$90.0 million (equivalent to approximately HK\$702.0 million) and approximately US\$20.0 million (equivalent to approximately HK\$156.0 million), respectively.

Completion of all the above transactions is inter-conditional.

To facilitate the Introduction, the Group will effect the Pre-Completion Reorganisation which includes, amongst others, the acquisition of RZ Capital by Perfect Honour, Yonghua, Legend Crown and Plenty Boom in the Relevant Proportion from RZ Group on or before the Transaction Documents Completion.

Upon the Transaction Documents Completion, the RZ Group Shareholders' Agreement and the RZ Capital Shareholders' Agreement will be signed by the respective parties thereto to, amongst others, govern certain rights and obligations of the respective shareholders of RZ Group and RZ Capital. Following the Transaction Documents Completion, RZ Group will be owned as to 40% by the Group, 40% by the Investor and an aggregate of 20% by Yonghua, Legend Crown and Plenty Boom, and will be accounted for as an associated company and deconsolidated from the financial statements of the Group, while RZ Capital will be owned as to approximately 50.06% by the Group, 29.50% by the Investor and an aggregate of 20.44% by Yonghua, Legend Crown and Plenty Boom, and will continue to be consolidated in the financial statements of the Group.

LETTER FROM THE BOARD

Corporate Guarantee pursuant to the Supplemental Facility Agreement

As announced by the Company on 6 September 2011, on 3 September 2011, Wuhan Rongjinhong and the Bank entered into the Supplemental Facility Agreement to extend the maturity date of the Loan Facility by one year to 4 September 2012. Pursuant to the Supplemental Facility Agreement, the Company acknowledged and confirmed that the Corporate Guarantee would remain valid.

Pursuant to the Existing Facility Agreement (as amended by the Supplemental Facility Agreement), the Company has provided the Corporate Guarantee as security for the grant of the Loan Facility by the Bank to Wuhan Rongjinhong. Since the guaranteed obligations provided by the Company under the Corporate Guarantee is in proportion to the Company's equity interest in Wuhan Rongjinhong, under Rule 14A.65(3) of the Listing Rules, the provision of the Corporate Guarantee pursuant to the Existing Facility Agreement (as amended by the Supplemental Facility Agreement) is exempted from the reporting, announcement and independent Shareholders' approval requirements.

Immediately upon the Transaction Documents Completion, RZ Group will be owned as to 40% by the Group and the RZ Group Companies (including Wuhan Rongjinhong) will become connected persons of the Group, upon which, the Corporate Guarantee provided pursuant to the Existing Facility Agreement (as amended by the Supplemental Facility Agreement) will not be exempted and will constitute a connected transaction pursuant to Chapter 14A of the Listing Rules immediately upon the Transaction Documents Completion.

THE INTRODUCTION

TRANSACTION DOCUMENTS AND OTHER AGREEMENTS

The RZ Group S&P Agreement and the Xie's S&P Agreement

The terms of the RZ Group S&P Agreement and the Xie's S&P Agreement are set out below:

	The RZ Group S&P Agreement	The Xie's S&P Agreement
Date	: 24 August 2011	24 August 2011
Vendor	: Perfect Honour	Yonghua
Purchaser	: Investor	Investor
Guarantor	: Not applicable	Mr. Xie
Subject	: 4,750,000 RZ Group Shares	685,000 RZ Group Shares

LETTER FROM THE BOARD

	The RZ Group S&P Agreement	The Xie's S&P Agreement
Consideration :	Approximately US\$39.2 million (equivalent to approximately HK\$305.4 million) and shall be payable in cash by the Investor upon the RZ Group S&P Completion	Approximately US\$5.6 million (equivalent to approximately HK\$44.0 million) and shall be payable in cash by the Investor upon the Xie's S&P Completion

The consideration of the RZ Group S&P Agreement of approximately US\$39.2 million (equivalent to approximately HK\$305.4 million) was arrived at after arm's length negotiations between Perfect Honour and the Investor after taking into account, amongst others, (1) the unaudited consolidated net assets value attributable to the owners of RZ Group of approximately HK\$471.0 million as at 31 March 2011; (2) the increase in consolidated net assets value of RZ Group by HK\$444 million upon the completion of the Additional Subscription; (3) the track record of the RZ Group Companies; (4) the prospects of the RZ Group Companies; and (5) the Investor's contribution of subscription monies to the business of the RZ Group Companies. The consideration for each RZ Group Share to be sold under each of the RZ Group S&P Agreement and the Xie's S&P Agreement is approximately the same.

The 4,750,000 RZ Group Shares to be sold by Perfect Honour represent (1) approximately 18.27% of the existing issued share capital of RZ Group as at the Latest Practicable Date; and (2) approximately 13.86% of the issued share capital of RZ Group as enlarged by the issue of the RZ Group Shares pursuant to the RZ Group Subscription Agreement.

The 685,000 RZ Group Shares to be sold by Yonghua represent (1) approximately 2.63% of the existing issued share capital of RZ Group as at the Latest Practicable Date; and (2) approximately 2.00% of the issued share capital of RZ Group as enlarged by the issue of the RZ Group Shares pursuant to the RZ Group Subscription Agreement.

The RZ Group Subscription Agreement and the RZ Capital Subscription Agreement

The terms of the RZ Group Subscription Agreement and the RZ Capital Subscription Agreement are set out below:

	The RZ Group Subscription Agreement	The RZ Capital Subscription Agreement
Date :	24 August 2011	24 August 2011
Issuer :	RZ Group	RZ Capital
Subscriber :	Investor	Investor

LETTER FROM THE BOARD

	The RZ Group Subscription Agreement	The RZ Capital Subscription Agreement
Subject	: 8,275,000 RZ Group Shares	29,500 RZ Capital Shares
Subscription price	: US\$90.0 million (equivalent to approximately HK\$702.0 million), which was arrived at after arm's length negotiations between RZ Group and the Investor, after taking into account, amongst others, (1) the unaudited consolidated net assets value attributable to the owners of RZ Group of approximately HK\$471.0 million as at 31 March 2011; (2) the increase in consolidated net assets value of RZ Group by HK\$444 million upon the completion of the Additional Subscription by Perfect Honour, Yonghua, Legend Crown and Plenty Boom to RZ Group to be taken place prior to the Proposed IPO of the RZ Group Companies; (3) the track record of the RZ Group Companies; (4) the prospects of the RZ Group Companies; and (5) the Investor's contribution of the subscription monies to the business of the RZ Group Companies. The subscription monies shall be payable in cash by the Investor upon the RZ Group Subscription Completion.	: US\$20.0 million (equivalent to approximately HK\$156.0 million), which was arrived at after arm's length negotiations between RZ Capital and the Investor, after taking into account, amongst others, (1) the audited consolidated net assets value of the RZ Capital Companies of approximately HK\$30.1 million as at 31 March 2011; (2) the increase in the consolidated net assets value of RZ Capital by HK\$156 million upon the capitalisation of the RZ Capital Shareholders' Loan; (3) the track record of the RZ Capital Companies; (4) the prospects of the RZ Capital Companies; and (5) the Investor's contribution of the subscription monies to the business of the RZ Capital Companies. The subscription monies shall be payable in cash by the Investor upon the RZ Capital Subscription Completion.

The 8,275,000 RZ Group Shares to be issued pursuant to the RZ Group Subscription Agreement and the 29,500 RZ Capital Shares to be issued pursuant to the RZ Capital Subscription Agreement when allotted and issued, will rank pari passu in all respects with the RZ Group Shares and the RZ Capital Shares respectively in issue on the date of allotment.

LETTER FROM THE BOARD

The 8,275,000 RZ Group Shares to be issued pursuant to the RZ Group Subscription Agreement represent (1) approximately 31.83% of the existing issued share capital of RZ Group as at the Latest Practicable Date; and (2) approximately 24.14% of the issued share capital of the RZ Group as enlarged by the issue of the 8,275,000 RZ Group Shares pursuant to the RZ Group Subscription Agreement.

The 29,500 RZ Capital Shares to be issued pursuant to the RZ Capital Subscription Agreement represent (1) approximately 41.84% of the issued share capital of RZ Capital as enlarged by the issue of the RZ Capital Shares pursuant to the capitalisation of the RZ Capital Shareholders' Loan; and (2) approximately 29.50% of the issued share capital of RZ Capital as enlarged by the issue of the RZ Capital Shares pursuant to the capitalisation of the RZ Capital Shareholders' Loan and the 29,500 RZ Capital Shares pursuant to the RZ Capital Subscription Agreement.

Conditions precedent

The Transaction Documents Completion shall be subject to, amongst others, the following conditions precedent:

- (1) the compliance by the Company with all applicable requirements under the Listing Rules including but not limited to the holding of the EGM for the passing of a resolution to approve, amongst others, the entering into of the Transaction Documents (other than Xie's S&P Agreement), the RZ Group Shareholders' Agreement, the RZ Capital Shareholders' Agreement and the respective transactions contemplated thereunder including, amongst others, the entering into of the RZ Group Loan Agreement and the Loan and Guarantee Services Agreement;
- (2) there being no material adverse change prior to the Transaction Documents Completion and for this purpose, material adverse change means any effect attributable to or resulting from an event, circumstance, occurrence or non-occurrence since 31 March 2011 that, individually or in the aggregate with other events, circumstances, occurrences or non-occurrences since that date, is or would reasonably be expected to be materially adverse to the business, assets, financial condition or results of the operations of the RZ Group Companies and the RZ Capital Companies taken as a whole;
- (3) all third party consents to RZ Group S&P, Xie's S&P, RZ Group Subscription and RZ Capital Subscription that are required under any contract to which RZ Group and its subsidiaries is a party having been obtained;
- (4) all steps of the Pre-Completion Reorganisation having been completed (A) in accordance with the provisions therein; and (B) to the reasonable satisfaction of the Investor; and

LETTER FROM THE BOARD

- (5) each of the Transaction Documents becoming wholly unconditional in all respects except for any condition in the other Transaction Documents relating to such Transaction Document becoming unconditional and except for payment of the consideration in accordance with its terms, and the Transaction Documents not being terminated in accordance with their respective terms.

The Investor may at any time waive in whole or in part of any of the conditions precedent set out in each of the Transaction Documents (other than condition precedent (1) above).

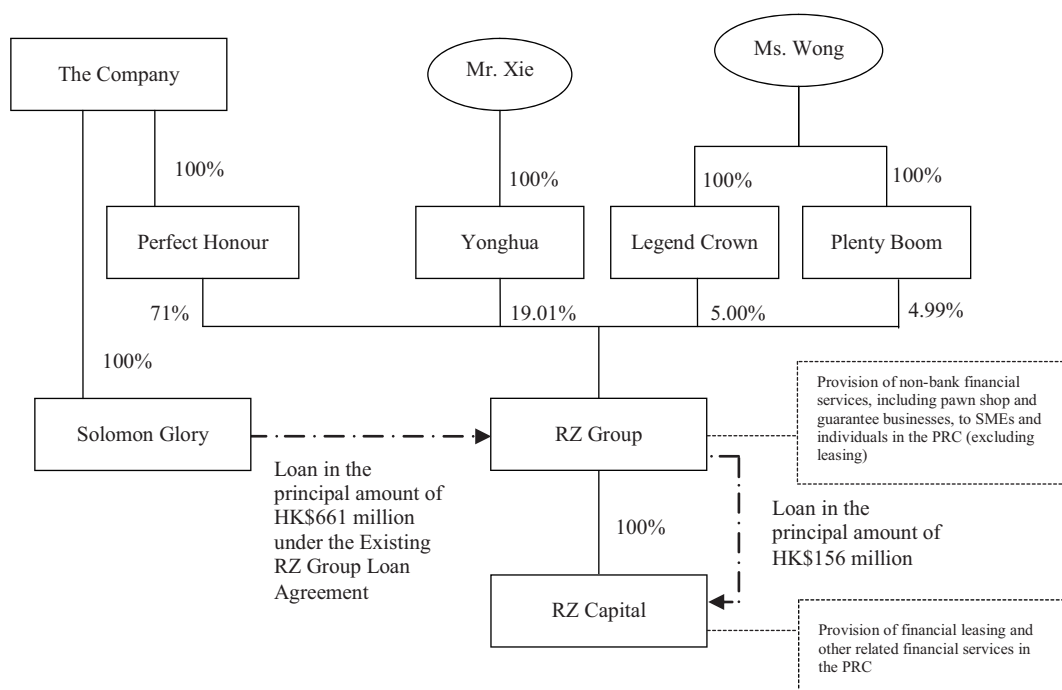
If all the conditions precedent set out in each Transaction Document have not been fulfilled or waived on or before 31 October 2011 (or such later date as may be agreed in writing by the parties to the relevant Transaction Document), then, either party may terminate such Transaction Document and any party to each of the other Transaction Documents may terminate such Transaction Document.

As at the Latest Practicable Date, none of the conditions had been fulfilled or waived.

Pre-Completion Reorganisation and Transaction Documents Completion

Pursuant to, amongst others, the Transaction Documents, RZ Group and RZ Capital shall effect all steps of the Pre-Completion Reorganisation on or prior to the Transaction Documents Completion.

Set out below was a simplified shareholding structure of RZ Group and RZ Capital as at the Latest Practicable Date:

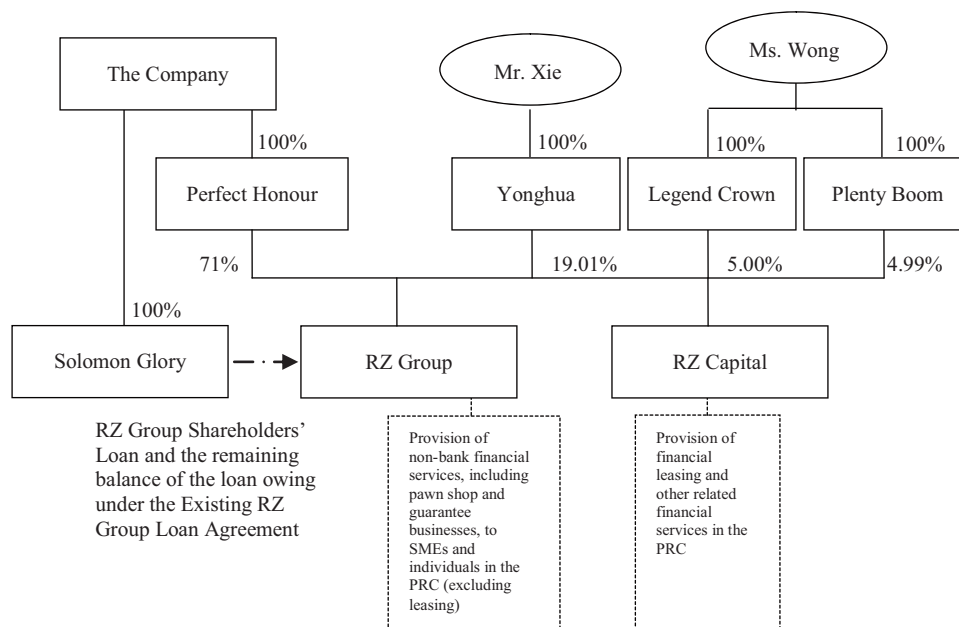


LETTER FROM THE BOARD

The Pre-Completion Reorganisation involves, amongst others, the following steps:

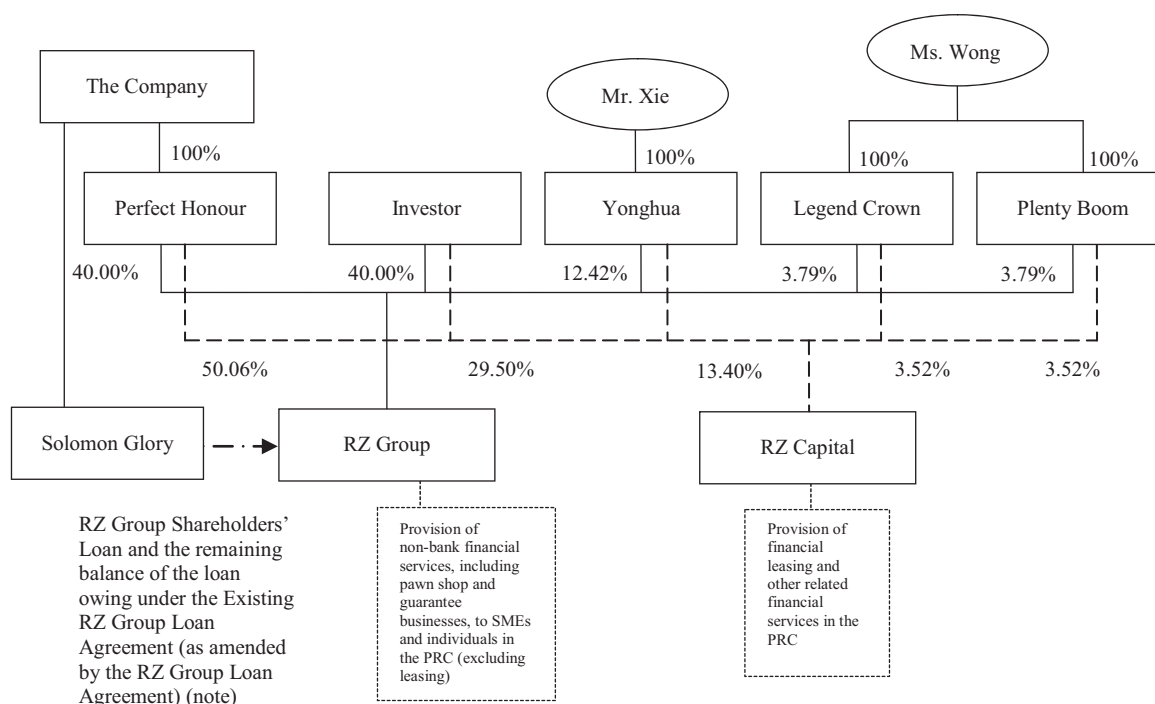
- (1) RZ Group shall assign the loan in the principal amount of HK\$156 million due from RZ Capital to Solomon Glory to set-off part of the principal amount of the loan due from RZ Group to Solomon Glory under the Existing RZ Group Loan Agreement;
- (2) Perfect Honour, Yonghua, Legend Crown and Plenty Boom shall acquire from RZ Group the entire issued share capital of RZ Capital in the Relevant Proportion at an aggregate consideration of US\$10,000 (equivalent to approximately HK\$78,000) payable in cash upon completion and of which Perfect Honour shall bear US\$7,100 (equivalent to approximately HK\$55,380);
- (3) Solomon Glory shall assign the loan in the principal amount of HK\$156 million due from RZ Capital to Perfect Honour, Yonghua, Legend Crown and Plenty Boom in the Relevant Proportion at face value, and Perfect Honour shall be assigned with 71% thereof, being approximately HK\$110.8 million. Each of Yonghua, Legend Crown and Plenty Boom shall settle the consideration in relation to such assignment by cash; and
- (4) RZ Capital shall capitalise the RZ Capital Shareholders' Loan by allotment and issuance of new RZ Capital Shares to Perfect Honour, Yonghua, Legend Crown and Plenty Boom in the Relevant Proportion.

Set out below is a simplified shareholding structure of RZ Group and RZ Capital immediately after the Pre-Completion Reorganisation Completion and prior to the Transaction Documents Completion:



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Set out below is a simplified shareholding structure of RZ Group and RZ Capital immediately after the Pre-Completion Reorganisation Completion and the Transaction Documents Completion:



Note: The remaining balance of the loan (other than the RZ Group Shareholders' Loan) owing under the Existing RZ Group Loan Agreement (as amended by the RZ Group Loan Agreement) shall be repaid by RZ Group to Solomon Glory in accordance with the terms of the Existing RZ Group Loan Agreement.

Shareholders' agreements

To govern the rights and obligations of the shareholders of RZ Group and RZ Capital, RZ Group and RZ Capital (as the case may be), Perfect Honour, the Investor, Yonghua, Legend Crown, Plenty Boom and Mr. Xie will enter into the RZ Group Shareholders' Agreement and the RZ Capital Shareholders' Agreement (as the case may be) upon the Transaction Documents Completion.

Terms applicable to both of the RZ Group Shareholders' Agreement and the RZ Capital Shareholders' Agreement

(1) Repurchase or redemption of shares

Commencement of the Proposed IPO, change of business and ownership of the Company

If any of the following events occurs before the completion of the Proposed IPO:

- (A) Perfect Honour, Mr. Xie, Yonghua, Legend Crown or Plenty Boom unreasonably or improperly objects, delays or otherwise obstructs the Proposed IPO when RZ Group or RZ Capital has already met the listing requirements;

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- (B) unless otherwise agreed to in writing by all of the shareholders of RZ Group or RZ Capital (as the case may be), RZ Group or RZ Capital (as the case may be) still has not commenced the listing preparation work in relation to the Proposed IPO before 31 December 2012;
- (C) at the direction of Perfect Honour, Mr. Xie, Yonghua, Legend Crown or Plenty Boom but against the advice of the Investor acting reasonably, RZ Group or RZ Capital (as the case may be) embarks on new sectors that are irrelevant to their respective original businesses; and
- (D) the direct or indirect percentage ownership of Mr. Wong Yu Lung, Charles, the controlling Shareholder, together with his affiliates and parties acting in concert with any of them, in the Company drops below 35%,

and such event is not caused by or as a result of any default, fraud, misconduct or negligence of the Investor, the Investor may, by written notice, require Perfect Honour, Yonghua, Legend Crown and Plenty Boom to jointly elect either of the following:

- (A) procure RZ Group and RZ Capital (provided that the Proposed IPO in relation to them has not taken place) to redeem, and RZ Group and RZ Capital shall redeem, on several basis, a pro rata portion of their respective RZ Group Shares and RZ Capital Shares at the lower of the par value of such RZ Group Shares and RZ Capital Shares; and 50% of the net assets value per such RZ Group Share and RZ Capital Share, such that the Investor's beneficial ownership in the total issued share capital of RZ Group and RZ Capital will reach 50.1% and Perfect Honour, Yonghua, Legend Crown and Plenty Boom's shareholdings in both RZ Group and RZ Capital will become approximately 35.43%, 9.48%, 2.50% and 2.49% respectively; or
- (B) on a several basis, purchase all (but not part) of the RZ Group Shares and the RZ Capital Shares (provided that the Proposed IPO in relation to them has not taken place) purchased and/or subscribed by the Investor pursuant to the Transaction Documents at a price equal to:
 - (a) for the RZ Group Shares, (I) the aggregate of the sum of the RZ Group Investment Amount, plus interest on the RZ Group Investment Amount at the rate of 20% per annum, compounded annually, from the date of the Transaction Documents Completion and ending on the date of such purchase, and minus (II) all dividends actually distributed by RZ Group to the Investor, and the cash consideration actually paid by Mr. Xie to the Investor pursuant to the exercise of the call option granted to Mr. Xie as mentioned below; and/or

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- (b) for the RZ Capital Shares, (I) the aggregate of the sum of the RZ Capital Investment Amount, plus interest on the RZ Capital Investment Amount at the rate of 20% per annum, compounded annually, from the date of the Transaction Documents Completion and ending on the date of such purchase, and minus (II) all dividends actually distributed by RZ Capital to the Investor,

such that after completion of the above, Perfect Honour, Yonghua, Legend Crown and Plenty Boom's shareholdings in RZ Group and RZ Capital shall be in the Relevant Proportion.

In the event that the Investor makes the request as aforesaid, the Directors will comply with the requirements under the Listing Rules (including but not limited to the sufficiency of operations and notifiable transactions requirements) before electing either (A) or (B) above. As the aforementioned obligation to repurchase or redemption of the RZ Group Shares and/or the RZ Capital Shares is triggered not at the discretion of the Company, is part and parcel of the terms of the Introduction and will form part of the resolution to be proposed for the Independent Shareholders' approval at the EGM, no general meeting of the Company is required to be held to approve the same again if the Investor makes the request as aforesaid but such repurchase or redemption will be subject to the announcement requirement pursuant to Rule 14A.69(2) of the Listing Rules.

The Directors consider that in the event that the parties concerned cannot reach agreement on whether (A) or (B) above should be elected, the election of which will then be decided by simple majority vote according to their then shareholding percentages in RZ Group and/or RZ Capital, respectively. Immediately following the Transaction Documents Completion, Perfect Honour will hold 40% interest in RZ Group (which is higher than the aggregated interests held by Yonghua, Legend Crown and Plenty Boom of 20%) and approximately 50.06% interest in RZ Capital (which is higher than the aggregated interests held by Yonghua, Legend Crown and Plenty Boom of approximately 20.44%).

In conducting any corporate actions, the Director will comply with the requirements under the Listing Rules (including but not limited to the sufficiency of operations requirements). The Directors will not dispose of the Company's controlling interest in RZ Capital, if it would lead to the fail by the Company to maintain a sufficiency of operation.

Shareholders and potential investors of the Company are reminded that if in any event, including but not limited to the loss of control of RZ Capital immediately following the Transaction Documents Completion, which would lead to the fail by the Company to carry out, directly or indirectly, a sufficient level of operations or to hold tangible assets of sufficient value and/or intangible assets for which a sufficient potential value can be demonstrated to the Stock Exchange to warrant the continued listing of the issuer's securities, the trading of the Shares on the Stock Exchange may be suspended.

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Non-completion of the Proposed IPO

Unless otherwise agreed to in writing by all of the shareholders of RZ Group or RZ Capital, if RZ Group or RZ Capital has not completed the Proposed IPO before 31 December 2015 (other than due to or as a result of any material default, fraud, misconduct or negligence of the Investor), the Investor may request Perfect Honour, Yonghua, Legend Crown and Plenty Boom either:

- (A) to immediately fulfill their respective obligations in connection with the Additional Subscription (applicable to RZ Group only); or
- (B) at their sole and absolute discretion jointly elect to either:
 - (a) on several basis, purchase all (but not part) of the RZ Group Shares and the RZ Capital Shares (provided that the Proposed IPO in relation to them has not taken place) purchased and/or subscribed by the Investor pursuant to the Transaction Documents; or
 - (b) procure RZ Group and RZ Capital to redeem all (but not part) of the RZ Group Shares and RZ Capital Shares (provided that the Proposed IPO in relation to them has not taken place) purchased and/or subscribed by the Investor pursuant to the Transaction Documents,

at the repurchase price or the redemption price equal to:

- (i) in respect of the RZ Group Shares, the RZ Group Investment Amount plus the higher of (I) 12% on the RZ Group Investment Amount and (II) the undistributed profits of RZ Group that are attributable to the Investor, and minus the cash consideration actually paid by Mr. Xie to the Investor pursuant to the exercise of the call option granted to Mr. Xie as mentioned below; and
- (ii) in respect of the RZ Capital Shares, the RZ Capital Investment Amount plus the higher of (I) 12% on the RZ Capital Investment Amount and (II) the undistributed profits of RZ Capital that are attributable to the Investor,

such that after completion of the above, Perfect Honour, Yonghua, Legend Crown and Plenty Boom's shareholdings in each of RZ Group and RZ Capital (as the case may be) shall be in the Relevant Proportion.

As the aforementioned obligation to repurchase or redemption of the RZ Group Shares and/or the RZ Capital Shares is triggered not at the discretion of the Company, is part and parcel of the terms of the Introduction and will form part of the resolution to be proposed for the Independent Shareholders' approval at the EGM, no general meeting of

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the Company is required to be held to approve the same again if the Investor makes the request as aforesaid but such repurchase or redemption will be subject to the announcement requirement pursuant to Rule 14A.69(2) of the Listing Rules.

The Directors consider that in the event that the parties concerned cannot reach agreement on whether (B)(a) or (B)(b) above should be elected, the election of which will then be decided by simple majority vote according to their then shareholding percentages in RZ Group and/or RZ Capital, respectively.

As disclosed above, even if the Proposed IPO cannot be completed 31 December 2015, the Investor is not obliged to put back the relevant investment to the other shareholders of RZ Group and/or RZ Capital or to RZ Group and/or RZ Capital themselves. In addition, the Proposed IPO may take place on any recognised stock exchange. The Company will recognise an estimated liability on the above arrangement upon the Transaction Documents Completion, which will be arrived at after taking into account (i) the Group's share of the loss of the above arrangement if such event occurs; (ii) the Directors' expectation on the probability of the occurrence of such event; (iii) the discount rate determined based on the risk free rate and adjusted for the risk premium; and (iv) the time to maturity of five years.

On the basis of the above, the Directors have derived the value of the estimated liability to be approximately HK\$13.2 million. The Company confirms that the above accounting treatment is in compliance with the relevant requirements under the Hong Kong Financial Reporting Standard, including the requirement on the financial instruments.

The Directors will engage professional valuers to review on each reporting date, the estimated liability based on, amongst others, the latest market conditions and the probability of occurrence of the relevant triggering event.

Breach of non-compete undertaking

Perfect Honour and its affiliates shall not, directly or indirectly, engage in any business that competes with the business of each of the RZ Group Companies and the RZ Capital Companies (except through the RZ Group Companies and the RZ Capital Companies), save and except for continuing their respective existing project financing business and owning no more than 10% interest in any company carrying on such business. In the event that Perfect Honour or any of its affiliates breaches such undertaking and has not cured such breach within a reasonable time frame requested by the Investor, Yonghua, Legend Crown or Plenty Boom, each of the Investor, Yonghua, Legend Crown and Plenty Boom shall have the right to sell all (but not part) of its RZ

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Group Shares and RZ Capital Shares (provided that the Proposed IPO in relation to them has not taken place) to Perfect Honour, in the following manner:

- (A) in respect of the Investor, at a price equal to:
 - (a) in respect of the RZ Group Shares:
 - (I) the sum of (i) the RZ Group Investment Amount; plus (ii) an interest on the RZ Group Investment Amount at the rate of 30% per annum, compounded annually, from the date of Transaction Documents Completion and ending on the date of such sale, minus (II) all the dividends actually distributed or declared by RZ Group to the Investor, and minus (III) the cash consideration actually paid by Mr. Xie to the Investor pursuant to the exercise of the call option granted to Mr. Xie as mentioned below; and
 - (b) in respect of the RZ Capital Shares:
 - (I) the sum of (i) the RZ Capital Investment Amount; plus (ii) an interest on the RZ Capital Investment Amount at the rate of 30% per annum, compounded annually, from the date of Transaction Documents Completion and ending on the date of such sale, minus (II) all the dividends actually distributed or declared by RZ Capital to the Investor; and
- (B) in respect of Yonghua, Legend Crown and Plenty Boom, at a price equal to two times the consolidated net assets value of the RZ Group Companies and the RZ Capital Companies (as the case may be) as at the date of their exercise of such rights times the then shareholding percentage of Yonghua, Legend Crown and Plenty Boom in each of RZ Group and RZ Capital.

As the aforementioned obligation to repurchase the RZ Group Shares and/or the RZ Capital Shares is triggered not at the discretion of the Company, is part and parcel of the terms of the Introduction and will form part of the resolution to be proposed for the Independent Shareholders' approval at the EGM, no general meeting of the Company is required to be held to approve the same again if the Investor, Yonghua, Legend Crown and Plenty Boom exercise their rights as aforesaid but such repurchase will be subject to the announcement requirement pursuant to Rule 14A.69(2) of the Listing Rules.

During the period from the date of the RZ Group Shareholders' Agreement and the RZ Capital Shareholders' Agreement until the third anniversary of the completion of the Proposed IPO, it is agreed, amongst others, that (1) Mr. Xie shall devote substantially all of his business time and attention to the operation of the RZ Group Companies and the RZ Capital Companies; (2) Mr. Xie and his affiliates shall not, directly or indirectly, individually or jointly with others or in a representative capacity on behalf of any person

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or entity, operate, engage in, participate in or own any beneficial interest in any business in places where any member of the RZ Group Companies and the RZ Capital Companies has started business operation; and (3) Mr. Xie will not voluntarily resign from the RZ Group Companies and the RZ Capital Companies. In the event that Mr. Xie, or any of his affiliates breaches such undertaking, and has not cured the breach within a reasonable time frame requested by the Investor or Perfect Honour, each of the Investor and Perfect Honour shall have the right to sell all (but not part) of their respective RZ Group Shares and RZ Capital Shares (provided that the Proposed IPO in relation to them has not taken place) to Mr. Xie, in the following manner:

(A) in respect of the Investor at a price equal to:

(a) in respect of the RZ Group Shares:

(I) the sum of (i) the RZ Group Investment Amount; and (ii) an interest on the RZ Group Investment Amount at the rate of 30% per annum, compounded annually, from the date of Transaction Documents Completion and ending on the date of such sale, minus (II) all the dividends actually distributed or declared by RZ Group to the Investor, and minus (III) the cash consideration actually paid by Mr. Xie to the Investor pursuant to the exercise of the call option granted to Mr. Xie as mentioned below; and

(b) in respect of the RZ Capital Shares:

(I) the sum of (i) the RZ Capital Investment Amount; and (ii) an interest on the RZ Capital Investment Amount at the rate of 30% per annum, compounded annually, from the date of Transaction Documents Completion and ending on the date of such sale, minus (II) all the dividends actually distributed or declared by the RZ Capital to the Investor; and

(B) in respect of Perfect Honour, at a price equal to two times the consolidated net assets value of each of the RZ Group Companies and the RZ Capital Companies as at the date of its exercise of such rights times the then shareholding percentage of Perfect Honour in each of RZ Group and RZ Capital.

In the event that Perfect Honour intends to exercise its rights as aforesaid, the Directors will comply with the requirements under the Listing Rules (including but not limited to the sufficiency of operations and notifiable transactions requirements). As the aforementioned rights to sell the RZ Group Shares and/or the RZ Capital Shares by Perfect Honour to Mr. Xie is at the discretion of the Company, the Company will comply with Rule 14A.70(2) of the Listing Rules if Perfect Honour intends to exercise its rights as aforesaid. Immediately following the Transaction Documents Completion, Perfect

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Honour will hold 40% interest in RZ Group (which is higher than the aggregated interests held by Yonghua, Legend Crown and Plenty Boom of 20%) and approximately 50.06% interest in RZ Capital (which is higher than the aggregated interests held by Yonghua, Legend Crown and Plenty Boom of approximately 20.44%).

(2) Right of first refusal and tag-along

If at any time a shareholder of RZ Group or RZ Capital (the “**Selling Shareholder**”) wishes to transfer all of its RZ Group Shares or RZ Capital Shares (as the case may be) (the “**Sale Shares**”) to any person (other than to a wholly owned subsidiary) (the “**Third Party Purchaser**”), it shall serve written notice of such intent (the “**ROFR Notice**”) on all the other shareholders (the “**Non-Selling Shareholders**”). Upon receipt of a ROFR Notice, the Non-Selling Shareholders shall have the right, but not obligation, to purchase all, but not a part of, the Sale Shares at a pro rata portion.

If at anytime the ROFR Notice has been issued, any Non-Selling Shareholder may, if it does not exercise its right to purchase the Sale Shares, by notice in writing to the Selling Shareholder, require the Selling Shareholder to cause the Third Party Purchaser to purchase from it the total number of RZ Group Shares or RZ Capital Shares (as the case may be) held by such Non-Selling Shareholder, on the same terms as those offered to the Selling Shareholder.

(3) Liquidation preference

In the event of liquidation, winding-up or dissolution of RZ Group or RZ Capital (as the case may be) and subject to RZ Group or RZ Capital (as the case may be) being solvent, the Investor shall be entitled to receive in preference to the other shareholders an amount equal to (A) the RZ Group Investment Amount or the RZ Capital Investment Amount (as the case may be) and any declared but unpaid dividends for RZ Group Shares or RZ Capital Shares (as the case may be) and minus (B) the cash consideration actually paid by Mr. Xie as mentioned below to the Investor pursuant to the exercise of the call option granted to Mr. Xie and all amounts which any of the parties to the Transaction Documents (other than the Investor) have paid to the Investor pursuant to any claim made under the Transactions Documents (together, the “**Preference Amount**”), proportionately adjusted for share splits, share dividends and recapitalisations. After the Preference Amount has been paid to the Investor, any remaining assets or proceeds received by RZ Group or RZ Capital (as the case may be) shall be distributed to the other shareholders on a pro rata basis.

(4) Compensation to Mr. Xie

In consideration of Mr. Xie’s contribution as a key member of senior management of both the RZ Group Companies and the RZ Capital Companies, Mr. Xie’s aggregate base monthly salary for his posts at both companies shall be RMB40,000 (after tax) (equivalent to approximately HK\$47,600) plus HK\$40,000 (before tax) in respect of the RZ Group Companies and RMB10,000 (equivalent to approximately HK\$11,900) (after tax) plus HK\$10,000 (before tax) in respect of the RZ Capital Companies (the “**basic salary**”).

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If the RZ Group 2013 Profit reaches RMB220 million (equivalent to approximately HK\$261.8 million), Mr. Xie's aggregate annual salary for his posts at both of the RZ Group Companies and the RZ Capital Companies shall be RMB3.6 million (equivalent to approximately HK\$4.3 million) (after tax) plus HK\$600,000 (before tax) and such increment of RMB3 million (equivalent to approximately HK\$3.6 million) (after tax) from the basic salary will be borne by the RZ Group Companies.

If the RZ Group 2013 Profit exceeds the amount set out in RZ Group's business plan for the corresponding periods approved by the board of directors of RZ Group, Mr. Xie's aggregate annual salary for his posts at both of the RZ Group Companies and the RZ Capital Companies shall be further increased as approved by the board of directors of RZ Group. The board of directors of RZ Group shall formulate such incentive plans after the signing of the RZ Group Shareholders' Agreement.

Terms only applicable to the RZ Group Shareholders' Agreement

(1) The RZ Group Shareholders' Loan and the Additional Subscription

As set out in the announcement of the Company dated 17 March 2010, Solomon Glory and RZ Group entered into the Existing RZ Group Loan Agreement, pursuant to which Solomon Glory granted a revolving loan facility of up to HK\$900 million to RZ Group. The details of the terms of the Existing RZ Group Loan Agreement have been set out in the said announcement and are summarized as follows:

Parties	Solomon Glory, as lender RZ Group, as borrower
Principal terms	
Amount	: A revolving loan facility of up to HK\$900 million
Availability period	: Until the earlier of (i) the date falling 7 business days before the repayment date; or (ii) the date on which the Existing RZ Group Loan Agreement is cancelled or terminated in accordance with the provisions thereof
Term	: For a period of 36 months from 11 May 2010, unless otherwise extended by Solomon Glory at its absolute discretion
Interest	: 10% per annum

As a term of the Introduction, Solomon Glory will enter into the RZ Group Loan Agreement with RZ Group on or before the date of the Transaction Documents Completion to, amongst others, extend the repayment date of the RZ Group Shareholders' Loan to the day falling 36 months after the date of the Transaction Documents Completion or the day immediately before the completion of the Proposed IPO relating to the RZ Group Companies,

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whichever is earlier (the “Expiry Date”) and reduce the interest rate in respect of the RZ Group Shareholders’ Loan from 10% per annum to 5% per annum. If the Investor ceases to be a shareholder of RZ Group prior to the Expiry Date, the interest rate in respect of the RZ Group Shareholders’ Loan shall be restored to 10% per annum. The repayment date and interest rate in respect of the remaining outstanding amount under the Existing RZ Group Loan Agreement shall remain unchanged.

As at the Latest Practicable Date, an outstanding principal amount of HK\$661.0 million was owing by RZ Group to Solomon Glory under the Existing RZ Group Loan Agreement. Pursuant to the Pre-Completion Reorganisation, RZ Group shall assign the RZ Capital Shareholders’ Loan of HK\$156.0 million due from RZ Capital to Solomon Glory to set-off part of the outstanding amount of the loan due from RZ Group to Solomon Glory under the Existing RZ Group Loan Agreement.

Pursuant to the RZ Group Shareholders’ Agreement, Perfect Honour shall procure Solomon Glory to continue to comply with the terms of the RZ Group Loan Agreement and to assign the RZ Group Shareholders’ Loan at its face value to Perfect Honour, Yonghua, Legend Crown and Plenty Boom in the Relevant Proportion. The RZ Group Shareholders’ Loan would be set off against the aggregate subscription monies of HK\$444 million payable for the Additional Subscription, which shall take place on or before (whichever is earlier) at least 28 days before the making of an application for the Proposed IPO in relation to the RZ Group Companies and immediately upon failure by (i) Solomon Glory to comply with any provision of the RZ Group Loan Agreement and/or (ii) Perfect Honour to fulfill its obligation as aforesaid.

Yonghua, Legend Crown and Plenty Boom shall pay an aggregate consideration of approximately HK\$128.8 million in cash to Solomon Glory upon completion of the aforesaid assignment.

Upon completion of the Additional Subscription, the Investor has the right but not an obligation to subscribe for new RZ Group Shares at par value so that the Investor’s shareholding percentage in RZ Group shall be maintained at the level immediately before completion of the Additional Subscription. Any remaining balance of the loan due from RZ Group to Solomon Glory under the Existing RZ Group Loan Agreement (as amended by the RZ Group Loan Agreement) shall be repaid in full in accordance with the terms of the Existing RZ Group Loan Agreement.

The aggregate subscription monies of HK\$444 million payable pursuant to the Additional Subscription was arrived at after arm’s length negotiation amongst the parties to the Transaction Documents and was determined based on (i) the increase in the capital of RZ Group as a result thereof; (ii) the extinguishment of the RZ Group Shareholders’ Loan which would lead to the improvement in gearing and other financial ratios in respect of RZ Group; (iii) the decrease in the interest expenses, subsequent to the completion of the Additional Subscription; and (iv) the request made by the Investor as one of the pre-requisite requirements for the Introduction.

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(2) Appointment of directors

The board of directors of RZ Group shall consist of five directors, of whom Perfect Honour shall be entitled to nominate two directors, the Investor shall be entitled to nominate two directors, and the other shareholders shall collectively be entitled to nominate one director.

(3) Performance target

RZ Group undertakes that the RZ Group 2013 Profit shall be no less than RMB220 million.

If RZ Group 2013 Profit is higher than RMB160 million but lower than RMB220 million, then each of Mr. Xie, Yonghua, Legend Crown and Plenty Boom shall jointly and severally agree and undertake to RZ Group to reimburse RZ Group a portion of the interest on the RZ Group Shareholders' Loan granted by Solomon Glory under the Existing RZ Group Loan Agreement (as amended by the RZ Group Loan Agreement) in accordance with the following formula:

Interest payable by RZ Group to the Solomon Glory on the RZ Group Shareholders' Loan under the Existing RZ Group Loan Agreement (as amended by the RZ Group Loan Agreement) for period starting on the date of the RZ Group Shareholders' Agreement and ending on 31 March 2013

$$\times \frac{\text{RMB220 million} - \text{RZ Group 2013 Profit}}{\text{RMB220 million} - \text{RMB160 million}}$$

If RZ Group 2013 Profit is lower than RMB160 million, then RZ Group shall, and Perfect Honour, Mr. Xie, Yonghua, Legend Crown and Plenty Boom shall procure, at the written request of the Investor, immediately redeem all (but not part of) the RZ Group Shares and RZ Capital Shares (provided that the Proposed IPO in relation to the RZ Capital Companies has not taken place) respectively held by the Investor at a price which is equal to:

- (A) for the RZ Group Shares, (a) the RZ Group Investment Amount, plus (b) an interest on the RZ Group Investment Amount at the rate of 30% per annum, compounded annually, from the Transaction Documents Completion, and ending on the date of such redemption and minus (c) the cash consideration actually paid by Mr. Xie to the Investor pursuant to the exercise of the call option granted to Mr. Xie as mentioned below; and
- (B) for the RZ Capital Shares, (a) the RZ Capital Investment Amount, plus (b) an interest on the RZ Capital Investment Amount at the rate of 30% per annum, compounded annually, from the Transaction Documents Completion, and ending on the date of such redemption,

such that after completion of the above, Perfect Honour, Yonghua, Legend Crown and Plenty Boom's shareholdings in RZ Group and RZ Capital shall be in the Relevant Proportion.

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(4) Call option granted to Mr. Xie

Before the completion of the Proposed IPO, but in any event no later than 31 December 2015, Mr. Xie shall have the right, but not the obligation, to purchase equal number of the RZ Group Shares from each of Perfect Honour and the Investor, each representing up to 50% of the total number of RZ Group Shares sold by Mr. Xie to the Investor pursuant to the Xie's S&P, at a price per RZ Group Share equals to (I) the price per RZ Group Share paid under the Xie's S&P Agreement plus (II) an interest on the price per RZ Group Share paid under the Xie's S&P Agreement at the rate of 6% per annum, compounded annually, from the date of the Transaction Documents Completion and ending on the date of such purchase.

(5) Restriction on Yonghua, Legend Crown and Plenty Boom to transfer shares of RZ Group

Prior to the completion of the Proposed IPO, Yonghua, Legend Crown and Plenty Boom shall be permitted to transfer the RZ Group Shares beneficially owned by them in the aggregate representing not more than 5% of the total number of issued RZ Group Shares with a value of not more than approximately HK\$130.0 million, or to pledge not more than 5% of the total number of issued RZ Group Shares beneficially owned by them to secure a loan in an amount of not more than approximately HK\$130.0 million.

If Yonghua, Legend Crown and Plenty Boom breach the above terms, each of Perfect Honour and the Investor shall be entitled to acquire a pro rata portion of all the RZ Group Shares beneficially owned by Yonghua, Legend Crown and Plenty Boom, each at a total consideration price of HK\$1.00.

(6) Financial Assistance

As at the Latest Practicable Date, the RZ Group Companies provided certain guarantees to the RZ Capital Companies in relation to certain bank loans drawn by the RZ Capital Companies. As contemplated under the Transaction Documents, the RZ Group Companies will, after the Transaction Documents Completion, continue to provide an unlimited guarantee in favour of any financial institutions as security for the grant of facilities by such financial institutions to the RZ Capital Companies (the "**Guarantee Services**") at a guarantee fee of 1.5% of the outstanding guaranteed amount from time to time from the date of the Loan and Guarantee Services Agreement to the earlier of the day falling 3 years thereafter and the day immediately before completion of the Proposed IPO relating to the RZ Group Companies or the RZ Capital Companies (whichever shall first occur).

In addition, as at the Latest Practicable Date, the RZ Group Companies was indebted to the RZ Capital Companies for a sum of approximately RMB140.4 million. As contemplated under the Transaction Documents, and in consideration of the provision of the Guarantee Services by the RZ Group Companies to the RZ Capital Companies, the RZ Capital Companies will, after the Transaction Documents Completion, continue to provide a revolving loan facility of not more than RMB150 million to the RZ Group Companies at a fixed interest rate of 3.0% per annum from the date of the Loan and Guarantee Services Agreement to the earlier of the day falling 2 years thereafter and the day immediately before completion of the Proposed IPO

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relating to the RZ Group Companies or the RZ Capital Companies (whichever shall first occur) (the “**Revolving Loan Facility**”).

In connection with the above, RZ Group will enter into of the Loan and Guarantee Services Agreement with RZ Capital on or before the Transaction Documents Completion. Details of the terms are set out below:

Parties RZ Capital
 RZ Group

Principal terms of the Guarantee Services

Guarantee fee : 1.5% per annum of the outstanding guaranteed amount from time to time

Service period : From the date of the Loan and Guarantee Services Agreement to the earlier of the day falling 3 years thereafter and the day immediately before completion of the Proposed IPO relating to the RZ Group Companies or the RZ Capital Companies (whichever shall first occur)

Principal terms in relation to the Revolving Loan Facility

Amount : A revolving loan facility of up to RMB150 million

Availability period : The period commencing on the date of the Loan and Guarantee Services Agreement and ending on the earlier of (i) the date falling 7 business days before the final repayment date; or (ii) the date on which the Revolving Loan Facility is cancelled or terminated in accordance with the provisions of the Loan and Guarantee Services Agreement

Term : From the date of the Loan and Guarantee Services Agreement to the earlier of the day falling 2 years thereafter and the day immediately before completion of the Proposed IPO relating to the RZ Group Companies or the RZ Capital Companies (whichever shall first occur)

Interest : 3% per annum

Purpose : As the general working capital of the RZ Group Companies

LETTER FROM THE BOARD

Terms only applicable to the RZ Capital Shareholders' Agreement

Appointment of directors

The board of directors of RZ Capital shall have five directors, of whom Perfect Honour shall be entitled to nominate three directors, the Investor shall be entitled to nominate one director, and the other shareholders shall collectively be entitled to nominate one director.

Trademark Licence

Mr. Xie has agreed to enter into the Trademark Licence upon the Transaction Documents Completion, detailed terms of which are summarised as below:

Parties	: Mr. Xie as licensor RZ Group and RZ Capital collectively as licensees
Period	Perpetual
Licence fees	Nil
Subject matter	Non-exclusive use of “融众” and “Rong Zhong” in the PRC on and in relation to the financial services. In addition, RZ Group and RZ Capital are entitled to grant sub-licence to any of their respective affiliates to use the relevant trademarks, and such sub-licence shall contain an obligation on the sub-licensee to comply with RZ Group's or RZ Capital's (where appropriate) obligations under the Trademark Licence.

The valid term of the registration of the relevant trademarks commenced from 2005 and will expire in 2015.

As at the Latest Practicable Date, Mr. Xie considered that there would be no foreseeable obstacle towards the renewal of the registration of such trademarks upon their expiry.

Undertaking by the Company

In connection with the Introduction, the Company has acknowledged to the Investor that for so long as the RZ Group Shareholders' Agreement and/or the RZ Capital Shareholders' Agreement remain valid and binding on Perfect Honour and the Investor:

- (1) if for any reason Perfect Honour defaults in the performance of its obligations with respect to the capitalisation of the RZ Capital Shareholders' Loan by allotment and issuance of new RZ Capital Shares and the Additional Subscription, the Company shall perform (or procure the performance of) and satisfy (or procure the satisfaction of) such obligations on behalf of Perfect Honour;

LETTER FROM THE BOARD

- (2) the Company shall not, and shall use all reasonable endeavours to procure that the subsidiaries do not, engage in any activity, or any series of activities, which will directly or indirectly, undermine the fulfillment of the obligations of Perfect Honour under the Transaction Documents;
- (3) the Company shall maintain a controlling interest in Perfect Honour and will not deal with or otherwise mortgage, charge or assign its interest in Perfect Honour without the Investor's consent;
- (4) the Company shall not, and shall use all reasonable endeavours to procure its subsidiaries will not, directly or indirectly, engage in any business that competes with the existing business of the RZ Group Companies and the RZ Capital Companies, except for (A) through its investment in RZ Group and RZ Capital; (B) its existing project financing business; and (C) owning no more than a 10% equity in any company that may have direct or indirect competition with the RZ Group Companies and the RZ Capital Companies; and
- (5) the Company acknowledges that it may be required by the relevant regulators, sponsors, underwriters and professional parties to provide the necessary information, undertakings, confirmations and declarations and take other actions as are commonly required of a substantial shareholder of a listing applicant at the material times and the Company shall use all reasonable endeavours to give all necessary assistance to such effect in support of the Proposed IPO.

INFORMATION ON THE INVESTOR

As confirmed by the Investor, as at the Latest Practicable Date, the Investor was a wholly-owned subsidiary of Hony Capital and principally engaged in investment holding activities.

As confirmed by the Investor, Hony Capital is a leading PRC-focused private equity firm and has over US\$4.4 billion in assets under management across six funds and investments in over 40 companies. The single largest investor is a wholly-owned subsidiary of Legend Holdings Limited which has approximately 14.3% interest in Hony Capital. Apart from Legend Holdings Limited, Hony Capital has 77 other investors with interests ranging from 0.02% to 7.15% in Hony Capital.

The Directors confirm that, to the best of their knowledge, information and belief having made all reasonable enquiries, the Investor and its ultimate beneficial owners are Independent Third Parties.

LETTER FROM THE BOARD

INFORMATION ON RZ GROUP AND RZ CAPITAL

RZ Group

The RZ Group Companies engage principally in the provision of non-bank financial services, comprising pawn shop business, fund management, investment banking and loan guarantee services, to small-and-medium enterprises (“SMEs”), individuals and retail customers in the various cities of the PRC. In particular with the loan guarantee services, RZ Group mainly provides services in relation to three types of products: (1) working capital loans; (2) motor-vehicle loans; and (3) real estate properties loans.

Out of 71% interest of the Group in RZ Group (including RZ Capital), 40% of interest was subscribed in December 2004 while the rest of interest was acquired from Mr. Xie through a series of acquisitions with the earliest one in July 2005.

Set out below is the unaudited consolidated financial information of the RZ Group Companies prepared in accordance with the Hong Kong Financial Reporting Standards:

	For the year ended 31 March 2010 (HK\$'million)	For the year ended 31 March 2011 (HK\$'million)
Revenue	258.1	238.2
Profit before income tax	79.2	107.9
Profit after income tax	48.6	72.6

As at 31 March 2011, the unaudited consolidated net assets value attributable to the owners of RZ Group was approximately HK\$471.0 million and the assets of the RZ Group Companies mainly comprised, amongst others, accounts receivable and advances provided to customers, security deposits and bank balances and cash.

RZ Capital

The RZ Capital Companies principally engage in the provision of a wide range of financial leasing services, such as direct leasing, sales and leaseback, leveraged leasing, lease with manufacturer’s buy-back undertaking, and other related financial services in the PRC. The target customer group is SMEs across the PRC and the current customer bases spans over various provinces and cities in the PRC, including but not limited to Beijing, Guangdong, Guizhou, Hebei, Henan, Hubei, Hunan, Jiangsu, Jiangxi, Liaoning, Shaanxi, Shanxi, Shanghai, Tianjin and Zhejiang.

The RZ Capital Companies were set up by RZ Group and have commenced the financial leasing business since 2008 after the obtaining of the wholly foreign-owned leasing license from the government authority of the PRC.

LETTER FROM THE BOARD

Set out below is the audited consolidated financial information of the RZ Capital Companies prepared in accordance with the Hong Kong Financial Reporting Standards:

	For the year ended 31 March 2010	For the year ended 31 March 2011
	<i>(HK\$'million)</i>	<i>(HK\$'million)</i>
Revenue	11.1	35.2
Profit before income tax	7.5	24.1
Profit after income tax	5.8	19.6

As at 31 March 2011, the audited consolidated net assets value of RZ Capital was approximately HK\$30.1 million and the assets of the RZ Capital Companies mainly comprised, amongst others, finance leases receivable.

INFORMATION ON MR. XIE

Mr. Xie has been an executive Director since April 2007. He is also the director of RZ Group and most of its subsidiaries (including RZ Capital), supervising the businesses of the RZ Group Companies and the RZ Capital Companies. Mr. Xie is the chairman of the Wuhan Pawn Association, a guest professor of the Management Technology College of the Hubei University of Economy, an arbitrator of the Wuhan Arbitration Commission and a member of Hubei Provincial People's Congress. Mr. Xie has experience in the non-bank financing businesses for around 10 years.

FINANCIAL EFFECTS OF THE INTRODUCTION

Upon the Transaction Documents Completion:

- (1) RZ Group will be indirectly owned as to 40% by the Company and will cease to be a subsidiary and become an associated company of the Company. As such, its financial results and positions will be deconsolidated from, and then be accounted for by equity method in, the consolidated financial statements of the Group; and
- (2) RZ Capital will be indirectly owned as to approximately 50.06% by the Company and its financial results will continue to be consolidated in the consolidated financial statements of the Group.

Set out in Appendix III to this circular is the unaudited pro forma financial information on the Remaining Group (the "Information") which illustrates the financial impact of the Introduction on the results and cash flows of the Remaining Group assuming the Introduction had been completed on 1 April 2010 and the financial impact of the Introduction on the assets and liabilities of the Remaining Group assuming the Introduction had been completed on 31 March 2011.

LETTER FROM THE BOARD

Assuming the Introduction were completed on 31 March 2011, the Remaining Group would recognise a gain of approximately HK\$552 million, which gain is calculated on the basis of, amongst others, (1) the consideration to be received by the Group for the disposal of the RZ Group Shares pursuant to the RZ Group S&P Agreement; and (2) 40% of estimated fair value of RZ Group upon the Transaction Documents Completion, after deduction for, amongst others, (i) the net assets value of the RZ Group Companies recorded in the consolidated financial statements of the Group as at 31 March 2011; (ii) the estimated provision for the dilution of interest of the Group's share in the RZ Group Shareholders' Loan upon completion of the Additional Subscription by Perfect Honour; and (iii) the write off of the goodwill resulted from the previous acquisitions of RZ Group and its subsidiaries by the Group. The consolidated net asset value per Share will increase from HK\$0.53 to HK\$0.74, representing an increase of approximately 40%, as a result of the Introduction assuming the Introduction were completed on 31 March 2011. As at the Latest Practicable Date, the Company was not aware of any events which might have significant impact on the estimation of the result of the Introduction. However, the actual gain or loss on the Introduction to the Remaining Group and the actual consolidated net asset value per Share upon the Transaction Documents Completion may be different from the expected amount as stated above, as the actual gain or loss and the actual consolidated net asset value per Share will depend on, amongst others, the actual net assets value of the RZ Group Companies as at the date of the Transaction Document Completion. Hence, the actual gain or loss on the Introduction to the Remaining Group is not ascertainable until the date of the Transaction Document Completion.

Based on the Information, the total assets of the Remaining Group (being the existing Group taking into account of the Introduction as if it were completed on 31 March 2011) will increase from approximately HK\$2,573 million to HK\$2,996 million as at 31 March 2011, representing an increase of approximately 16.4% and its total liabilities will drop from approximately HK\$959 million to HK\$773 million as at 31 March 2011, representing a decrease of approximately 19.3%, as a result of the Introduction.

USE OF PROCEEDS AND REASONS OF THE INTRODUCTION

The net proceeds from the RZ Group S&P Agreement of approximately HK\$302 million will be applied as general working capital of the Remaining Group while the net proceeds from the RZ Group Subscription Agreement and the RZ Capital Subscription Agreement of approximately HK\$702.0 million and HK\$156.0 million respectively will be applied for further expansion of the respective businesses of the RZ Group Companies and the RZ Capital Companies.

The Directors consider that the businesses of the RZ Group Companies and the RZ Capital Companies are capital intensive and the Introduction will provide approximately HK\$702.0 million and HK\$156.0 million respectively to them so that they can further expand their businesses in both the existing and new geographical locations. The net proceeds of approximately HK\$302 million to be received by the Remaining Group will provide additional working capital for its existing businesses and for the exploration of new investment opportunities in its existing businesses and/or in other businesses if and when the Directors identify any new business opportunities.

LETTER FROM THE BOARD

The Directors consider that one of the key success factors of the business of the RZ Group Companies is having sufficient capital resources as they are in the business of non-bank financial services. As a result of the Introduction, the RZ Group Companies will raise a gross proceed of approximately HK\$702.0 million. On such basis, the Directors consider that the results of operation of the RZ Group Companies would further improve after the Transaction Documents Completion.

Based on the above, the Directors are of the view that the terms of the Introduction are fair and reasonable, and in the interests of the Group and its Shareholders as a whole.

The principal activities of:

- (1) the Group (other than the RZ Group Companies and the RZ Capital Companies)

is the provision of project financing and consultancy services in Hong Kong and the PRC;

- (2) the RZ Group Companies

is the provision of non-bank financial services, comprising pawn shop business, fund management, investment banking and loan guarantee services in various cities of the PRC; and

- (3) the RZ Capital Companies

is the provision of non-bank financial services, comprising financial leasing and other related financial services in the PRC.

Upon the Transaction Documents Completion, RZ Capital will continue to be a non-wholly owned subsidiary of the Company while RZ Group will become an associated company of the Company. As such, the principal activities of the Remaining Group will then be the provision of project financing, consultancy and financial leasing and other related financial services in Hong Kong and the PRC.

With the net proceeds (including those from the RZ Group S&P and the RZ Capital Subscription) to be received upon the Transaction Documents Completion, the Remaining Group will strengthen the existing businesses with the increase in general working capital and will further expand its existing businesses and/or in other businesses if and when the Directors identify any new business opportunities.

The Company has no intention to change its principal activities and intends to continue to hold its investments in RZ Group and RZ Capital. As at the Latest Practicable Date, the Company did not have any negotiation, intention, arrangement and/or undertaking, whether formal or informal, express or implied, concluded or otherwise, about any disposal, cessation or curtailment of the existing business and the remaining 40% equity interest in RZ Group. As

LETTER FROM THE BOARD

at the Latest Practicable Date, the Company did not identify, was not in negotiation of and had not entered into any agreement in respect of, any investment opportunities or acquisition of companies or business, with any other parties (other than in the course of its existing business operations). The Directors have no current intention to explore investment opportunities other than in its existing business segment.

CORPORATE GUARANTEE PURSUANT TO THE SUPPLEMENTAL FACILITY AGREEMENT

Summary of the terms of the Corporate Guarantee

Parties	:	The Bank (as lender and beneficiary of the Corporate Guarantee) The Company (as guarantor)
Guaranteed obligations	:	71% of all sums payable by Wuhan Rongjinhong under the Existing Facility Agreement (as amended by the Supplemental Facility Agreement) and the aforesaid percentage will be increased or decreased in the same proportion if the Company's shareholding in Wuhan Rongjinhong changes provided that such percentage shall in no event be less than 51%
Term of the Corporate Guarantee	:	Until all sums payable by Wuhan Rongjinhong under the Existing Facility Agreement (as amended by the Supplemental Facility Agreement) have been fully repaid

Reasons for and benefits of provision of the Corporate Guarantee

As at the Latest Practicable Date, Wuhan Rongjinhong was a wholly-owned subsidiary of RZ Group. The Directors consider that the businesses of the RZ Group Companies are capital intensive, the provision of the Corporate Guarantee is necessary to enable Wuhan Rongjinhong to obtain the Loan Facility in order to provide general working capital to the RZ Group Companies to carry out its existing businesses.

Having considered the above and after taking into account of the terms of the Introduction, the Directors consider that the provision of the Corporate Guarantee as continuing security for the Loan Facility after the Transaction Documents Completion is on normal commercial terms, fair and reasonable, and in the interests of the Group and the Shareholders as a whole.

Information on Wuhan Rongjinhong

Wuhan Rongjinhong and its subsidiaries engage principally in the provision of non-bank financial services, comprising short-term financing and loan guarantee services, to SMEs, individuals and/or retail customers in the various cities of the PRC.

LETTER FROM THE BOARD

GENERAL

The Introduction

As the applicable percentage ratios for the transactions contemplated under the Transaction Documents (other than the Xie's S&P Agreement) under the Listing Rules are more than 75%, the Introduction (other than the Xie's S&P) constitutes a very substantial disposal for the Company under the Listing Rules. As at the Latest Practicable Date, Mr. Xie, being an executive Director and interested in 19.01% of RZ Group through his interest in Yonghua, was a party to the Xie's S&P Agreement, the RZ Group Shareholders' Agreement and the RZ Capital Shareholders' Agreement. Accordingly, the Introduction (other than the Xie's S&P) also constitutes a connected transaction for the Company pursuant to Rule 14A.13(1)(b)(i) of the Listing Rules and is subject to the approval of the Independent Shareholders at the EGM.

Immediately upon the Transaction Documents Completion, the Investor will become a substantial shareholder of RZ Capital which will continue to be a non-wholly owned subsidiary of the Company, therefore the Investor will become a connected person of the Group. RZ Group, which will be owned as to 40% by the Investor upon the Transaction Documents Completion, will become an associate of the Investor. As a result, the RZ Group Companies will become connected persons of the Group, and therefore, the Loan and Guarantee Services Agreement and the RZ Group Loan Agreement, being the transactions contemplated under the Introduction, will constitute connected transactions for the Company under the Listing Rules and are subject to the approval of the Independent Shareholders at the EGM. In addition, the Company will comply with Practice Note 15 to the Listing Rules regarding the Proposed IPO of the RZ Group Companies and/or the RZ Capital Companies (where appropriate).

The Company will make announcement(s) which is/are in compliance with the requirements of Rule 2.07C of the Listing Rules to the Shareholders regarding (i) the exercise of the rights; and/or (ii) the lapse of the rights, of each of Perfect Honor, Investor, Yonghua, Legend Crown and Plenty Boom pursuant to the RZ Group Shareholders' Agreement and the RZ Capital Shareholders' Agreement.

Corporate Guarantee pursuant to the Supplemental Facility Agreement

As one of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the maximum potential liability of the Company under the Corporate Guarantee exceeds 5% but less than 25%, the provision of the Corporate Guarantee pursuant to the Existing Facility Agreement (as amended by the Supplemental Facility Agreement) upon the Transaction Documents Completion will constitute a discloseable and connected transaction for the Company under Chapters 14 and 14A of the Listing Rules. Therefore, it is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules, and the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

LETTER FROM THE BOARD

As at the Latest Practicable Date, Yonghua, Legend Crown and Plenty Boom were parties to the Transaction Documents and/or the RZ Group Shareholders' Agreement and the RZ Capital Shareholders' Agreement. As such, Mr. Xie (being the owner of Yonghua) and his associates (interested in an aggregate of 126,900,000 Shares, representing approximately 4.6% of the issued share capital of the Company as at the Latest Practicable Date) and Ms. Wong (being the owner of Legend Crown and Plenty Boom) and her associates (including Mr. Wong Yu Lung, Charles (being the father of Ms. Wong) and Ms. Wong, Michelle Yatye (being the sister of Ms. Wong) (interested in an aggregate of 1,440,615,517 Shares, representing approximately 52.19% of the issued share capital of the Company as at the Latest Practicable Date) shall abstain from voting on the proposed resolution to approve the Introduction (other than the Xie's S&P) and the transactions contemplated thereunder, and the provision of the Corporate Guarantee by the Company upon the Transaction Documents Completion at the EGM. The Independent Board Committee has been formed to advise the Independent Shareholders in respect of the Introduction (other than the Xie's S&P) and the transactions contemplated thereunder, and the provision of the Corporate Guarantee by the Company upon the Transaction Documents Completion. CIMB has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

EGM

The EGM will be convened and held at JW Marriott Ballroom, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on 10:00 a.m., Wednesday, 12 October 2011 to consider and, if thought fit, approve the entering into of the Introduction (other than the Xie's S&P) and the performance of the transactions contemplated thereunder, and the provision of the Corporate Guarantee by the Company upon the Transaction Documents Completion. A notice convening the EGM is set out on pages EGM-1 to EGM-5 of this circular. A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as possible but in any event not less than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude the Independent Shareholders from attending and voting in person at the EGM or any adjournment thereof if they so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, the proposed resolution put to the vote of the Independent Shareholders at the EGM will be taken by poll. The results of the voting at the EGM will be announced by the Company following the conclusion thereof.

RECOMMENDATION

The Directors consider that the Introduction (other than the Xie's S&P) and the transactions contemplated thereunder, and the provision of the Corporate Guarantee by the Company upon the Transaction Documents Completion are fair and reasonable and in the

LETTER FROM THE BOARD

interests of the Group and the Shareholders as a whole. Accordingly, the Directors recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Introduction (other than the Xie's S&P) and the transactions contemplated thereunder, and the provision of the Corporate Guarantee by the Company upon the Transaction Documents Completion.

Your attention is drawn to the letter from the Independent Board Committee set out on pages 41 to 42 of this circular which contains its recommendation to the Independent Shareholders on the Introduction (other than the Xie's S&P) and the transactions contemplated thereunder, and the provision of the Corporate Guarantee by the Company upon the Transaction Documents Completion.

Your attention is also drawn to the letter of advice received from CIMB which contains, amongst other matters, its advice to the Independent Board Committee and the Independent Shareholders in relation to the Introduction (other than the Xie's S&P) and the transactions contemplated thereunder, and the provision of the Corporate Guarantee by the Company upon the Transaction Documents Completion, and the principal factors and reasons considered by it in concluding its advice. The letter from CIMB is set out on pages 43 to 74 of this circular.

ADDITIONAL INFORMATION

Your attention is also drawn to the information set out in the appendices to this circular.

Yours faithfully,
For and on behalf of the Board of
Goldbond Group Holdings Limited
Mr. Ding Chung Keung
Chief Executive Officer and
Executive Director



GOLDBOND GROUP HOLDINGS LIMITED

金榜集團控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 172)

23 September 2011

To the Independent Shareholders

Dear Sir or Madam,

**VERY SUBSTANTIAL DISPOSAL AND
CONNECTED TRANSACTIONS INVOLVING
INTRODUCTION OF AN INVESTOR
TO RZ GROUP AND RZ CAPITAL**

We refer to the circular of the Company dated 23 September 2011 (the “Circular”), of which this letter forms part. Unless specified otherwise, capitalised terms used herein shall have the same meanings as those defined in the Circular.

We have been appointed by the Board as members of the Independent Board Committee to advise you in relation to the Introduction (other than the Xie’s S&P) and the transactions contemplated thereunder, and the provision of the Corporate Guarantee by the Company upon the Transaction Documents Completion. CIMB has been appointed as the independent financial adviser to advise you and us in this regard. Details of its advice, together with the principal factors and reasons it has taken into consideration in giving such advice, are set out in the Circular. Your attention is also drawn to the letter from the Board in the Circular and the additional information set out in the appendices thereto.

Having considered the terms of the Introduction (other than the Xie’s S&P), and the provision of the Corporate Guarantee by the Company upon the Transaction Documents Completion and taking into account the independent advice of CIMB, we are of the opinion that the terms of the Introduction (other than the Xie’s S&P) and the transactions contemplated thereunder, and the provision of the Corporate Guarantee by the Company upon the Transaction Documents Completion are fair and reasonable and in the interests of the Group and the Shareholders as a whole. Accordingly, we recommend you to vote in favour of the

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

ordinary resolution to be proposed at the EGM to approve the Introduction (other than the Xie's S&P) and the transactions contemplated thereunder, and the provision of the Corporate Guarantee by the Company upon the Transaction Documents Completion.

Yours faithfully,

Independent Board Committee

Mr. Ma Ho Fai SBS JP

Mr. Melvin Jitsumi Shiraki

Mr. Cheng Yuk Wo

Independent non-executive Director

LETTER FROM CIMB



CIMB Securities (HK) Limited

Units 7706-08, Level 77
International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong

23 September 2011

*To the Independent Board Committee and
the Independent Shareholders of Goldbond Group Holdings Limited*

Dear Sir or Madam,

**VERY SUBSTANTIAL DISPOSAL AND CONNECTED TRANSACTIONS
INVOLVING INTRODUCTION OF AN INVESTOR
TO RZ GROUP AND RZ CAPITAL
CONNECTED AND DISCLOSEABLE TRANSACTION
INVOLVING CORPORATE GUARANTEE**

INTRODUCTION

We refer to our engagement as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Introduction (other than the Xie's S&P) and the transactions contemplated thereunder, and the Corporate Guarantee pursuant to the Existing Facility Agreement (as amended by the Supplemental Facility Agreement), details of which are set out in the letter from the Board (the "Letter from the Board") contained in the circular of the Company (the "Circular") to the Shareholders dated 23 September 2011, of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless the context otherwise requires.

To effect the Introduction, the relevant parties have entered or will enter into the following agreements:

- (i) On 24 August 2011, Perfect Honour, a wholly owned subsidiary of the Company and which holds approximately 71% interest in RZ Group, and the Investor entered into the RZ Group S&P Agreement pursuant to which Perfect Honour conditionally agreed to dispose of approximately 13.86% of the issued share capital of RZ Group (as enlarged by the RZ Group Subscription) to the Investor for a consideration of approximately US\$39.2 million (equivalent to approximately HK\$305.4 million);
- (ii) On 24 August 2011, Yonghua (a company wholly owned by Mr. Xie, an executive Director, and which holds approximately 19.01% interest in RZ Group) and the Investor entered into the Xie's S&P Agreement pursuant to which Yonghua

LETTER FROM CIMB

conditionally agreed to dispose of approximately 2.00% of the issued share capital of RZ Group (as enlarged by the RZ Group Subscription) to the Investor for a consideration of approximately US\$5.6 million (equivalent to approximately HK\$44.0 million);

- (iii) On 24 August 2011, RZ Group and the Investor entered into the RZ Group Subscription Agreement pursuant to which the Investor conditionally agreed to subscribe for approximately 24.14% of the issued share capital of RZ Group (on an enlarged basis) for a consideration of US\$90 million (equivalent to approximately HK\$702.0 million);
- (iv) On 24 August 2011, RZ Capital and the Investor entered into the RZ Capital Subscription Agreement pursuant to which the Investor conditionally agreed to subscribe for approximately 29.50% of the issued share capital of RZ Capital (on an enlarged basis) for a consideration of US\$20 million (equivalent to approximately HK\$156.0 million); and
- (v) Pursuant to the Transaction Documents, upon the Transaction Documents Completion, the relevant shareholders of each of RZ Group and RZ Capital will enter into the RZ Group Shareholders' Agreement and the RZ Capital Shareholders' Agreement respectively (collectively, the "Shareholders' Agreements") pursuant to which, among others, (i) Perfect Honour and Mr. Xie will grant certain undertakings in favour of the Investor; and (ii) Perfect Honour and the Investor will grant a call option to Mr. Xie giving him the right to purchase equal number of RZ Group Shares from each of Perfect Honour and the Investor up to 50% of the total number of RZ Group Shares sold by Mr. Xie to the Investor pursuant to the Xie's S&P Agreement (the "Xie Call Option").

In addition, as part of the terms for the Introduction, on or before the date of the Transaction Documents Completion, (i) Solomon Glory (a wholly owned subsidiary of the Company) as lender and RZ Group as borrower will enter into the RZ Group Loan Agreement pursuant to which Solomon Glory agrees to, among others, extend the repayment date of the RZ Group Shareholders' Loan and reduce the interest rate in respect of the RZ Group Shareholders' Loan; and (ii) RZ Group and RZ Capital will enter into the Loan and Guarantee Services Agreement pursuant to which the RZ Group Companies will continue to provide an unlimited guarantee in favour of any financial institutions as security for the grant of facilities by such financial institutions to the RZ Capital Companies while the RZ Capital Companies will continue to provide a revolving loan facility of up to RMB150 million (equivalent to approximately HK\$178.5 million) to the RZ Group Companies.

Furthermore, on 3 September 2011, Wuhan Rongjinhong, being a 71% subsidiary of the Company prior to the Transaction Documents Completion, and the Bank entered into the Supplemental Facility Agreement, pursuant to which the Bank agreed to extend the maturity date of the Loan Facility and the Company also acknowledged and confirmed that the Corporate Guarantee provided pursuant to the Existing Facility Agreement would remain valid.

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As at the Latest Practicable Date, the Investor was a third party independent of the Company and its connected persons. However, given that Mr. Xie, being an executive Director, is interested in 19.01% of RZ Group through his interest in Yonghua, the transactions contemplated under the Transaction Documents (other than the Xie's S&P Agreement) constitute connected transactions for the Company pursuant to Rule 14A.13(1)(b)(i) of the Listing Rules and are subject to the approval of the Independent Shareholders at the EGM. As the applicable percentage ratios for the transactions contemplated under the Transaction Documents (other than the Xie's S&P Agreement) under the Listing Rules are more than 75%, the Introduction also constitutes a very substantial disposal for the Company under the Listing Rules. In addition, immediately upon the Transaction Documents Completion, the Investor will become a substantial shareholder of RZ Capital which will continue to be a non-wholly owned subsidiary of the Company, therefore the Investor will become a connected person of the Group. RZ Group, which will be owned as to 40% by the Investor upon the Transaction Documents Completion, will become an associate of the Investor. As a result, the RZ Group Companies will become connected persons of the Group, and therefore, the RZ Group Loan Agreement and the Loan and Guarantee Services Agreement will constitute connected transactions for the Company and are subject to the approval of the Independent Shareholders at the EGM. Moreover, as Wuhan Rongjinhong will be owned as to 40% by the Company after the Transaction Documents Completion, the Corporate Guarantee provided by the Company pursuant to the Existing Facility Agreement (as amended by the Supplemental Facility Agreement) after the Transaction Documents Completion will not be in proportion to the Company's equity interest in Wuhan Rongjinhong. Therefore the provision of the Corporate Guarantee will not be exempted pursuant to Rule 14A.65(3) of the Listing Rules and is subject to the approval of the Independent Shareholders at the EGM. As the applicable percentage ratios in respect of the maximum potential liability of the Company under the Corporate Guarantee exceed 5% but are less than 25%, the provision of the Corporate Guarantee upon the Transaction Documents Completion will also constitute a discloseable transaction for the Company under the Listing Rules.

Given that Yonghua, Legend Crown and Plenty Bloom are parties to the Transaction Documents and/or the RZ Group Shareholders' Agreement and the RZ Capital Shareholders' Agreement, Mr. Xie (being the owner of Yonghua), Ms. Wong (being the owner of Legend Crown and Plenty Boom) and their respective associates (including Mr. Wong Yu Lung, Charles (being the father of Ms. Wong) and Ms. Wong, Michelle Yatyee (being the sister of Ms. Wong)), who are interested in aggregate of 1,567,515,517 Shares (representing approximately 56.79% of the issued share capital of the Company as at the Latest Practicable Date), shall abstain from voting on the proposed resolution to approve the Introduction (other than the Xie's S&P) and the transactions contemplated thereunder, and the provision of the Corporate Guarantee by the Company upon the Transaction Documents Completion at the EGM.

The Independent Board Committee comprising Mr. Ma Ho Fai SBS JP, Mr. Melvin Jitsumi Shiraki and Mr. Cheng Yuk Wo has been formed to advise the Independent Shareholders in respect of the Introduction (other than the Xie's S&P) and the transactions contemplated thereunder, and the provision of the Corporate Guarantor by the Company upon the Transaction Documents Completion.

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BASIS OF OUR OPINION

In formulating our recommendation, we have relied on the information and facts contained or referred to in the Circular as well as the representations made or provided by the Directors and the senior management of the Company. The Directors have declared in a responsibility statement set out in Appendix V to the Circular that they collectively and individually accept full responsibility for the accuracy of the information contained and representations made in the Circular. We have also assumed that the information and the representations made by the Directors as contained or referred to in the Circular were true and accurate at the time they were made and continue to be so up to the date of the EGM. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Directors and the senior management of the Company. We have also been advised by the Directors and believe that no material facts have been omitted from the Circular.

We consider that we have reviewed sufficient information to reach an informed view, to justify reliance on the accuracy of the information contained in the Circular and to provide a reasonable basis for our recommendation. We have not, however, conducted an independent verification of the information nor have we conducted any form of in-depth investigation into the businesses and affairs or the prospects of the Company, RZ Group, RZ Capital, Wuhan Rongjinhong or any of their respective subsidiaries or associates.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and advice, we have considered the following principal factors and reasons:

A. Background to and rationale for the Introduction

The Group has been principally engaged in provision of financing services and loan guarantee services in China since 2005 when it acquired an additional 11% interest in RZ Group, making it a 51% owned subsidiary of the Company. The Group's interest in RZ Group was further increased to 71% in 2007. In late 2008, RZ Capital, a wholly owned subsidiary of RZ Group, started to engage in financial leasing services.

On 24 August 2011, the relevant parties entered into the Transactions Documents pursuant to which the Investor would invest an aggregate amount of approximately US\$154.8 million (equivalent to approximately HK\$1,207.4 million) in RZ Group and RZ Capital. To facilitate the Introduction, the Group will, on or before the Transaction Documents Completion, effect the Pre-Completion Reorganisation, details of which are set out in the Letter from the Board.

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As stated in the Letter from the Board, the Directors consider that the businesses of RZ Group and RZ Capital are capital intensive and having sufficient capital resources is one of the key success factors of non-bank financial services businesses. We note from the Company's annual report for the year ended 31 March 2011 (the "2011 Annual Report") that the Group incurred an aggregate cash outflow arising from the increase in accounts receivable and advances provided to customers (which mostly represented loans receivable from pawnshop customers and entrusted loans through banks) and finance leases receivable of approximately HK\$489 million and HK\$402 million for the year ended 31 March 2011 ("FY2011") and the year ended 31 March 2010 ("FY2010") respectively. We also note from the 2011 Annual Report that the Group sees ample opportunity to grow in equipment and machinery financing business, particularly in financial leasing services, and, accordingly, it plans to devote more resources in the financial leasing business to capture the growth potential in this area in the coming years.

In view of the capital intensive nature of the businesses of the RZ Group Companies and the RZ Capital Companies, we concur with the Directors' view that the Introduction will enable the Group to raise a significant amount of capital for the expansion of the businesses of the RZ Group Companies and the RZ Capital Companies, both in the existing geographical locations as well as new geographical locations. It should be noted that given the significant size of the investment in RZ Group and RZ Capital to be made by the Investor, the Group's interest in RZ Group and RZ Capital will be significantly reduced following completion of the Introduction. In particular, the Group's interest in RZ Group will be reduced to 40%, resulting in deconsolidation of RZ Group from the consolidated financial statements of the Group, while the Group will continue to retain majority control of RZ Capital with a reduced interest of approximately 50.06%. The Directors consider that the dilution of interest in RZ Group is inevitable given the size of the fund raising. They further consider that the Introduction, which provides the funding for expansion of the business of both RZ Group and RZ Capital, is in the interest of the Company and the Shareholders as a whole.

B. The Introduction and the Transaction Documents

The Company currently holds 71% interest in RZ Group, which in turn holds 100% interest in RZ Capital. Upon Pre-Completion Reorganisation Completion, RZ Capital will no longer be held by RZ Group and the Company will hold 71% interest in each of RZ Group and RZ Capital. Pursuant to the Introduction, the Investor will invest an aggregate amount of approximately US\$154.8 million in RZ Group and RZ Capital. Upon completion of the Introduction, RZ Group will be indirectly owned as to 40% by the Company, 40% by the Investor and the remaining 20% by Yonghua, Legend Crown and Plenty Boom collectively while RZ Capital will be indirectly owned as to approximately 50.06% by the Company, 29.50% by the Investor and the remaining 20.44% by Yonghua, Legend Crown and Plenty Boom collectively. As such, following completion of the Introduction, RZ Group will no longer be a subsidiary of the Company but will only be accounted for as an associate of the Company while RZ Capital will remain as a subsidiary of the Company.

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To effect the Introduction, the Group and the relevant parties have entered into the Transaction Documents and the Group will enter into the Shareholders' Agreements upon the Transaction Documents Completion, details of which are set out in the Letter from the Board. The summary below sets out the major terms of each of the Transaction Documents and the Shareholders' Agreements.

1. The RZ Group S&P Agreement and the Xie's S&P Agreement

Pursuant to the RZ Group S&P Agreement and the Xie's S&P Agreement, Perfect Honour (a wholly-owned subsidiary of the Company) and Yonghua (wholly-owned by Mr. Xie) will dispose of certain existing RZ Group Shares to the Investor. The major terms of these agreements are set out below:

	The RZ Group S&P Agreement	The Xie's S&P Agreement
Date	: 24 August 2011	24 August 2011
Vendor	: Perfect Honour	Yonghua
Purchaser	: Investor	Investor
Guarantor	: Not applicable	Mr. Xie
Subject	: 4,750,000 RZ Group Shares, representing approximately 18.27% of the existing issued share capital of RZ Group as at the Latest Practicable Date and approximately 13.86% of the issued share capital of RZ Group as enlarged by the issue of the RZ Group Shares pursuant to the RZ Group Subscription Agreement	685,000 RZ Group Shares, representing approximately 2.63% of the existing issued share capital of RZ Group as at the Latest Practicable Date and approximately 2.00% of the issued share capital of RZ Group as enlarged by the issue of the RZ Group Shares pursuant to the RZ Group Subscription Agreement
Consideration:	Approximately US\$39.2 million, payable in cash upon the RZ Group S&P Completion	Approximately US\$5.6 million, payable in cash upon the Xie's S&P Completion

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2. *The RZ Group Subscription Agreement and the RZ Capital Subscription Agreement*

Pursuant to the RZ Group Subscription Agreement and the RZ Capital Subscription Agreement, the Investor will subscribe for certain new RZ Group Shares and RZ Capital Shares. The major terms of these agreements are set out below:

	The RZ Group Subscription Agreement	The RZ Capital Subscription Agreement
Date	: 24 August 2011	24 August 2011
Issuer	: RZ Group	RZ Capital
Subscriber	: Investor	Investor
Subject	: 8,275,000 RZ Group Shares, representing approximately 31.83% of the issued share capital of RZ Group as at the Latest Practicable Date and approximately 24.14% of the issued share capital of RZ Group as enlarged by the issue of the RZ Group Shares pursuant to the RZ Group Subscription Agreement	29,500 RZ Capital Shares, representing approximately 41.84% of the issued share capital of RZ Capital as enlarged by the issue of the RZ Capital Shares pursuant to the capitalisation of the RZ Capital Shareholders' Loan and approximately 29.50% of the issued share capital of RZ Capital as enlarged by the issue of the RZ Capital Shares pursuant to aforesaid capitalisation and the RZ Capital Subscription Agreement
Subscription price	: US\$90.0 million, payable in cash upon the RZ Group Subscription Completion	US\$20.0 million, payable in cash upon the RZ Capital Subscription Completion

3. *The Shareholders' Agreements*

Pursuant to the Transaction Documents, Perfect Honour, the Investor, Yonghua, Legend Crown, Plenty Boom and Mr. Xie will, upon the Transaction Documents Completion, enter into the Shareholders' Agreements to govern their rights and obligations in relation to RZ Group and RZ Capital respectively.

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The key provisions of the Shareholders' Agreements are summarised as follows:

3a. Commencement of the Proposed IPO, change of business and ownership of the Company

<i>Description of triggering events</i>	<i>Obligations/rights of relevant parties</i>
<ul style="list-style-type: none">– Perfect Honour, Mr. Xie, Yonghua, Legend Crown or Plenty Boom unreasonably or improperly objects, delays or otherwise obstructs the Proposed IPO when RZ Group or RZ Capital has met the listing requirements;– unless otherwise agreed by all shareholders of RZ Group or RZ Capital, RZ Group or RZ Capital has not commenced the listing preparation work in relation to the Proposed IPO before 31 December 2012;– RZ Group or RZ Capital embarks on new sectors irrelevant to their respective original businesses against the advice of the Investor; or– the direct or indirect ownership of Mr. Wong Yu Lung, Charles, the controlling Shareholder, together with his affiliates and parties acting in concert with any of them, in the Company drops below 35%	<ul style="list-style-type: none">– At the request of the Investor, Perfect Honour, Yonghua, Legend Crown and Plenty Boom shall at their sole and absolute discretion to jointly elect to either of the following:<ul style="list-style-type: none">(i) procure RZ Group and RZ Capital (provided that the Proposed IPO in relation to them has not taken place) to redeem, on a several basis, a pro rata portion of their respective RZ Group Shares and RZ Capital Shares at the lower of the par value of such RZ Group Shares and RZ Capital Shares and 50% of the net assets value per such RZ Group Share and RZ Capital Share, such that the Investor's ownership in each of RZ Group and RZ Capital will reach 50.1%; or(ii) on a several basis, purchase all of the RZ Group Shares and the RZ Capital Shares (provided that the Proposed IPO in relation to them has not taken place) purchased and/or subscribed by the Investor pursuant to the Transaction Documents at a price equal to the Investor's relevant investment cost plus an interest of 20% per annum, compounded annually, less dividends paid and the consideration paid by Mr. Xie to the Investor pursuant to the exercise of the Xie Call Option (in the case of the RZ Group Shares)

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3b. Non-completion of the Proposed IPO

Description of triggering events

- Unless otherwise agreed by all shareholders, RZ Group or RZ Capital has not completed the Proposed IPO before 31 December 2015

Obligations/rights of relevant parties

- The Investor may request Perfect Honour, Yonghua, Legend Crown and Plenty Boom either:
 - (i) to immediately fulfill their respective obligations under the Additional Subscription (applicable to RZ Group only); or
 - (ii) at their sole and absolute discretion jointly elect to either purchase, on several basis, or procure RZ Group and RZ Capital to redeem, all of the RZ Group Shares and RZ Capital Shares (provided that the Proposed IPO in relation to them has not taken place) purchased and/or subscribed by the Investor pursuant to the Transaction Documents at a price calculated with reference to the Investor's relevant investment cost plus the higher of (I) 12% of that investment cost, and (II) the undistributed profits that are attributable to the Investor and less the consideration paid by Mr. Xie to the Investor pursuant to the exercise of the Xie Call Option (in the case of RZ Group Shares)

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3c. Breach of non-compete undertaking

Description of triggering events

Obligations/rights of relevant parties

- | | |
|---|---|
| – Perfect Honour or any of its affiliates breaches the non-compete undertaking | – Each of the Investor, Yonghua, Legend Crown or Plenty Boom has the right to sell all of its RZ Group Shares and RZ Capital Shares (provided that the Proposed IPO in relation to them has not taken place) to Perfect Honour in the following manner: <ul style="list-style-type: none">(i) in respect of the Investor, at a price equal to the Investor's relevant investment cost plus an interest of 30% per annum, compounded annually, less dividends paid or declared and the consideration paid by Mr. Xie to the Investor pursuant to the exercise of the Xie Call Option (in the case of the RZ Group Shares); and(ii) in respect of Yonghua, Legend Crown and Plenty Boom, at a price calculated with reference to two times of the consolidated net assets value of each of the RZ Group Companies and the RZ Capital Companies |
| – Mr. Xie or any of his affiliates breaches the non-compete undertaking or Mr. Xie voluntarily resigns from the RZ Group Companies and the RZ Capital Companies | – Perfect Honour and the Investor have the right to sell all of their respective RZ Group Shares and RZ Capital Shares (provided that the Proposed IPO in relation to them has not taken place) to Mr. Xie in the following manner: <ul style="list-style-type: none">(i) in respect of the Investor, at a price equal to the Investor's relevant investment cost plus an interest of 30% per annum, compounded annually, less dividends paid or declared and the consideration paid by Mr. Xie to the Investor pursuant to the exercise of the Xie Call Option (in the case of the RZ Group Shares); and(ii) in respect of Perfect Honour, at a price calculated with reference to two times of the consolidated net assets value of each of the RZ Group Companies and the RZ Capital Companies |

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3d. Performance target (applicable to the RZ Group Shareholders' Agreement only)

<i>Description of triggering events</i>	<i>Obligations/rights of relevant parties</i>
<p>– RZ Group 2013 Profit is higher than RMB160 million but lower than RMB220 million</p>	<p>– Each of Mr. Xie, Yonghua, Legend Crown and Plenty Boom shall jointly and severally reimburse RZ Group a portion of the interest on the RZ Group Shareholders' Loan granted by Solomon Glory under the Existing RZ Group Loan Agreement (as amended by the RZ Group Loan Agreement) in accordance with the formula as disclosed in the Letter from the Board</p>
<p>– RZ Group 2013 Profit is lower than RMB160 million</p>	<p>– The Investor has the right to request RZ Group and RZ Capital to redeem all the RZ Group Shares and the RZ Capital Shares (provided that the Proposed IPO in relation to the RZ Capital Companies has not taken place) held by it at a price which is equal to aggregate of (i) the RZ Group Investment Amount plus an interest of 30% per annum, compounded annually less the cash consideration paid by Mr. Xie to the Investor pursuant to the exercise of the Xie Call Option; and (ii) the RZ Capital Investment Amount plus an interest of 30% per annum, compounded annually</p>

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3e. Compensation to Mr. Xie

<i>Description of triggering events</i>	<i>Obligations/rights of relevant parties</i>
<p>– RZ Group 2013 Profit reaches RMB220 million</p>	<p>– Mr. Xie’s aggregate annual salary for his posts at both RZ Group and RZ Capital shall be increased from RMB600,000 (after tax) (equivalent to approximately HK\$714,000) plus HK\$600,000 (before tax) to RMB3.6 million (after tax) (equivalent to approximately HK\$4.3 million) plus HK\$600,000 (before tax). The increment of RMB3 million (after tax) (equivalent to approximately HK\$3.6 million) will be borne by the RZ Group Companies.</p>
<p>– RZ Group 2013 Profit exceeds the amount set out in the RZ Group’s business plan</p>	<p>– Mr. Xie’s aggregate annual salary may be further increased as approved by the board of directors of RZ Group</p>

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3f. RZ Group Shareholders' Loan and the Additional Subscription (applicable to the RZ Group Shareholders' Agreement only)

<i>Description of triggering events</i>	<i>Obligations/rights of relevant parties</i>
<ul style="list-style-type: none">- Prior to formal application of the Proposed IPO	<ul style="list-style-type: none">- Perfect Honour shall procure Solomon Glory to lend the RZ Group Shareholders' Loan to RZ Group pursuant to the terms of the RZ Group Loan Agreement (the terms of which are discussed below)- Perfect Honour shall procure Solomon Glory to assign the RZ Group Shareholders' Loan at its face value to Perfect Honour, Yonghua, Legend Crown and Plenty Bloom in the Relevant Proportion and the RZ Group Shareholders' Loan would be set off against the aggregate subscription monies payable for the Additional Subscription by each of Perfect Honour, Yonghua, Legend Crown and Plenty Boom at an aggregate subscription price of HK\$444 million at least 28 days before the making of an application for the Proposed IPO of the RZ Group Companies- Upon completion of the Additional Subscription, the Investor has the right to subscribe for new RZ Group Shares at par value so that its shareholding percentage in RZ Group will be maintained at the level immediately before the completion of the Additional Subscription

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3g. Call option granted to Mr. Xie (applicable to the RZ Group Shareholders' Agreement only)

<i>Description of triggering events</i>	<i>Obligations/rights of relevant parties</i>
<p>– Before the completion of the Proposed IPO but in any event no later than 31 December 2015</p>	<p>– Mr. Xie has the right to purchase equal number of the RZ Group Shares from each of Perfect Honour and the Investor, each representing up to 50% of the total number of the RZ Group Shares sold by Mr. Xie to the Investor pursuant to the Xie's S&P, at a price per RZ Group Share equals to the price per RZ Group Share paid under the Xie's S&P Agreement plus an interest of 6% per annum, compounded annually</p>

As stated in the Letter from the Board, the Directors will comply with the requirements under the Listing Rules (including but not limited to the sufficiency of operations and notifiable transactions requirements) before selecting the options available when certain of the above triggering events occur. The Directors consider that in the event that the parties concerned cannot reach agreement on the selection of options, the decision will be made by the shareholders of RZ Group or RZ Capital (as the case may be) according to their then shareholding percentage.

Apart from the above provisions, the Shareholders' Agreements also contain, among others, clauses regarding right of first refusal, tag-along rights, liquidation preference, right to appoint directors, transfer restrictions and trademark licence etc, all of which are customary for transactions of similar nature.

C. Other documents related to the Introduction

As part of the terms of the Introduction, the Company has provided certain undertakings to the Investor and the Group will also enter into the RZ Group Loan Agreement and the Loan and Guarantee Services Agreement on or before the Transaction Documents Completion. Principal terms of these documents are set out below.

1. *Undertakings by the Company*

In connection with the Introduction, the Company has provided certain undertakings to the Investor that, for so long as the Shareholders' Agreements remain valid and binding on Perfect Honour and the Investor, the Company will guarantee the performance of certain obligations of Perfect Honour, not compete with the existing business of the RZ Group Companies and the RZ Capital Companies, maintain a controlling interest in Perfect Honour and give all necessary assistance to support the Proposed IPO (details of which are set out in the Letter from the Board), all of which are customary for transactions of similar nature.

2. *The RZ Group Loan Agreement*

As at the Latest Practicable Date, Solomon Glory has granted a revolving loan facility of up to HK\$900 million to RZ Group pursuant to the terms of the Existing RZ Group Loan Agreement. As at the Latest Practicable Date, the outstanding principal amount under the Existing RZ Group Loan Agreement was approximately HK\$661 million. As a term of the Introduction, Solomon Glory will enter into the RZ Group Loan Agreement with RZ Group on or before the date of the Transaction Documents Completion to, among others, extend the repayment date and reduce the interest in respect of the RZ Group Shareholders' Loan.

3. *The Loan and Guarantee Services Agreement*

As at the Latest Practicable Date, the RZ Group Companies provide certain guarantees to the RZ Capital Companies in relation to certain bank loans drawn by the RZ Capital Companies while the RZ Capital Companies provide a revolving loan facility to the RZ Group Companies.

Pursuant to the Loan and Guarantee Services Agreement, the RZ Group Companies will continue to provide an unlimited guarantee in favour of any financial institutions as security for the grant of facilities by such financial institutions to the RZ Capital Companies for a period of three years commencing on the date of such agreement or until the day immediately before completion of the Proposed IPO, whichever is earlier, at a guarantee fee of 1.5% of the outstanding guaranteed amount from time to time.

Also pursuant to the Loan and Guarantee Services Agreement, the RZ Capital Companies will continue to provide a revolving loan facility of not more than RMB150 million to the RZ Group Companies at a fixed interest rate of 3.0% per annum for a period

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of 24 months from the date of such agreement or until the day immediately before completion of the Proposed IPO, whichever is earlier.

D. Corporate Guarantee

On 2 September 2009, Wuhan Rongjinhong as borrower and the Bank as lender entered into the Existing Facility Agreement for the provision of the Loan Facility. Pursuant to the Existing Facility Agreement, the Company has executed a guarantee in favour of the Bank to guarantee payment of 71% (or other percentage equivalent to the Company's shareholding in Wuhan Rongjinhong and in no event be less than 51%) of all sums payable by Wuhan Rongjinhong under the Existing Facility Agreement.

On 3 September 2011, Wuhan Rongjinhong and the Bank entered into the Supplemental Facility Agreement to extend the maturity date of the Loan Facility by one year to 4 September 2012. Pursuant to the Supplemental Facility Agreement, the Company acknowledged and confirmed that the Corporate Guarantee would remain valid until all sums payable by Wuhan Rongjinhong under the Existing Facility Agreement (as amended by the Supplemental Facility Agreement) have been fully repaid.

E. Overview and prospects of the non-bank financing industry in the PRC

The Group is principally engaged in the provision of non-bank financial services, comprising financing, financial leasing and loan guarantee services, to high quality small-to-medium enterprises ("SMEs"), high net-worth individuals and retail customers in the PRC.

There are four main sources of financing in the PRC's financial industry, namely bank loans, government bonds, corporate bonds and equity financing. Bank loans are currently the predominant source of financing due to the large capital base and extensive network of the PRC's banking institutions and accounted for approximately 80.5% of all financings in 2009 according to National Bureau of Statistics of China. However, Chinese banks have traditionally focused on providing financing to large state-owned enterprises, among other things, due to the transaction size, cost effectiveness and their lending practices which require a rigid assessment of financial track record and the provision of guarantees and the financing requirements of SMEs in the PRC are often not satisfied by bank financing. Furthermore, People's Bank of China has recently raised interest rates and lifted banks' reserve requirement ratio in order to fight against inflation. In this regard, many private enterprises and self-employed individuals are experiencing difficulties in obtaining loans from the banking institutions for their business operations and have, therefore, to turn to non-bank financiers to obtain financing.

According to National Bureau of Statistics of China, the RMB-denominated loans increased at a compound annual growth rate ("CAGR") of approximately 19.7% from 2005 to 2009 while the loans to private enterprises and self-employed individuals in the PRC increased at a CAGR of approximately 34.4% from 2005 to 2009.

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According to National Bureau of Statistics of China, the PRC's nominal gross domestic product ("GDP") grew at a CAGR of approximately 16.5% from 2005 to 2009. PRC's strong economic growth is mainly attributable to a significant expansion in fixed asset investment which grew at a CAGR of approximately 26.2% between 2005 and 2009. Such expansion was mainly driven by acceleration in urbanization in the PRC, as reflected by a CAGR of approximately 26.8% in urban fixed asset investment in the corresponding period. Steady growth in fixed asset investment has provided favourable market opportunities for development of the PRC's financial leasing industry.

Considering the growing economy of the PRC, its upward trend of loans to private enterprises and self-employed individuals, the demand for loans from private enterprises and self-employed individuals is expected to continue to grow in the future. As regards to the financial leasing segment, given that the existing financial leasing penetration rate of the PRC is only around 3% which is far less than that of the developed countries ranging from around 10% to 30%, we concur with the Directors' view that there is a huge room for expansion of the Group's financial leasing business.

F. Financial information of the Group

As at the Latest Practicable Date, the Group is principally engaged in the provision of non-bank financial services, comprising financing, financial leasing and loan guarantee services, to high quality SMEs, high net-worth individuals and retail customers in China. Apart from one project financing transaction which is executed through a separate wholly owned subsidiary of the Company, the Group carries out all the above said business activities in China through the RZ Group Companies and the RZ Capital Companies.

The table below summarises the results of the Group for the three years ended 31 March 2011 as extracted from the annual report of the Company for FY2010 (the "2010 Annual Report") and the 2011 Annual Report.

	For the year ended 31 March		
	2011	2010	2009
	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>
	(audited)	(audited)	(audited)
Revenue	286.8	306.1	351.1
Profit before taxation	131.2	166.1	211.5
Profit for the year	91.4	133.8	166.4
Profit for the year attributable to:			
Owners of the Company	64.7	118.6	149.4
Non-controlling interests	26.7	15.2	17.0
	<u>91.4</u>	<u>133.8</u>	<u>166.4</u>

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FY2010 compared to the year ended 31 March 2009 (“FY2009”)

For FY2010, the Company reported consolidated revenue of approximately HK\$306.1 million compared to approximately HK\$351.1 million for FY2009, representing a decrease of approximately 12.8%. Consolidated net profit of the Company was approximately HK\$133.8 million compared to HK\$166.4 million for FY2009, representing a decrease of approximately 19.6%. As disclosed in the 2010 Annual Report, FY2010 continued to be a challenging year to the Group 3 years after 2007. In view of the complex global economic and financial environment, the management of the Group had focused on management of risk by imposing new controls on loan guarantee business to reduce credit risk exposure and strengthening credit approval and post-lending management processes to improve lending assets quality. As a result, the Group’s revenue for FY2010 dropped by approximately 12.8% as compared to the previous year. Profit for the year dropped by approximately 19.6%, mainly due to (i) the drop in income of approximately HK\$19.7 million resulted from the acceptance of the accelerated loan repayment from two customers; and (ii) the change in fair value of derivative component of convertible note of approximately HK\$14.6 million.

FY2011 compared to FY2010

For FY2011, the Company reported consolidated revenue of approximately HK\$286.8 million compared to approximately HK\$306.1 million for the FY2010, representing a decrease of approximately 6.3%. The Company reported consolidated net profit of approximately HK\$91.4 million for FY2011 compared to that of approximately HK\$133.8 million for FY2010, representing a decrease of 31.7%. As disclosed in the 2011 Annual Report, the PRC government’s policy in tightening credit, particularly in the real estate sector, to fight rising inflation and to slow down the overheated economy had led to reduced market liquidity, increased deposit reserve ratio for banks. According to the management of the Company, such policies had, among others, weakened borrowers’ repayment ability of short term bridging loan, which is a major product of the Group’s financing business. In addition, in order to attract and retain high quality customers, the Group had adopted a more competitive pricing strategy during the year, which then affected the results of the Group’s financing business.

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G. Review of the performance of the RZ Group Companies and the RZ Capital Companies

RZ Group Companies

The RZ Group Companies are principally engaged in the provision of non-bank financial services, comprising pawn shop business, granting of small amount of loans, fund management, investment banking and loan guarantee services, to high quality SMEs, high net-worth individuals and retail customers in the PRC.

Set out below is the key unaudited consolidated financial information on the profit and loss account of RZ Group and its subsidiaries (which include the RZ Capital Companies) for the three years ended 31 March 2011 as extracted from Appendix I to the Circular.

	For the year ended 31 March		
	2011	2010	2009
	HK\$ million	HK\$ million	HK\$ million
	(unaudited)	(unaudited)	(unaudited)
Revenue	274.7	271.7	297.0
Other income	42.6	9.0	18.7
Profit before taxation	132.0	86.7	102.2
Profit for the year	92.2	54.4	57.2
Profit for the year attributable to owners of RZ Group	92.2	55.1	56.7

FY2010 compared to FY2009

Revenue of RZ Group and its subsidiaries for FY2010 decreased by approximately 8.5% to approximately HK\$271.7 million as compared to that of approximately HK\$297.0 million for FY2009 while net profit dropped by approximately 4.9% to approximately HK\$54.4 million as compared to that of approximately HK\$57.2 million for FY2009. As explained in the section headed “E. Financial Information of the Group” above, the management of the Group had focused on management of risk by imposing new controls on loan guarantee business to reduce credit risk exposure and strengthening credit approval and post-lending management processes to improve the quality of lending assets to reduce risk arising from the complex global economic and financial environment. This had led to a drop in revenue for FY2010. However, RZ Group and its subsidiaries managed to report a small decrease in net profit of approximately 4.9% mainly because the revenue was mainly derived from its financing business which has a higher profit margin than its loan guarantee service business during the corresponding year. For FY2009, other income was approximately HK\$18.7 million, which was mainly derived from net exchange gain of approximately HK\$8.6 million and fund management fee income and performance bonus received from an associate in the aggregate sum of approximately HK\$7.3 million. For FY2010, other income was approximately HK\$9.0 million, which was mainly derived from the PRC government subsidies of approximately HK\$4.9 million.

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FY2011 compared to FY2010

Revenue of RZ Group and its subsidiaries for FY2011 increased by approximately 1.1% to approximately HK\$274.7 million as compared to that of approximately HK\$271.7 million for FY2010 while net profit surged by approximately 69.5% to approximately HK\$92.2 million as compared to that of approximately HK\$54.4 million for FY2010 mainly because of the increase in other income of approximately HK\$33.6 million as compared to FY2010. For FY2011, other income was approximately HK\$42.6 million, which was mainly derived from net exchange gain of approximately HK\$32.9 million and the PRC government subsidies of approximately HK\$7.8 million.

Shareholders should note that, upon the Transaction Documents Completion, RZ Group will be owned as to 40% by the Company and will be accounted for as an associated company and be deconsolidated from the consolidated financial statements of the Group.

Revenue of RZ Group and its subsidiaries was mainly driven by the RZ Group Companies for FY2009 and FY2010. According to the financial information of the RZ Capital Companies set out in Appendix II to the Circular, the RZ Capital Companies contributed a very small portion of revenue to RZ Group and its subsidiaries. Revenue of the RZ Capital Companies represented approximately 0.37% of that of RZ Group and its subsidiaries for FY2009 and approximately 4.1% for FY2010.

For the financial information of the RZ Group Companies for FY2011, Shareholders can refer to note 6c to the unaudited pro forma financial information of the Remaining Group set out in Appendix III to the Circular (the “Note”), which sets out the results of the RZ Group Companies for FY2011 (which are mainly the results of RZ Group and its subsidiaries subtracted by the results of the RZ Capital Companies for FY2011). According to the Note, revenue of the RZ Group Companies was approximately HK\$239.5 million and net profit attributable to owners of the RZ Group Companies was approximately HK\$72.6 million.

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RZ Capital Companies

The RZ Capital Companies are principally engaged in the provision of financial leasing and other related financial services to high quality SMEs, high net-worth individuals and retail customers in the PRC.

Set out below is the key unaudited consolidated financial information on the profit and loss account of RZ Capital for the three years ended 31 March 2011 as extracted from Appendix II to the Circular.

	For the year ended 31 March		
	2011	2010	2009
	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>
	(unaudited)	(unaudited)	(unaudited)
Revenue	35.2	11.1	1.1
Other income	9.6	4.7	7.3
Profit before taxation	24.1	7.5	7.4
Profit for the year	19.6	5.8	6.0
Profit for the year attributable to owners of RZ Capital	19.6	5.8	6.0

FY2010 compared to FY2009

The RZ Capital Companies commenced operations in late 2008 and therefore the revenue for FY2009 was minimal. However, the net profit for FY2009 was approximately HK\$6.0 million, which was mainly derived from its other income, which mainly included the income generated from the consultancy service of approximately HK\$3.7 million and interest income received from the RZ Group Companies (accounted for as interest income from a fellow subsidiary) of approximately HK\$2.6 million. For FY2010, its first full financial year of operation, RZ Capital reported a consolidated revenue of approximately HK\$11.1 million and a net profit of approximately HK\$5.8 million. Other income for the year was approximately HK\$4.7 million, which was mainly derived from consultancy fee income of approximately HK\$2.5 million and interest income from the RZ Group Companies (accounted for as interest income from a fellow subsidiary) of approximately HK\$1.4 million.

FY2011 compared to FY2010

For FY2011, its second full year of operation, RZ Capital reported a consolidated revenue of approximately HK\$35.2 million, representing over two-fold increase as compared to that for FY2010. Based on our discussion with the management of the Company, the marked increase in revenue for FY2011 was mainly attributed to the Group's effort in devoting more resources in developing its financial leasing operations as well as the geographical expansion of RZ Capital's operation network. Other income

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for FY2011 also increased to approximately HK\$9.6 million, which was mainly derived from the exchange gain of approximately HK\$7.1 million and consultancy fee income of approximately HK\$1.2 million. In line with its increase in revenue, net profit for the year also increased by more than two times to approximately HK\$19.6 million.

Upon the Transaction Documents Completion, RZ Capital will be indirectly owned as to approximately 50.06% by the Company and its financial results will continue to be consolidated in the consolidated financial statements of the Group.

H. Major terms of the Transaction Documents and other documents related to the Introduction

Major terms of the Transaction Documents and other related documents and our analysis are set out below.

1. The RZ Group Investment Amount and the RZ Capital Investment Amount

The Investor will pay an aggregate amount of approximately US\$134.8 million (equivalent to approximately HK\$1,051.4 million) for a 40% interest (as enlarged by the RZ Group Shares to be issued pursuant to the RZ Group Subscription) in RZ Group, valuing RZ Group at approximately US\$337 million (equivalent to approximately HK\$2,628.6 million). The Investor will also pay an amount of US\$20 million for a 29.50% interest (as enlarged by the RZ Capital Shares to be issued pursuant to the capitalisation of the RZ Capital Shareholders' Loan and the RZ Capital Subscription), valuing RZ Capital at approximately US\$67.8 million (equivalent to approximately HK\$528.8 million).

As stated in the Letter from the Board, the respective consideration of the RZ Group S&P Agreement and the RZ Group Subscription Agreement was arrived at after arm's length negotiations between Perfect Honour and the Investor after taking into account, among others, (1) the unaudited consolidated net assets value attributable to the owners of RZ Group of approximately HK\$471.0 million as at 31 March 2011; (2) the increase in consolidated net assets value of RZ Group by HK\$444 million upon completion of the Additional Subscription; (3) the track record of the RZ Group Companies; (4) the prospects of the RZ Group Companies; and (5) the Investor's contribution of the subscription monies to the business of the RZ Group Companies.

Also as stated in the Letter from the Board, the consideration of the RZ Capital Subscription Agreement was arrived at after arm's length negotiations between RZ Capital and the Investor, after taking into account, among others, (1) the unaudited consolidated net assets value of the RZ Capital Companies of approximately HK\$30.1 million as at 31 March 2011; (2) the increase in the consolidated net assets value of RZ Capital by HK\$156 million upon the capitalisation of the RZ Capital Shareholders' Loan; (3) the track record of the RZ Capital Companies; (4) the prospects of the RZ Capital Companies; and (5) the Investor's contribution of the subscription monies to the business of the RZ Capital Companies.

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We consider that the factors which the parties have taken into consideration in determining the considerations for the Introduction are fair and reasonable as those factors include the asset backing as at 31 March 2011 (as well as after adjustment arising from the Additional Subscription in the case of the RZ Group Companies and the capitalisation of the RZ Capital Shareholders' Loan in the case of the RZ Capital Companies and the injection of new funding by the Investor) and the historical performance and the future prospect of the RZ Group Companies and the RZ Capital Companies, all of which are common parameters for valuing businesses with track record.

In assessing the fairness of the considerations for the Introduction, we have, to our best efforts, conducted a search of non-bank companies listed on the Stock Exchange with over 50% revenue attributable from the provision of financial leasing, pawn shop and loan guarantee services in the PRC and a market capitalisation in excess of HK\$100 million and have identified two (excluding the Company) such comparable companies (the "Comparable Companies"). The following table sets out the comparison between the price-to-earnings ratio ("PER") and price-to-book ratio ("PBR") as implied under each of the Introduction to RZ Group and RZ Capital, and those of the Comparable Companies.

Name of Comparable Companies	Stock code	Market capitalisation (HK\$ million) (Note 1)	PER (times) (Note 1)	PBR (times) (Note 1)
Far East Horizon Ltd.	3360	18,333.5	15.18	1.76
Credit China Holdings Ltd.	8207	1,505.0	16.86	2.24
The Company	172	1,062.8	16.31	0.73
Minimum			15.18	0.73
Maximum			16.86	2.24
Average			16.12	1.58
Average (excluding the Company)				2.00 (Note 6)
RZ Group Investment Amount		US\$134.8 million	36.26 (Note 2)	1.63 (Note 4)
RZ Capital Investment Amount		US\$20.0 million	26.90 (Note 3)	1.55 (Note 5)

Source: Bloomberg and Comparable Companies' latest interim reports

Notes:

- Data regarding the market capitalisations and PERs of the Comparable Companies are sourced from Bloomberg as at 24 August 2011, being the date of the Transaction Documents. Since the PBRs of the Comparable Companies on Bloomberg were not up-to-date as at 24 August 2011, PBRs of the Comparable Companies are calculated based on their market capitalisations as at 24 August 2011 and the equity attributable to the owners of the company based on their respective latest interim reports, which were made available to public as at 24 August 2011.
- Calculated based on the RZ Group Investment Amount and 40% of the unaudited profit attributable to owners of RZ Group for the year ended 31 March 2011 of approximately HK\$29.0 million, as extracted from note 6c to the unaudited pro forma financial information of the Remaining Group disclosed in Appendix III to the Circular.

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3. Calculated based on the RZ Capital Investment Amount and 29.50% of the unaudited consolidated profit for the year ended 31 March 2011 of approximately HK\$5.8 million, as extracted from Appendix II to the Circular.
4. Calculated based on the RZ Group Investment Amount and 40% of the aggregate of (i) the unaudited consolidated net assets value attributable to the owners of RZ Group as at 31 March 2011 of approximately HK\$471.0 million; (ii) the amount of the RZ Group Subscription of US\$90 million; and (iii) the Additional Subscription of HK\$444 million.
5. Calculated based on the RZ Capital Investment Amount and 29.50% of the aggregate of (i) the unaudited consolidated net assets value of RZ Capital Companies as at 31 March 2011 of approximately HK\$30.1 million; (ii) the RZ Capital Subscription of US\$20 million; and (iii) the capitalisation of the RZ Capital Shareholders' Loan of HK\$156 million pursuant to the Pre-Completion Reorganisation.
6. The Company is excluded as an outlier considering its exceptionally low PBR as compared with the Comparable Companies.

As noted from the table above, PERs as implied under the Introduction to RZ Group and RZ Capital are 36.26 and 26.90 times respectively, both of which are substantially higher than the average of and the maximum of the PERs of the Comparable Companies. PBRs as implied under the Introduction to RZ Group and RZ Capital are 1.63 and 1.55 times respectively, both of which are comparable to the average PBR of the Comparable Companies but lower than the average PBR of the Comparable Companies (excluding the Company). We understand from the Directors that, since the global financial crisis in 2007/2008 and in view of the fact that the PRC government has launched policies in tightening market liquidity, the Group, including RZ Group and RZ Capital, has employed a conservative financial planning approach to ensure a solid financial position to support its business. Such approach includes maintaining healthy cash balances, low gearing and high current ratio, leading to a PBR lower than that of the Comparable Companies.

We are of the view that the RZ Group Investment Amount and the RZ Capital Investment Amount are fair given that both the PERs implied under the RZ Group Investment Amount and the RZ Capital Investment Amount are significantly higher than the average of the PERs of the Comparable Companies, notwithstanding their lower than average PBR (excluding the Company) which is affected by factors such as the financial management policy adopted by the management as mentioned above.

2. *Key provisions of the Shareholders' Agreements*

As summarised in the paragraph 3 headed "3. The Shareholders' Agreements" under the section headed "B. The Introduction and the Transaction Documents" above, the existing shareholders of RZ Group, which include Perfect Honour, will provide certain undertakings to the Investor upon completion of the Introduction, the purposes of which are to provide downside protection to the Investor. Those undertakings which impose obligations on Perfect Honour cover the following situations:

- (i) RZ Group or RZ Capital (as appropriate) fails to commence the listing preparation work in relation to the Proposed IPO before 31 December 2012;

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- (ii) RZ Group or RZ Capital embarks on new sectors against the advice of the Investor;
- (iii) there is a change in control of the Company;
- (iv) RZ Group or RZ Capital (as appropriate) has not completed the Proposed IPO by 31 December 2015;
- (v) Perfect Honour or any of its affiliates breaches the non-compete undertaking;
or
- (vi) RZ Group 2013 Profit is lower than or equal to RMB160 million.

Generally speaking, if any of the above triggering events happens, the Investor has the right to require (i) the existing shareholders of RZ Group, including Perfect Honour, to acquire a pro rata portion of; or (ii) RZ Group and/or RZ Capital (as the case may be) to redeem all of, the RZ Group Shares and RZ Capital Shares it has acquired or subscribed pursuant to the Transaction Documents at a price equal to the relevant investment amount paid by the Investor plus a repurchase or redemption premium of (i) 12%, or (ii) an interest of 20% or 30% (lower rate applies to situations which may not be within the Group's control) per annum, compounded annually, less dividends received or declared plus undistributed profits attributable to the Investor (as the case may be) and less the consideration paid by Mr. Xie to the Investor pursuant to the exercise of the Xie Call Option (if appropriate). In some cases, the existing shareholders of RZ Group and/or RZ Capital, including Perfect Honour, (i) may have to procure RZ Group and/or RZ Capital to redeem a pro rata portion of their respective RZ Group Shares and/or RZ Capital Shares at the lower of par value and 50% of net assets value of such shares such that the Investor's ownership in RZ Group and/or RZ Capital will reach 50.1%; or (ii) subscribe for additional RZ Group Shares pursuant to the Additional Subscription with the Investor then having the right to subscribe for new RZ Group Shares at par value for the purpose of maintaining its interest at the level before the Additional Subscription.

We have reviewed the pre-IPO investments of the companies listed on the Stock Exchange from 1 September 2010 to 31 August 2011. We note that protection provisions similar to those under the Shareholders' Agreements, in particular the right to put all shares held by the investor to the original shareholder(s) at investment cost plus a redemption premium if the investee company fails to achieve IPO before the agreed timeline or fails to achieve the performance target, are common in pre-IPO investment cases. We also note that the repurchase/redemption premium of (i) 12%, or (ii) an interest of 20% or 30% per annum (as the case may be) under the Shareholders' Agreements are in line with the repurchase/redemption premium we note from other pre-IPO investment cases. Therefore we are of the view that the provision of repurchase/redemption premium as a downside protection to the Investor is fair and reasonable.

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Apart from the above situations where Perfect Honour and other existing shareholders of RZ Group provide undertakings to the Investor, Mr. Xie will also undertake that if he or any of his affiliates breaches the non-compete undertaking, the Investor will have the right to sell all of the RZ Group Shares and RZ Capital Shares held by it to him at a price calculated with reference to the relevant investment amount paid by the Investor plus an interest at the rate of 30% per annum, compounded annually, less dividends received and the consideration paid by Mr. Xie to the Investor pursuant to the exercise of the Xie Call Option (if appropriate) while Perfect Honour will have the right to sell all of the RZ Group Shares and RZ Capital Shares held by it to Mr. Xie at a price calculated with reference to two times of the consolidated net assets value of such RZ Group Shares and RZ Capital Shares.

Pursuant to the Shareholders' Agreements, before completion of the Proposed IPO, but in any event, on or before 31 December 2015, Mr. Xie has the right to purchase equal number of RZ Group Shares from each of Perfect Honour and the Investor, each representing up to 50% of the total number of RZ Group Shares sold by Mr. Xie to the Investor pursuant to the Xie's S&P, at a price per RZ Group Share equal to the price per RZ Group Share under the Xie's S&P Agreement plus 6% per annum, compounded annually. We have discussed with the management of the Company and understand that the purpose of the disposal of certain of its RZ Group Shares by Yonghua to the Investor pursuant to the Xie's S&P Agreement is to facilitate Yonghua to fulfill its obligations under the capitalisation of the RZ Capital Shareholders' Loan pursuant to the Pre-IPO Reorganisation. As advised by the management of the Company, Mr. Xie is one of the key management members for spearheading the operations of the RZ Group Companies, and therefore the Xie Call Option represents an incentive to Mr. Xie and enables him to restore his beneficial interest in RZ Group which he had prior to the Xie's S&P. We also understand that the repurchase price premium of 6% per annum is determined by the parties with reference to the prevailing lending rate. Given the above, we are of the view that the granting of the Xie Call Option for Mr. Xie to repurchase the RZ Group Shares which Yonghua would sell under the Xie S&P Agreement before the Proposed IPO and the repurchase price thereof is reasonable.

We would also like to highlight that as confirmed by the management of the Company, the terms of the Transaction Documents, which include the Shareholders' Agreements, were arrived at after arm's length negotiation among the Investor (who is an Independent Third Party of the Company and its connected persons before the Transaction Documents Completion), Perfect Honour, Mr. Xie and the other shareholders of RZ Group. We also note that the major obligations of Perfect Honour and Mr. Xie to the Investor under the Transaction Documents are similar.

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3. Major terms of and the reasons for the RZ Group Loan Agreement

On 11 May 2010, the then independent Shareholders approved the granting of a revolving loan facility of up to HK\$900 million by Solomon Glory to RZ Group in accordance with the terms of the Existing RZ Group Loan Agreement. Pursuant to the Existing RZ Group Loan Agreement, subject to an overriding right to demand full repayment by Solomon Glory, all outstanding amounts under the Existing RZ Group Loan Agreement shall be repaid in full no later than three years from 11 May 2010 and interest shall be charged at a rate of 10% per annum. The principal amount outstanding under the Existing RZ Group Loan Agreement as at the Latest Practicable Date was approximately HK\$661 million.

On or before the Transaction Documents Completion, Solomon Glory and RZ Group will enter into the RZ Group Loan Agreement to, among others, amend the terms of the Existing RZ Group Loan Agreement as follows:

1. interest on the RZ Group Shareholders' Loan will be reduced to 5% per annum as compared to 10% per annum under the Existing RZ Group Loan Agreement; and
2. the repayment date of the RZ Group Shareholders' Loan will be extended to the date falling three years after the date of the Transaction Documents Completion or the day immediately before completion of the Proposed IPO relating to the RZ Group Companies, whichever is earlier.

The repayment date and interest rate in respect of the remaining outstanding amount under the Existing RZ Group Loan Agreement shall remain unchanged.

We have discussed with the management of the Company and understand that the purpose of the Existing RZ Group Loan Agreement (as amended by the RZ Group Loan Agreement) is to provide RZ Group with additional working capital to maintain its existing operations until completion of the Proposed IPO. It should be noted that pursuant to the RZ Group Shareholders' Agreement, Perfect Honour will undertake to the Investor to procure Solomon Glory to assign the RZ Group Shareholders' Loan (representing approximately 67% of the total principal amount outstanding under the Existing RZ Group Loan Agreement as at the Latest Practicable Date) at its face value to the existing shareholders of RZ Group in the Relevant Proportion, which amount would then be set off against the aggregate subscription monies payable for the Additional Subscription prior to making formal listing application of the Proposed IPO. In this respect, the RZ Group Shareholders' Loan is viewed by the Investor as the investment in RZ Group by its existing shareholders, which should not carry any interest. However, the parties have mutually agreed that RZ Group will continue to pay interest at 5% per annum on the RZ Group Shareholders' Loan which we consider to be in the interest of the Shareholders.

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Under the Existing RZ Group Loan Agreement, the full amount outstanding thereunder shall be repaid on or before 11 May 2013. Given the nature of the RZ Group Shareholders' Loan, which is to support RZ Group's operations and of which a substantial portion will be set off prior to the Proposed IPO, we concur with the Directors' view that it is reasonable to extend the repayment date for the RZ Group Shareholders' Loan from the original repayment date of 11 May 2013 to the day falling three years from the date of the Transaction Document Completion or the day immediately before completion of the Proposed IPO relating to the RZ Group Companies, whichever is earlier.

4. Major terms of and the reason for the Loan and Guarantee Services Agreement

Pursuant to the Loan and Guarantee Services Agreement, the RZ Group Companies will continue to provide an unlimited guarantee in favour of any financial institutions as security for the grant of facilities by such financial institutions to the RZ Capital Companies for a period of three years commencing on the date of such agreement or until the day immediately before completion of the Proposed IPO, whichever is earlier, at a guarantee fee of 1.5% per annum of the outstanding guaranteed amount from time to time.

As discussed with the management of the Company, as at the Latest Practicable Date, the RZ Capital Companies had bank borrowings of around RMB542.6 million (equivalent to approximately HK\$645.7 million), of which around RMB410.5 million (equivalent to approximately HK\$488.6 million) were guaranteed by the RZ Group Companies. The management of the Company considers that the continuation of the guarantee provided by the RZ Group Companies would allow the RZ Capital Companies to leverage on the bank borrowings to increase their business scale. We also understand that the guarantee fee of 1.5% per annum is lower than the normal guarantee fee charged by the RZ Group Companies to their independent customers, where the RZ Group Companies normally charge their customers who provide security and/or counter-guarantee for the borrowings at guarantee fee of 2.5% to 3.5% per annum.

In consideration of the guarantee provided by the RZ Group Companies, RZ Capital will continue to provide a revolving loan facility of not more than RMB150 million (the outstanding amount as at the Latest Practicable Date was approximately RMB140.4 million (equivalent to approximately HK\$167.1 million)) to the RZ Group Companies at a fixed interest rate of 3.0% per annum for a period of 24 months from the date of the Transaction Documents Completion or until the day immediately before completion of the Proposed IPO, whichever is earlier. While we note that the interest rate of 3.0% per annum is lower than the effective interest rate charged by the RZ Capital Companies to their independent customers for their financial leasing business (which is normally in a range of 10% to 15% higher than the People's Bank of China's interest rate (the People's Bank of China's interest rate for loan payable within 1 to 3 years was 6.65% as at the Latest Practicable Date)), taking into consideration the fact that the guarantee provided by the RZ Group Companies in favour of the RZ Capital Companies is unlimited (the amount of which as at the Latest Practicable Date was much higher than the amount of the loan provided by the RZ Capital Companies to the RZ Group Companies) and the

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guarantee fee to be charged by the RZ Group Companies is lower than the normal guarantee fee charged by the RZ Group Companies to their independent customers, we are of the view that the overall terms of the Loan and Guarantee Services Agreement are fair and reasonable.

I. Major terms and the reason for the Supplemental Facility Agreement

Wuhan Rongjinhong, being a 71% subsidiary of the Company as at the Latest Practicable Date, engages principally in the provision of non-bank financial services, comprising short-term financing and loan guarantee services, to SMEs, individuals and/or retail customers in various cities of the PRC. As stated in the Letter from the Board. On 2 September 2009, the Company provided the Corporate Guarantee pursuant to the Existing Facility Agreement as security for the grant of the Loan Facility of up to RMB100 million (equivalent to approximately HK\$119 million) by the Bank to Wuhan Rongjinhong. Pursuant to the Corporate Guarantee, the Company has guaranteed payment of 71% of all sums payable by Wuhan Rongjinhong under the Existing Facility Agreement and the aforesaid percentage will be increased or decreased in the same proportion if the Company's equity interest in Wuhan Rongjinhong changes provided that such percentage shall in no event be less than 51%.

On 3 September 2011, the Bank and Wuhan Rongjinhong entered into the Supplemental Facility Agreement, pursuant to which the Bank agreed to extend the maturity date of the Loan Facility by one year to 4 September 2012 and the Company acknowledged and confirmed that the Corporate Guarantee would remain valid until all sums payable by Wuhan Rongjinhong under the Existing Facility Agreement (as amended by the Supplemental Facility Agreement) had been fully repaid.

As at the Latest Practicable Date, the principal amount outstanding under the Existing Facility Agreement (as amended by the Supplemental Facility Agreement) was approximately RMB100 million (equivalent to approximately HK\$119 million).

We understand from the Company that the Corporate Guarantee is provided solely to enable Wuhan Rongjinhong to obtain the Loan Facility for its general working capital. As advised by the management of the Company, the reason to set the minimum percentage of obligations guaranteed by the Company at 51% is to provide sufficient comfort to the Bank. The Company has also explained that the extension of the maturity date of the Loan Facility is to enable Wuhan Rongjinhong to maintain its existing operations. Given the fact that Wuhan Rongjinhong will remain as the Company's associate after the Transaction Documents Completion and the nature of the Loan Facility is to support its operation, we concur with the Directors' view that the provision of the Corporate Guarantee as continuing security for the Loan Facility after the Transaction Documents Completion is on normal commercial terms, fair and reasonable and in the interests of the Group and the Shareholders as a whole.

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Our view

Based on our analysis as explained above, we are of the view that the major terms of the Transaction Documents (other than the Xie's S&P Agreement), the RZ Group Loan Agreement, the Loan and Guarantee Services Agreement and the provision of the Corporate Guarantee pursuant to the Existing Facility Agreement (as amended by the Supplemental Facility Agreement) are on normal commercial terms and fair and reasonable so far as the Company and the Independent Shareholders are concerned and are in the interests of the Group and the Shareholders as a whole.

J. Possible financial effects of the Introduction

Upon Transaction Documents Completion, (i) RZ Group will be indirectly owned as to 40% by the Company and will cease to be a subsidiary of the Company and become an associated company of the Company. As such, its financial results and positions will be deconsolidated from, and then be accounted for by equity method in the consolidated financial statements of the Group; and (ii) RZ Capital will be indirectly owned as to approximately 50.06% by the Group and its financial results will continue to be consolidated in the consolidated financial statements of the Group. Appendix III to the Circular sets out the unaudited pro forma financial information on the Remaining Group which illustrates the financial impact of the Introduction.

1. Earnings

Based on the unaudited pro forma financial information set out in Appendix III to the Circular, the Remaining Group would recognise a gain of approximately HK\$552 million as a result of the Introduction, which gain is calculated on the basis of, amongst others, (1) the consideration for the RZ Group S&P; and (2) 40% of the estimated fair value of RZ Group upon the Transaction Documents Completion, after deduction for, amongst others, (i) the net assets value of the RZ Group Companies as at 31 March 2011; (ii) the estimated provision for the dilution of interest in the Group's share in the RZ Group Shareholders' Loan upon completion of the Additional Subscription by Perfect Honour; and (iii) the write-off of the goodwill resulted from the previous acquisitions of RZ Group and its subsidiaries by the Group. The consolidated net assets value per Share will increase from HK\$0.53 to HK\$0.74, representing an increase of approximately 40%, as a result of the Introduction, assuming the Introduction were completed on 31 March 2011. The actual gain or loss on the Introduction to the Remaining Group and the actual consolidated net assets value per Share will depend on, amongst others, the actual net assets value of the RZ Group Companies as at the date of the Transaction Documents Completion, which cannot be ascertained until then. Accordingly, the actual gain or loss and the actual consolidated net assets value per Share may be different from the expected amount as stated above.

In the future, the results of the RZ Group Companies will not be consolidated in the Group's consolidated financial statements. Instead, the Group will share 40% of the profit or loss of the RZ Group Companies by recording it as share of profit or loss of an associate.

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2. *Assets and liabilities*

As illustrated in Appendix III to the Circular, the unaudited pro forma total assets of the Remaining Group (being the existing Group taking into account the Introduction as if it were completed on 31 March 2011) as at 31 March 2011 would have increased from approximately HK\$2,573 million to HK\$2,996 million, representing an increase of approximately 16.4% and its unaudited pro forma total liabilities as at 31 March 2011 would have dropped from approximately HK\$959 million to HK\$773 million, representing a decrease of approximately 19.3%, as a result of the Introduction. Based on Appendix III to the Circular, the major components of the Remaining Group's unaudited pro forma total assets as at 31 March 2011 included the Group's interest in RZ Group (accounted for as interest in an associate) of approximately HK\$1,051 million and bank deposits, bank balances and cash of approximately HK\$801 million, accounting for approximately 35.1% and 26.7% of the Remaining Group's total assets respectively.

3. *Gearing*

With the increase in bank balances and cash and the decrease in total liabilities, the Remaining Group's pro forma gearing ratio (being total bank borrowings to equity attributable to the owners of the Company) as at 31 March 2011 would have decreased from approximately 34.4% to 18.7% as a result of the Introduction.

4. *Working capital*

As illustrated in Appendix III to the Circular, the unaudited pro forma cash and cash equivalents of the Remaining Group as at 31 March 2011 would have increased from approximately HK\$321 million to approximately HK\$679 million as a result of the Introduction.

CONCLUSION AND RECOMMENDATION

Having considered the principal factors and reasons set out above, in particular:

1. the Introduction will enable the Group to raise a significant amount of capital for the expansion of its businesses, both in the existing geographical locations as well as new geographical locations;
2. the investment amount made by the Investor in RZ Group represents a PER of approximately 36.3 times, which is substantially higher than those of the Comparable Companies; and
3. the investment amount made by the Investor in RZ Capital represents a PER of approximately 26.9 times, which is substantially higher than those of the Comparable Companies;
4. the possible positive financial effects of the Introduction on the Company's earnings, assets and liabilities, gearing and working capital as elaborated above; and

LETTER FROM CIMB

5. the provision of the Corporate Guarantee would enable Wuhan Rongjinhong to secure the Loan Facility for its general working capital to support its operation,

we consider that the Introduction (other than the Xie's S&P) and the transactions contemplated thereunder, and the provision of the Corporate Guarantee by the Company upon the Transaction Documents Completion are in the interests of the Company and the Shareholders as a whole, and the terms of the Transactions Documents (other than the Xie's S&P Agreement), the RZ Group Loan Agreement, the Loan and Guarantee Services Agreement and the Corporate Guarantee pursuant to the Existing Facility Agreement (as amended by the Supplemental Facility Agreement) are on normal commercial terms and fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we advise the Independent Board Committee to recommend, and ourselves to recommend, the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the Introduction (other than the Xie's S&P) and the transactions contemplated thereunder, and the provision of the Corporate Guarantee by the Company upon the Transaction Documents Completion.

Yours faithfully,

For and on behalf of

CIMB Securities (HK) Limited

Heidi Cheng

Deputy Head

Corporate Finance

Lily Li

Vice President

Corporate Finance

Set out below are the unaudited consolidated statement of financial position of RZ Group and its subsidiaries as at 31 March 2009, 2010 and 2011 and the unaudited consolidated statement of comprehensive income, the unaudited consolidated statement of changes in equity and the unaudited consolidated statement of cash flows of RZ Group and its subsidiaries for the three years ended 31 March 2011 (collectively referred to “Unaudited Consolidated Financial Information of RZ Group and Its Subsidiaries”), which have been prepared by the Directors in accordance with paragraph 68(2)(a)(i) of Chapter 14 of the Listing Rules.

The auditor of the Company, Deloitte Touche Tohmatsu, has reviewed the Unaudited Consolidated Financial Information of RZ Group and Its Subsidiaries in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants and concluded that nothing has come to their attention that caused them to believe that the Unaudited Consolidated Financial Information of RZ Group and Its Subsidiaries is not prepared, in all material respects, in accordance with the accounting policies consistent with those used in the preparation of the Group’s consolidated financial statements for the respective years in the three years period ended 31 March 2011 and the basis set out in Note 2 to the Unaudited Consolidated Financial Information of RZ Group and Its Subsidiaries.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the year ended 31 March		
	2011 HK\$'000	2010 HK\$'000	2009 HK\$'000
Revenue	274,682	271,696	297,025
Other income	42,584	8,963	18,663
Staff costs	(31,757)	(33,903)	(31,044)
Other operating expense	(62,228)	(72,346)	(101,274)
Direct finance costs	(18,606)	(8,077)	–
Other finance costs	(72,786)	(88,798)	(89,088)
Share of profits of an associate	75	9,165	7,910
Profit before taxation	131,964	86,700	102,192
Taxation	(39,752)	(32,313)	(44,970)
Profit for the year	92,212	54,387	57,222
Other comprehensive income			
Exchange differences arising on translation	24,185	–	7,243
Total comprehensive income for the year	116,397	54,387	64,465
Profit for the year attributable to:			
Owners of RZ Group	92,202	55,141	56,668
Non-controlling interests	10	(754)	554
	92,212	54,387	57,222
Total comprehensive income attributable to:			
Owners of RZ Group	116,387	55,141	63,911
Non-controlling interests	10	(754)	554
	116,397	54,387	64,465

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	At 31 March		
	2011	2010	2009
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current assets			
Equipment	5,887	5,464	7,377
Interest in an associate	59,295	55,890	63,149
Deposit	–	–	11,415
Intangible assets	1,315	1,665	2,090
Finance leases receivable	309,786	114,882	10,243
	<u>376,283</u>	<u>177,901</u>	<u>94,274</u>
Current assets			
Properties held for sale	9,536	9,000	9,000
Amount due from an associate	12,417	–	–
Amount due from immediate holding company	107	–	101
Accounts receivable and advances provided to customers	1,163,463	928,201	691,498
Finance leases receivable	174,390	55,424	8,235
Prepayments and deposits	8,291	7,389	8,792
Security deposits	200,947	172,849	105,302
Bank balances and cash	154,852	193,444	322,384
	<u>1,724,003</u>	<u>1,366,307</u>	<u>1,145,312</u>
Current liabilities			
Amount due to an associate	–	3,046	17,188
Amount due to immediate holding company	–	15,225	14,738
Loans from immediate holding company	–	536,192	–
Loans from a fellow subsidiary	635,245	–	–
Other payables and accrued charges	127,127	36,702	46,841
Deposits from loan guarantee customers	193,440	133,017	92,680
Deposits from finance lease customers	1,666	–	–
Deferred income	35,146	29,027	22,737
Taxation	42,773	25,704	18,823
Bank borrowings – amount due within one year	248,016	52,809	122,472
Liabilities arising from loan guarantee contracts	8,797	10,180	6,910
	<u>1,292,210</u>	<u>841,902</u>	<u>342,389</u>
Net current assets	<u>431,793</u>	<u>524,405</u>	<u>802,923</u>
Total assets less current liabilities	<u><u>808,076</u></u>	<u><u>702,306</u></u>	<u><u>897,197</u></u>

	2011	At 31 March	2009
	<i>HK\$'000</i>	<i>2010</i>	<i>2009</i>
		<i>HK\$'000</i>	<i>HK\$'000</i>
Capital and reserves			
Share capital	202,800	202,800	202,800
Reserves	298,313	181,926	126,785
	<u>501,113</u>	<u>384,726</u>	<u>329,585</u>
Equity attributable to owners of the company	501,113	384,726	329,585
Non-controlling interests	8,731	9,912	8,419
	<u>509,844</u>	<u>394,638</u>	<u>338,004</u>
Non-current liabilities			
Deposits from finance lease customers	17,881	7,780	5,245
Deferred income	12,842	21,274	14,110
Bank borrowings – amount due after one year	254,625	261,798	–
Loans from immediate holding company	–	–	524,161
Deferred taxation	12,884	16,816	15,677
	<u>298,232</u>	<u>307,668</u>	<u>559,193</u>
	<u>808,076</u>	<u>702,306</u>	<u>897,197</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital <i>HK\$'000</i>	Statutory surplus reserve <i>HK\$'000</i>	Translation reserve <i>HK\$'000</i>	Retained profits <i>HK\$'000</i>	Sub-total <i>HK\$'000</i>	Attributed to non- controlling interests <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1 April 2008	202,800	1,432	26,493	34,949	265,674	–	265,674
Profit for the year	–	–	–	56,668	56,668	554	57,222
Exchange differences arising on translation	–	–	7,243	–	7,243	–	7,243
Total comprehensive income for the year	–	–	7,243	56,668	63,911	554	64,465
Sub-total	202,800	1,432	33,736	91,617	329,585	554	330,139
Transferred to statutory surplus reserve	–	7,894	–	(7,894)	–	–	–
Capital contribution from non-controlling interests	–	–	–	–	–	7,865	7,865
At 31 March 2009	202,800	9,326	33,736	83,723	329,585	8,419	338,004
Profit for the year and total comprehensive income for the year	–	–	–	55,141	55,141	(754)	54,387
Sub-total	202,800	9,326	33,736	138,864	384,726	7,665	392,391
Transferred to statutory surplus reserve	–	6,004	–	(6,004)	–	–	–
Capital contribution from non-controlling interests	–	–	–	–	–	2,247	2,247
At 31 March 2010	202,800	15,330	33,736	132,860	384,726	9,912	394,638
Profit for the year	–	–	–	92,202	92,202	10	92,212
Exchange differences arising on translation	–	–	24,185	–	24,185	–	24,185
Total comprehensive income for the year	–	–	24,185	92,202	116,387	10	116,397
Sub-total	202,800	15,330	57,921	225,062	501,113	9,922	511,035
Transferred to statutory surplus reserve	–	2,814	–	(2,814)	–	–	–
Acquisition of additional interests in a subsidiary	–	–	–	–	–	(1,191)	(1,191)
At 31 March 2011	202,800	18,144	57,921	222,248	501,113	8,731	509,844

CONSOLIDATED STATEMENT OF CASH FLOWS

	For the year ended 31 March		
	2011 HK\$'000	2010 HK\$'000	2009 HK\$'000
OPERATING ACTIVITIES			
Profit before taxation	131,964	86,700	102,192
Adjustments for:			
Depreciation of equipment	3,057	3,503	3,384
Amortization of intangible assets	442	425	424
Allowance for bad and doubtful debts, net	11,683	13,744	35,020
Finance costs	91,392	96,875	89,088
Loss on disposal of equipment	26	5	8
Interest income	(1,914)	(1,300)	(2,256)
Share of profits of an associate	(75)	(9,165)	(7,910)
Loss on deemed disposal of associate	–	–	941
Effect of foreign exchange rate changes	2,723	–	10,733
Operating cash flows before movements in working capital	239,298	190,787	231,624
Increase in amount due from an associate	(11,718)	–	–
Increase in accounts receivable and advances provided to customers	(194,909)	(250,448)	(29,770)
Increase in finance leases receivable	(293,993)	(151,828)	(18,478)
(Increase) decrease in prepayments and deposits	(559)	1,403	15,591
Increase in security deposits	(18,313)	(67,547)	(36,697)
Increase (decrease) in other payables and accrued charges	86,206	(10,139)	(14,706)
Increase in deposits from loan guarantee customers	51,236	40,337	53,468
(Decrease) increase in deferred income	(5,314)	13,454	12,721
(Decrease) increase in liabilities arising from loan guarantee contracts	(1,949)	3,270	2,776
Increase in deposits from finance lease customers	10,284	2,535	5,245
Decrease in amount due to immediate holding company	(15,224)	–	–
Increase in amount due from immediate holding company	(107)	–	–
Cash (used in) from operations	(155,062)	(228,176)	221,774
PRC Enterprise Income Tax	(29,473)	(24,293)	(18,624)
Net cash (used in) from operating activities	(184,535)	(252,469)	203,150

	For the year ended 31 March		
	2011	2010	2009
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
INVESTING ACTIVITIES			
Purchase of equipment	(3,331)	(1,633)	(3,137)
Interest received	1,914	1,300	2,257
Proceeds from disposal of equipment	164	37	91
Capital contribution in an associate	–	–	(56,180)
Deposit released (paid)	–	11,415	(11,415)
	<u>–</u>	<u>11,415</u>	<u>(11,415)</u>
Net cash (used in) from investing activities	<u>(1,253)</u>	<u>11,119</u>	<u>(68,384)</u>
FINANCING ACTIVITIES			
New loans raised	261,218	400,697	74,719
(Repayment to) advance from an associate	(3,046)	2,282	17,188
Repayment of bank loans	(97,990)	(208,562)	(64,606)
Interest paid	(91,392)	(96,286)	(89,088)
Capital (repayment to) contribution from non-controlling interests	(1,191)	2,248	7,865
Loans from a fellow subsidiary	619,364	–	–
Loans from immediate holding company	–	84,300	154,800
Repayment of loans from immediate holding company	(549,596)	(72,269)	–
	<u>(549,596)</u>	<u>(72,269)</u>	<u>–</u>
Net cash from financing activities	<u>137,367</u>	<u>112,410</u>	<u>100,878</u>
Net (decrease) increase in cash and cash equivalents	(48,421)	(128,940)	235,644
Cash and cash equivalents at beginning of the year	193,444	322,384	85,002
Effect of foreign exchange rate changes	9,829	–	1,738
	<u>9,829</u>	<u>–</u>	<u>1,738</u>
Cash and cash equivalents at end of the year, representing bank balances and cash	154,852	193,444	322,384
	<u><u>154,852</u></u>	<u><u>193,444</u></u>	<u><u>322,384</u></u>

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL INFORMATION OF RZ GROUP AND ITS SUBSIDIARIES**1. General**

Pursuant to the Pre-Completion Reorganisation and the Transaction Documents, Perfect Honour and Yonghua, the shareholders of RZ Group, have conditionally agreed to sell and the Investor has conditionally agreed to purchase the existing RZ Group Shares, and the Investor has conditionally agreed to subscribe for the new RZ Group Shares at a total consideration of approximately HK\$1,051 million. Upon the completion of these transactions, the Company will cease to have control over RZ Group which will become an associated company of the Company.

The financial year end date of RZ Group is 31 March.

2. Basis of presentation of the Unaudited Consolidated Financial Information of RZ Group and Its Subsidiaries

The Unaudited Consolidated Financial Information of RZ Group and Its Subsidiaries has been prepared in accordance with paragraph 68(2)(a)(i) of Chapter 14 of the Listing Rules, and solely for the purpose of inclusion in this circular.

The amounts included in the Unaudited Consolidated Financial Information of RZ Group and Its Subsidiaries have been recognised and measured in accordance with the relevant accounting policies adopted by the Company for the preparation of the Group's consolidated financial statements for the respective years in the three years period ended 31 March 2011, which conform with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants.

The Unaudited Consolidated Financial Information of RZ Group and Its Subsidiaries does not contain sufficient information to constitute a complete set of financial statements as defined in Hong Kong Accounting Standard 1 "Presentation of Financial Statements" nor a complete set of condensed consolidated financial statements as defined in Hong Kong Accounting Standard 34 "Interim Financial Reporting". In addition, the comparative financial information in respect of the year ended 31 March 2008 has not been presented in the Unaudited Consolidated Financial Information of RZ Group and Its Subsidiaries.

APPENDIX II FINANCIAL INFORMATION OF RZ CAPITAL COMPANIES

Set out below are the unaudited consolidated statement of financial position of the RZ Capital Companies as at 31 March 2009, 2010 and 2011 and the unaudited consolidated statement of comprehensive income, the unaudited consolidated statement of changes in equity and the unaudited consolidated statement of cash flows of the RZ Capital Companies for the three years ended 31 March 2011 (collectively referred to “Unaudited Consolidated Financial Information of the RZ Capital Companies”), which have been prepared by the Directors in accordance with paragraph 68(2)(a)(i) of Chapter 14 of the Listing Rules.

The auditor of the Company, Deloitte Touche Tohmatsu, has reviewed the Unaudited Consolidated Financial Information of the RZ Capital Companies in accordance with the Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants and concluded that nothing has come to their attention that caused them to believe that the Unaudited Consolidated Financial Information of the RZ Capital Companies is not prepared, in all material respects, in accordance with the accounting policies consistent with those used in the preparation of the Group’s consolidated financial statements for the respective years in the three years period ended 31 March 2011 and the basis set out in Note 2 to the Unaudited Consolidated Financial Information of the RZ Capital Companies.

APPENDIX II FINANCIAL INFORMATION OF RZ CAPITAL COMPANIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the year ended 31 March		
	2011	2010	2009
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	35,223	11,101	1,147
Other income	9,594	4,713	7,319
Staff costs	(889)	(727)	(456)
Other operating expenses	(1,239)	(2,698)	(536)
Direct finance costs	(18,606)	(4,911)	–
Other finance costs	–	–	(92)
	<u> </u>	<u> </u>	<u> </u>
Profit before taxation	24,083	7,478	7,382
Taxation	(4,468)	(1,665)	(1,403)
	<u> </u>	<u> </u>	<u> </u>
Profit for the year	<u>19,615</u>	<u>5,813</u>	<u>5,979</u>
Other comprehensive income			
Exchange differences arising on translation	(192)	–	(1,101)
	<u> </u>	<u> </u>	<u> </u>
Total comprehensive income for the year	<u>19,423</u>	<u>5,813</u>	<u>4,878</u>

APPENDIX II FINANCIAL INFORMATION OF RZ CAPITAL COMPANIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	At 31 March		
	2011	2010	2009
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current assets			
Equipment	609	140	210
Amount due from RZ Group Companies	–	–	58,269
Finance leases receivable	309,786	114,882	10,243
	<u>310,395</u>	<u>115,022</u>	<u>68,722</u>
Current assets			
Finance leases receivable	174,390	55,424	8,235
Amount due from RZ Group Companies	134,940	66,966	–
Prepayments and deposits	3,941	101	82
Security deposits	8,384	33,708	–
Bank balances and cash	9,302	15,833	12,091
	<u>330,957</u>	<u>172,032</u>	<u>20,408</u>
Current liabilities			
Other payables and accrued charges	47,601	9,698	147
Loans from RZ Group	156,075	78,030	78,020
Deposits from finance lease customers	1,666	–	–
Deferred income	53	–	–
Taxation	1,879	493	839
Bank borrowings – amount due within one year	128,968	30,337	–
	<u>336,242</u>	<u>118,558</u>	<u>79,006</u>
Net current (liabilities)/assets	<u>(5,285)</u>	<u>53,474</u>	<u>(58,598)</u>
Total assets less current liabilities	<u><u>305,110</u></u>	<u><u>168,496</u></u>	<u><u>10,124</u></u>

APPENDIX II FINANCIAL INFORMATION OF RZ CAPITAL COMPANIES

	At 31 March		
	2011	2010	2009
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Capital and reserves			
Share capital	–	–	–
Reserves	<u>30,115</u>	<u>10,692</u>	<u>4,879</u>
Total equity	<u>30,115</u>	<u>10,692</u>	<u>4,879</u>
Non-current liabilities			
Deposits from finance lease customers	17,881	7,780	4,600
Deferred income	2,489	586	645
Bank borrowings – amount due after one year	<u>254,625</u>	<u>149,438</u>	<u>–</u>
	<u>274,995</u>	<u>157,804</u>	<u>5,245</u>
	<u><u>305,110</u></u>	<u><u>168,496</u></u>	<u><u>10,124</u></u>

APPENDIX II FINANCIAL INFORMATION OF RZ CAPITAL COMPANIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital <i>HK\$'000</i>	Statutory surplus reserve <i>HK\$'000</i>	Translation reserve <i>HK\$'000</i>	Retained profits <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1 April 2008	–	–	–	1	1
Profit for the year	–	–	–	5,979	5,979
Exchange differences arising on translation	–	–	(1,101)	–	(1,101)
Total comprehensive income for the year	–	–	(1,101)	5,979	4,878
Sub-total	–	–	(1,101)	5,980	4,879
Transferred to statutory surplus reserve	–	169	–	(169)	–
At 31 March 2009	–	169	(1,101)	5,811	4,879
Profit for the year and total comprehensive income for the year	–	–	–	5,813	5,813
Sub-total	–	169	(1,101)	11,624	10,692
Transferred to statutory surplus reserve	–	600	–	(600)	–
At 31 March 2010	–	769	(1,101)	11,024	10,692
Profit for the year	–	–	–	19,615	19,615
Exchange differences arising on translation	–	–	(192)	–	(192)
Total comprehensive income for the year	–	–	(192)	19,615	19,423
Sub-total	–	769	(1,293)	30,639	30,115
Transferred to statutory surplus reserve	–	943	–	(943)	–
At 31 March 2011	–	1,712	(1,293)	29,696	30,115

APPENDIX II FINANCIAL INFORMATION OF RZ CAPITAL COMPANIES

CONSOLIDATED STATEMENT OF CASH FLOWS

	For the year ended 31 March		
	2011 <i>HK\$'000</i>	2010 <i>HK\$'000</i>	2009 <i>HK\$'000</i>
OPERATING ACTIVITIES			
Profit before taxation	24,083	7,478	7,382
Adjustments for:			
Depreciation of equipment	95	88	47
Finance costs	18,606	4,911	92
Interest income	(1,214)	(2,183)	(2,665)
Effect of foreign exchange rate changes	(4,641)	–	(1,377)
	<u>36,929</u>	<u>10,294</u>	<u>3,479</u>
Operating cash flows before movements in working capital			
	36,929	10,294	3,479
Increase in finance leases receivable	(293,993)	(151,828)	(18,478)
Increase in prepayment and deposit	(3,834)	(19)	(82)
Decrease (increase) in security deposits	27,331	(33,708)	–
Increase in other payables and accrued charges	37,325	9,550	147
Increase (decrease) in deferred income	1,921	(58)	645
Increase in deposits from finance lease customers	9,664	2,771	4,600
	<u>9,664</u>	<u>2,771</u>	<u>4,600</u>
Cash used in operations	(184,657)	(162,998)	(9,689)
PRC Enterprise Income Tax	(3,082)	(2,010)	(565)
	<u>(3,082)</u>	<u>(2,010)</u>	<u>(565)</u>
Net cash used in operating activities	<u>(187,739)</u>	<u>(165,008)</u>	<u>(10,254)</u>
INVESTING ACTIVITIES			
Interest received	163	744	36
Loans to RZ Group Companies	(62,937)	(7,259)	(55,640)
Purchase of equipment	(544)	(18)	(252)
	<u>(544)</u>	<u>(18)</u>	<u>(252)</u>
Net cash used in investing activities	<u>(63,318)</u>	<u>(6,533)</u>	<u>(55,856)</u>

APPENDIX II FINANCIAL INFORMATION OF RZ CAPITAL COMPANIES

	For the year ended 31 March		
	2011	2010	2009
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
FINANCING ACTIVITIES			
Loans from RZ Group	75,723	10	78,001
New loans raised	261,218	179,775	–
Interest paid	(17,986)	(4,502)	(92)
Repayment of bank loans	<u>(75,001)</u>	<u>–</u>	<u>–</u>
Net cash from financing activities	<u>243,954</u>	<u>175,283</u>	<u>77,909</u>
Net (decrease) increase in cash and cash equivalents	(7,103)	3,742	11,799
Cash and cash equivalents at beginning of the year	15,833	12,091	20
Effect of foreign exchange rate changes	<u>572</u>	<u>–</u>	<u>272</u>
Cash and cash equivalents at end of the year, representing bank balances and cash	<u><u>9,302</u></u>	<u><u>15,833</u></u>	<u><u>12,091</u></u>

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL INFORMATION OF THE RZ CAPITAL COMPANIES**1. General**

Pursuant to the Pre-Completion Reorganisation and the RZ Capital Subscription Agreement (collectively referred to “Transactions”), the Investor has conditionally agreed to subscribe for the new RZ Capital Shares, at a total consideration of approximately HK\$156 million. The Company’s shareholding in RZ Capital will be diluted upon completion of the Transactions.

The financial year end date of RZ Capital is 31 March.

2. Basis of presentation and preparation of the Unaudited Consolidated Financial Information of the RZ Capital Companies

The Unaudited Consolidated Financial Information of the RZ Capital Companies has been prepared in accordance with paragraph 68(2)(a)(i) of Chapter 14 of the Listing Rules, and solely for the purpose of inclusion in this circular.

The amounts included in the Unaudited Consolidated Financial Information of the RZ Capital Companies have been recognised and measured in accordance with the relevant accounting policies adopted by the Company for the preparation of the Group’s consolidated financial statements for the respective years in the three years period ended 31 March 2011, which conform with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants.

The Unaudited Consolidated Financial Information of the RZ Capital Companies does not contain sufficient information to constitute a complete set of financial statements as defined in Hong Kong Accounting Standard 1 “Presentation of Financial Statements” nor a complete set of condensed consolidated financial statements as defined in Hong Kong Accounting Standard 34 “Interim Financial Reporting”. In addition, the comparative financial information in respect of the year ended 31 March 2008 has not been presented in the Unaudited Consolidated Financial Information of the RZ Capital Companies.

In preparing the Unaudited Consolidated Financial Information of the RZ Capital Companies, the directors of RZ Capital have given due and careful consideration to RZ Capital’s future liquidity in light of the net current liabilities of HK\$58,598,000 and HK\$5,285,000 as at 31 March 2009 and 2011 respectively. The going concern basis has been adopted on the basis that RZ Group has undertaken, up to the Transaction Documents Completion, to provide continuing financial support to the RZ Capital Companies.

**A. ACCOUNTANTS' REPORT ON THE UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE REMAINING GROUP**

The following is the text of a report, for the purpose of inclusion in this circular, received from the independent reporting accountants, Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong.

Deloitte.
德勤

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**ACCOUNTANTS' REPORT ON UNAUDITED PRO FORMA FINANCIAL
INFORMATION TO THE DIRECTORS OF GOLDBOND GROUP HOLDINGS
LIMITED**

We report on the unaudited pro forma financial information of Goldbond Group Holdings Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group"), which has been prepared by the directors of the Company for illustrative purposes only, to provide information about how the subscription of new shares in Rongzhong Group Limited and Rongzhong Capital Holdings Limited as well as the acquisition of certain existing shares in Rongzhong Group Limited by an investor, and the assignment and capitalisation of shareholders' loan due from Rongzhong Capital Holdings Limited as well as the subscription of new shares in Rongzhong Group Limited by the subsidiary of the Company might have affected the financial information presented, for inclusion in Appendix III to the circular of the Company dated 23 September 2011 (the "Circular"). The basis of preparation of the unaudited pro forma financial information is set out on pages III-3 to III-17 of the Circular.

Respective responsibilities of directors of the Company and reporting accountants

It is the responsibility solely of the directors of the Company to prepare the unaudited pro forma financial information in accordance with paragraph 29 of Chapter 4 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants.

It is our responsibility to form an opinion, as required by paragraph 29(7) of Chapter 4 of the Listing Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Basis of opinion

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 300 “Accountants’ Reports on Pro Forma Financial Information in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants. Our work consisted primarily of comparing the unadjusted financial information with source documents, considering the evidence supporting the adjustments and discussing the unaudited pro forma financial information with the directors of the Company. This engagement did not involve independent examination of any of the underlying financial information.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the unaudited pro forma financial information has been properly compiled by the directors of the Company on the basis stated, that such basis is consistent with the accounting policies of the Group and that the adjustments are appropriate for the purpose of the unaudited pro forma financial information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

The unaudited pro forma financial information is for illustrative purpose only, based on the judgments and assumptions of the directors of the Company, and, because of its hypothetical nature, does not provide any assurance or indication that any event will take place in future and may not be indicative of:

- the financial position of the Remaining Group (as a consequence of the Group’s change in its interests in Rongzhong Group Limited from a subsidiary to an associated company after the acquisition of shares and the subscription of new shares in Rongzhong Group Limited by the investor as well as its interests in Rongzhong Capital Holdings Limited due to the new shares subscription by the same investor) as at 31 March 2011 or any future date; or
- the results and cash flows of the Remaining Group for the period ended 31 March 2011 or any future period.

Opinion

In our opinion:

- (a) the unaudited pro forma financial information has been properly compiled by the directors of the Company on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purpose of the unaudited pro forma financial information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
23 September 2011

**B. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE
REMAINING GROUP****Introduction**

The following is a summary of an illustrative and unaudited pro forma consolidated statement of financial position, unaudited pro forma consolidated statement of comprehensive income and unaudited pro forma consolidated statement of cash flows (collectively referred to as the “Unaudited Pro Forma Financial Information”) of the Remaining Group, which have been prepared on the basis of the notes set out below for the purpose of illustrating the effect of the Introduction (as defined in the Circular) upon the Transaction Documents Completion (as defined in the Circular), as if the Introduction were completed on 31 March 2011 for the unaudited pro forma consolidated statement of financial position and as if the Introduction were completed on 1 April 2010 for the unaudited pro forma consolidated statement of comprehensive income and the unaudited pro forma consolidated statement of cash flows.

This Unaudited Pro Forma Financial Information of the Remaining Group has been prepared by the directors of the Company for illustrative purposes only, based on their judgments, estimations and assumptions, and because of its hypothetical nature, it may not give a true picture of the financial position of the Group as at 31 March 2011 or at any future date or the results and cash flows of the Group for the year ended 31 March 2011 or for any future period.

The Unaudited Pro Forma Financial Information of the Remaining Group should be read in conjunction with the audited consolidated financial statements of the Group for the year ended 31 March 2011 as disclosed in the 2011 annual report of the Company and other financial information included elsewhere in the Circular.

Unaudited pro forma consolidated statement of financial position of the Remaining Group

The unaudited pro forma consolidated statement of financial position of the Remaining Group has been prepared based on the audited consolidated statement of financial position of the Group as at 31 March 2011, which has been extracted from the annual report of the Company for the year then ended, and the pro forma adjustments relating to the Introduction, which include, amongst others, the deconsolidation of the assets and liabilities attributable to the RZ Group Companies, which are mainly the assets and liabilities of RZ Group and its subsidiaries subtracted by the assets and liabilities of the RZ Capital Companies, details of which are respectively set out in Appendices I and II to this circular, as shown in Note 1a and Note 1b below and other adjustments directly attributable to the transaction and factually supportable.

	Consolidated statement of financial position as at 31 March 2011							Pro forma consolidated statement of financial position of the Remaining Group as at 31 March 2011
	HK\$'000	HK\$'000	HK\$'000	Pro forma adjustments		HK\$'000	HK\$'000	HK\$'000
	(Audited)	(Note 1a)	(Note 1b)	(Note 2)	(Note 3)	(Note 4)	(Note 5)	(Unaudited)
Non-current assets								
Equipment	6,751	(5,887)	609	-	-	-	-	1,473
Interest in an associate	59,295	(59,295)	-	-	1,051,440	-	-	1,051,440
Goodwill	103,686	-	-	-	(103,686)	-	-	-
Intangible assets	1,315	(1,315)	-	-	-	-	-	-
Loan to RZ Group	-	-	-	635,245	(48,480)	-	(156,000)	430,765
Finance leases receivable	309,786	(309,786)	309,786	-	-	-	-	309,786
Club debentures	17,529	-	-	-	-	-	-	17,529
	<u>498,362</u>							<u>1,810,993</u>
Current assets								
Properties held for sale	9,536	(9,536)	-	-	-	-	-	-
Amount due from an associate	12,417	(12,417)	-	-	-	-	-	-
Amount due from immediate holding								
Company	-	(107)	-	107	-	-	-	-
Amount due from RZ Group								
Companies	-	-	134,940	-	-	-	-	134,940
Loans receivable	62,146	-	-	-	-	-	-	62,146
Accounts receivable and advances								
provided to customers	1,163,463	(1,163,463)	-	-	-	-	-	-
Finance leases receivable	174,390	(174,390)	174,390	-	-	-	-	174,390
Prepayments and deposits	8,950	(8,291)	3,941	-	-	-	-	4,600
Security deposits	200,947	(200,947)	8,384	-	-	-	-	8,384

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INFORMATION OF THE REMAINING GROUP**

	Consolidated statement of financial position as at 31 March 2011							Pro forma consolidated statement of financial position of the Remaining Group as at 31 March 2011
	HK\$'000	HK\$'000	HK\$'000	Pro forma adjustments		HK\$'000	HK\$'000	
	(Audited)	(Note 1a)	(Note 1b)	HK\$'000 (Note 2)	HK\$'000 (Note 3)	HK\$'000 (Note 4)	HK\$'000 (Note 5) (Unaudited)	
Short-term bank deposits								
- with original maturity within three months	164,799	-	-	-	-	-	164,799	
- with original maturity more than three months	122,050	-	-	-	-	-	122,050	
Bank balances and cash	156,386	(154,852)	9,302	-	301,898	201,240	513,974	
	<u>2,075,084</u>						<u>1,185,283</u>	
Current liabilities								
Loan from a fellow subsidiary	-	(635,245)	-	635,245	-	-	-	
Amount due to RZ Group	-	-	156,075	107	-	-	(156,000)	
Convertible call option granted to Mr. Xie	-	-	-	-	7,163	-	7,163	
Other payables and accrued charges	128,278	(127,127)	47,601	-	-	-	48,752	
Deposits from loan guarantee customers	193,440	(193,440)	-	-	-	-	-	
Deposits from finance lease customers	1,666	(1,666)	1,666	-	-	-	1,666	
Deferred income	35,146	(35,146)	53	-	-	-	53	
Taxation	42,946	(42,773)	1,879	-	-	-	2,052	
Bank borrowings - amount due within one year	248,016	(248,016)	128,968	-	-	-	128,968	
Liabilities arising from loan guarantee contracts	8,797	(8,797)	-	-	-	-	-	
	<u>658,289</u>						<u>188,836</u>	
Net current assets	<u>1,416,795</u>						<u>996,447</u>	
Total assets less current liabilities	<u>1,915,157</u>						<u>2,807,440</u>	
Capital and reserves								
Share capital	276,056	-	-	-	-	-	276,056	
Reserves	1,184,415	-	-	-	552,377	39,104	1,775,896	
Equity attributable to owners of the Company	1,460,471	-	-	-	552,377	39,104	2,051,952	
Non-controlling interests	154,054	(8,731)	-	-	(136,590)	162,136	170,869	
Total equity	<u>1,614,525</u>						<u>2,222,821</u>	

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	Consolidated statement of financial position as at 31 March 2011							Pro forma consolidated statement of financial position of the Remaining Group as at 31 March 2011	
	HK\$'000	HK\$'000	HK\$'000	Pro forma adjustments		HK\$'000	HK\$'000	HK\$'000	
	(Audited)	(Note 1a)	(Note 1b)	(Note 2)	(Note 3)	(Note 4)	(Note 5)	(Unaudited)	
Non-current liabilities									
Deposits from finance lease customers	17,881	(17,881)	17,881	-	-	-	-	17,881	
Deferred income	12,842	(12,842)	2,489	-	-	-	-	2,489	
Bank borrowings – amount due after one year	254,625	(254,625)	254,625	-	-	-	-	254,625	
Estimated liability for no IPO by 31 December 2015	-	-	-	-	13,232	-	-	13,232	
Estimated provision for additional subscription	-	-	-	-	293,992	-	-	293,992	
Redeemable convertible preference shares	2,400	-	-	-	-	-	-	2,400	
Deferred taxation	12,884	(12,884)	-	-	-	-	-	-	
	<u>300,632</u>							<u>584,619</u>	
	<u>1,915,157</u>							<u>2,807,440</u>	

**Unaudited pro forma consolidated statement of comprehensive income
of the Remaining Group**

The unaudited pro forma consolidated statement of comprehensive income of the Remaining Group has been prepared based on the audited consolidated statement of comprehensive income of the Group for the year ended 31 March 2011, which has been extracted from the annual report of the Company for the year then ended, and the pro forma adjustments relating to the Introduction, which include, amongst others, the deconsolidation of the results attributable to the RZ Group Companies, which are mainly the results of RZ Group and its subsidiaries subtracted by the results of the RZ Capital Companies, details of which are respectively set out in Appendices I and II to this circular, as shown in Note 6a and Note 6b below and other adjustments directly attributable to the transaction and factually supportable.

	Consolidated statement of comprehensive income for the year ended 31 March 2011							Pro forma consolidated statement of comprehensive income of the Remaining Group for the year ended 31 March 2011
	HK\$'000	HK\$'000	HK\$'000	Pro forma adjustments			HK\$'000	
	(Audited)	(Note 6a)	(Note 6b)	(Note 7)	(Note 8)	(Note 9)	(Note 10)	(Unaudited)
Revenue	286,772	(274,682)	35,223	-	-	-	66,724	114,037
Other income	12,190	(42,584)	9,594	-	-	-	24,399	3,599
Gain on disposal of subsidiaries	-	-	-	621,220	-	-	-	621,220
Staff costs	(56,862)	31,757	(889)	-	-	-	-	(25,994)
Other operating expenses	(83,736)	62,228	(1,239)	-	-	-	(26,695)	(49,442)
Direct finance costs	(18,606)	18,606	(18,606)	-	-	-	-	(18,606)
Other finance costs	(8,671)	72,786	-	-	-	-	(64,428)	(313)
Share of profits of an associate	75	(75)	-	-	29,039	-	-	29,039
Profit before taxation	131,162							673,540
Taxation	(39,752)	39,752	(4,468)	-	-	-	-	(4,468)
Profit for the year	91,410							669,072
Other comprehensive income								
Exchange differences arising on translation	79,425	(24,185)	(192)	-	-	-	-	55,048
Total comprehensive income for the year	170,835							724,120

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	Pro forma adjustments						Pro forma consolidated statement of comprehensive income of the Remaining Group for the year ended 31 March 2011	
Consolidated statement of comprehensive income for the year ended 31 March 2011	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
(Audited)	(Note 6a)	(Note 6b)	(Note 7)	(Note 8)	(Note 9)	(Note 10)	(Unaudited)	
Profit for the year attributable to:								
Owners of the Company	64,661	(92,202)	19,615	642,271	29,039	(4,109)	-	659,275
Non-controlling interests	26,749	(10)	-	(21,051)	-	4,109	-	9,797
	<u>91,410</u>							<u>669,072</u>
Total comprehensive income attributable to:								
Owners of the Company	137,072	(116,387)	19,423	649,341	29,039	(4,069)	-	714,419
Non-controlling interests	33,763	(10)	-	(28,121)	-	4,069	-	9,701
	<u>170,835</u>							<u>724,120</u>

Unaudited pro forma consolidated statement of cash flows of the Remaining Group

The unaudited pro forma consolidated statement of cash flows of the Remaining Group has been prepared based on the audited consolidated statement of cash flows of the Group for the year ended 31 March 2011, which has been extracted from the annual report of the Company for the year then ended, and the pro forma adjustments relating to the Introduction, which include, amongst others, the exclusion of the cash flows attributable to the RZ Group Companies, which are mainly the cash flows of RZ Group and its subsidiaries subtracted by the cash flows of the RZ Capital Companies, details of which are respectively set out in Appendices I and II to this circular, as shown in Note 11a and Note 11b below and other adjustments directly attributable to the transaction and factually supportable.

	Consolidated statement of cash flows for the year ended 31 March 2011	Pro forma adjustments						Pro forma consolidated statement of cash flows of the Remaining Group for the year ended 31 March 2011
	HK\$'000 (Audited)	HK\$'000 (Note 4)	HK\$'000 (Note 7)	HK\$'000 (Note 8)	HK\$'000 (Note 10)	HK\$'000 (Note 11a)	HK\$'000 (Note 11b)	HK\$'000 (Unaudited)
Operating activities								
Profit before taxation	131,162	-	621,220	29,039	-	(131,964)	24,083	673,540
<i>Adjustments for:</i>								
Depreciation of equipment	3,983	-	-	-	-	(3,057)	95	1,021
Amortization of intangible assets	442	-	-	-	-	(442)	-	-
Allowance for bad and doubtful debts, net	11,683	-	-	-	-	(11,683)	-	-
Equity-settled share-based payment expenses	8,907	-	-	-	-	-	-	8,907
Finance costs	27,277	-	-	-	64,428	(91,392)	18,606	18,919
Loss on disposal of equipment	26	-	-	-	-	(26)	-	-
Interest income	(4,218)	-	-	-	1,051	1,914	(1,214)	(2,467)
Gain on disposal of subsidiaries	-	-	(621,220)	-	-	-	-	(621,220)
Share of profit of an associate	(75)	-	-	(29,039)	-	75	-	(29,039)
Effect of foreign exchange rate changes	16,720	-	-	-	-	(2,723)	(4,641)	9,356
	<u>16,720</u>	-	-	-	-	(2,723)	(4,641)	<u>9,356</u>

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	Consolidated statement of cash flows for the year ended 31 March 2011						Pro forma consolidated statement of cash flows of the Remaining Group for the year ended 31 March 2011	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	(Audited)	(Note 4)	(Note 7)	(Note 8)	(Note 10)	(Note 11a)	(Note 11b)	
		Pro forma adjustments						
Operating cash flows before movements in working capital	195,907							59,017
Increase in amount due from an associate	(11,718)	-	-	-	-	11,718	-	-
Decrease in loans receivable	103,859	-	-	-	-	-	-	103,859
Increase in accounts receivable and advances provided to customers	(194,909)	-	-	-	-	194,909	-	-
Increase in finance leases receivable	(293,993)	-	-	-	-	293,993	(293,993)	(293,993)
(Increase) decrease in prepayments and deposits	(493)	-	-	-	-	559	(3,834)	(3,768)
(Increase) decrease in security deposits	(18,313)	-	-	-	-	18,313	27,331	27,331
Increase in other payables and accrued charges	87,358	-	-	-	(620)	(86,206)	37,325	37,857
Increase in deposits from loan guarantee customers	51,236	-	-	-	-	(51,236)	-	-
(Decrease) increase in deferred income	(5,314)	-	-	-	-	5,314	1,921	1,921
Decrease in liabilities arising from loan guarantee customers	(1,949)	-	-	-	-	1,949	-	-
Increase in deposits from finance lease customers	10,284	-	-	-	620	(10,284)	9,664	10,284
Decrease in amount due from RZ Group	-	-	-	-	-	15,224	-	15,224
Increase in amount due to RZ Group	-	-	-	-	-	107	-	107
Cash used in operations	(78,045)							(42,161)
PRC Enterprise Income Tax	(29,473)	-	-	-	-	29,473	(3,082)	(3,082)
Net cash used in operating activities	<u>(107,518)</u>							<u>(45,243)</u>

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	Consolidated statement of cash flows for the year ended 31 March 2011							Pro forma consolidated statement of cash flows of the Remaining Group for the year ended 31 March 2011
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	(Audited)	(Note 4)	(Note 7)	(Note 8)	(Note 10)	(Note 11a)	(Note 11b)	
	Pro forma adjustments							(Unaudited)
Investing activities								
Advances to RZ Group Companies	-	-	-	-	-	-	(62,937)	(62,937)
Loans to RZ Group	-	-	-	-	-	(69,768)*	-	(69,768)
Increase in short term bank deposits with original maturity more than three months	(45,537)	-	-	-	-	-	-	(45,537)
Purchase of equipment	(3,355)	-	-	-	-	3,331	(544)	(568)
Interest received	4,218	-	-	-	-	(1,914)	163	2,467
Proceeds from disposal of equipment	164	-	-	-	-	(164)	-	-
Proceeds from disposal of RZ Group	-	-	301,898	-	-	-	-	301,898
Net cash (used in) from investing activities	(44,510)							125,555
Financing activities								
New bank loans raised	261,218	-	-	-	-	(261,218)	261,218	261,218
Loan from RZ Group	-	-	-	-	-	-	75,723	75,723
Proceeds from issue of shares	4,096	-	-	-	-	-	-	4,096
Repayment to an associate	(3,046)	-	-	-	-	3,046	-	-
Repayment of bank loans	(97,990)	-	-	-	-	97,990	(75,001)	(75,001)
Dividends paid	(54,891)	-	-	-	-	-	-	(54,891)
Interests paid	(26,964)	-	-	-	(65,479)	91,392	(17,986)	(19,037)
Capital (repayment to) contribution from non-controlling interests	(1,191)	201,240	-	-	-	1,191	-	201,240
Expenses paid in connection with the issue of shares	(7)	-	-	-	-	-	-	(7)
Net cash from financing activities	81,225							393,341

* The figure represents the net amount of loans from a fellow subsidiary to RZ Group of HK\$ 619,364,000 subtracted by repayment of loans to the Remaining Group of HK\$549,596,000

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	Consolidated statement of cash flows for the year ended 31 March 2011							Pro forma consolidated statement of cash flows of the Remaining Group for the year ended 31 March 2011
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Audited)	(Note 4)	(Note 7)	(Note 8)	(Note 10)	(Note 11a)	(Note 11b)	(Unaudited)
	Pro forma adjustments							
Net (decrease) increase in cash and cash equivalents	(70,803)							473,653
Cash and cash equivalents at beginning of the year	371,197	-	-	-	-	(193,444)	15,833	193,586
Effect of foreign exchange rate changes	20,791	-	-	-	-	(9,829)	572	11,534
Cash and cash equivalents at end of the year	<u>321,185</u>							<u>678,773</u>
Analysis of balances of cash and cash equivalents								
Bank balances and cash	156,386	201,240	301,898	-	-	(154,852)	9,302	513,974
Short term bank deposits with original maturity within three months	<u>164,799</u>	-	-	-	-	-	-	<u>164,799</u>
	<u>321,185</u>							<u>678,773</u>

Notes:

- (1a) The adjustment represents the deconsolidation of the assets and liabilities attributable to RZ Group and its subsidiaries, which includes the assets and liabilities of the RZ Capital Companies, as set out in Appendix I to this circular, from the consolidated statement of financial position of the Group as at 31 March 2011 as if the Introduction were completed and the control over RZ Group and its subsidiaries by the Group were lost on 31 March 2011.
- (1b) The adjustment represents the consolidation of the assets and liabilities attributable to the RZ Capital Companies as set out in Appendix II to this circular into the consolidated statement of financial position of the Group as at 31 March 2011 as if the Introduction were completed and the control over the RZ Capital Companies by the Group were retained on 31 March 2011.
- (2) The adjustment represents the recognition of intercompany balances between the RZ Group Companies and the Remaining Group.

- (3) The adjustment represents the consideration received by the Remaining Group. The consideration and the estimated gain arising from the Introduction as if the Introduction were completed and the control over the RZ Group Companies by the Group were lost on 31 March 2011 are calculated as follows:

	<i>HK\$'000</i>
Consideration	305,398
Less: Estimated legal & professional fees and expenses in relation to the Introduction	(3,500)
Net consideration receivable by the Remaining Group	301,898
Add: Fair value of investment in associate (40% of RZ Group) (Note a)	1,051,440
Less: Equity attributable to owners of the RZ Group Companies as at 31 March 2011 (Note b)	(470,998)
Non-controlling interest attributed to the RZ Group Companies as at 31 March 2011 (Note c)	136,590
Estimated liability for no IPO by 31 December 2015 (Note d)	(13,232)
Adjustment arising from reduction of interest on the RZ Group Shareholders' Loan (Note e)	(48,480)
Estimated provision for additional subscription (Note f)	(293,992)
Convertible call option (Note g)	(7,163)
Goodwill	(103,686)
Gain on disposal	552,377

Notes:

- (a) The fair value of investment in associate represents the value of the remaining interest of 40% interest in RZ Group held by the Remaining Group with reference to the total consideration paid by the Investor (implied by the aggregate sum of the consideration and subscription monies for the RZ Group S&P Agreement of HK\$305.4 million, the Xie's S&P Agreement of HK\$44.0 million and the RZ Group Subscription Agreement of HK\$702.0 million) to acquire for the 40% equity interest in RZ Group upon completion of the Introduction.
- (b) The amount represents the equity attributable to owners of RZ Group of HK\$501,113,000 as set out in Appendix I to this circular subtracted by the total equity of the RZ Capital Companies of HK\$30,115,000 as set out in Appendix II to this circular.
- (c) The amount represents the non-controlling interests of RZ Group of 29% of the amount of HK\$470,998,000 as stated in note b.
- (d) The estimated liability for no IPO by 31 December 2015 represents the present value of amount payable to the Investor if RZ Group or RZ Capital had not completed the Proposed IPO before 31 December 2015. The present value of the amount payable to the Investor is derived at after taking into consideration of the probability of no IPO and the adoption of the following valuation model and assumptions:

Valuation model	Discounted cash flow method
Probability of no IPO	20%
Time to maturity for no IPO	5 years
Investment return paid to the Investor if no IPO	HK\$144,500,846
Discount rate	9.17%
Exchange rate (US\$:HK\$)	US\$1:HK\$7.7789

The estimated liability for no IPO of HK\$13,232,000 is calculated based on (i) Investment return paid to the Investor if no IPO of HK\$144,500,846; times (ii) the percentage share by the Remaining Group of 71%; times (iii) the probability of no IPO of 20%; and (iv) discount for 9.17% for a time to maturity for no IPO of 5 years.

In arriving at the expectation on the probability of the occurrence of the relevant triggering event, the Directors have considered, amongst others (i) whether the financial performance and business operations of RZ Group and RZ Capital are suitable for listing on a recognised stock exchange; (ii) the future business development of RZ Group and RZ Capital which might have impact on their respective suitability for listing; (iii) the expected changes in the economic and political environment of the PRC; and (iv) the possibility of the occurrence of events which are out of the control of the Company and would lead to the listing of RZ Group and/or RZ Capital not practicable.

- (e) The adjustment arising from reduction of interest on the RZ Group Shareholders' Loan represents the present value of the difference in future contractual cash flows resulting from the reduction of interest rate from 10% to 5% on the RZ Group Shareholders' Loan. The present value of the difference in future contractual cash flows is derived after taking into consideration of the expected date of completion of the Proposed IPO and the adoption of the following valuation model and assumptions:

Valuation model	Discounted cash flow method
Original interest rate	10%
New interest rate	5%
Original compound method	Quarterly compounded
New compound method	Simple interest
Discount rate (original interest rate)	10%

- (f) The estimated provision for additional subscription represents the fair value of the subscription price of HK\$315.24 million (i.e. 71% of HK\$444 million attributable to owners of the Remaining Group) for the Additional Subscription. The fair value of the subscription price is derived after taking into consideration of the expected date of completion of the Proposed IPO, the prevailing market lending rate in Hong Kong and the subscription price of the Additional Subscription and the adoption of the discounted cash flow method as valuation model.

- (g) The convertible call option represents the fair value of the call option granted to Mr. Xie to purchase an equal number of the RZ Group Shares from each of Perfect Honour and the Investor before the completion of the Proposed IPO, but in any event no later than 31 December 2015, each representing up to 50% of the total number of RZ Group Shares sold by Mr. Xie to the Investor pursuant to the Xie's S&P Agreement, at a price per RZ Group Share equals to (I) the price per RZ Group Share paid under the Xie's S&P Agreement plus (II) an interest on the price per RZ Group Share paid under the Xie's S&P Agreement at the rate of 6% per annum, compounded annually, from the date of the Transaction Documents Completion and ending on the date of such purchase. The fair value of the call option is derived after taking into consideration of the expected date of completion of the Proposed IPO, the underlying business value of RZ Group and the adoption of the following valuation model and assumptions:

Valuation model	Black-Scholes model
Number of shares that can be repurchased	342,500 shares
Dividend yield	0.000%
Risk-free rate	0.764%
Volatility	43.344%

For the purpose of preparing the Unaudited Pro Forma Financial Information, the net proceeds from the RZ Group S&P Agreement of approximately HK\$301,898,000 is assumed to be no adjustment and received in accordance with the RZ Group S&P Agreement after deducting the estimated legal and professional fees and expenses of approximately HK\$3,500,000 in relation to the Introduction.

The financial effect and the actual amount of gain from the Introduction are to be determined based on adjustments to the total consideration, estimated legal and professional fees and expenses in relation to the Introduction, fair value of investment retained in the RZ Group Companies, the carrying amount of the net assets value (including goodwill) and non-controlling interests of the RZ Group Companies and estimated liabilities arising from the Introduction and are therefore subject to change upon completion of the Introduction. Notwithstanding the above, the Directors are of the view that the abovementioned valuation methodologies will be consistently applied for the pro forma purpose and the actual initial recognition at date of completion of the Introduction unless subsequent change in circumstances not anticipated by the Directors before the date of completion necessitates a revision.

- (4) The adjustment represents the total cash of HK\$201,204,000 received by the Remaining Group, which are the subscription money of HK\$156,000,000 received from the Investor and the settlement of the RZ Capital Shareholders' Loan assignment of HK\$45,240,000 received from the existing non-controlling interests in RZ Capital, the estimated gain of approximately HK\$39,104,000 arising from the deemed disposal of 20.945% of interest in RZ Capital and the accumulated effect of the above on the non-controlling interests in RZ Capital as if the Introduction were completed on 31 March 2011.

	<u>Shareholding % in RZ Capital</u>		
	Non-controlling interest	The Remaining Group	Total
Before subscription by the Investor	29%	71%	100%
After subscription by the Investor	49.945%	50.055%	100%
	<u>Shared by</u>		
	Non-controlling interest	The Remaining Group	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Net asset value of RZ Capital Companies as at 31 March 2011	8,733	21,382	30,115
Debt capitalisation from the Remaining Group	45,240	110,760	156,000
Net asset value as at 31 March 2011 after debt capitalisation by the Remaining Group	53,973	132,142	186,115
Subscription by the Investor	156,000	–	156,000
Pro forma net asset value as at 31 March 2011	209,973	132,142	342,115
Gain on deemed disposal of RZ Capital	(39,104)	39,104	–
Pro forma net asset value as at 31 March 2011 shared under new shareholding %	<u>170,869</u>	<u>171,246</u>	<u>342,115</u>

The actual gain arising from the deemed disposal will be based on the net assets of the RZ Capital Companies upon completion of the Introduction, and may be different from the above calculation.

- (5) The adjustment represents the loan assignment of HK\$156,000,000 from RZ Group to RZ Capital.
- (6a) The adjustment represents the deconsolidation of the results attributable to RZ Group and its subsidiaries as set out in Appendix I to this circular from the consolidated statement of comprehensive income of the Group for the year ended 31 March 2011 as if the Introduction were completed and the control over RZ Group and its subsidiaries by the Group were lost on 1 April 2010. This adjustment is not expected to have a continuing effect on the Remaining Group.
- (6b) The adjustment represents the consolidation of the results attributable to the RZ Capital Companies as set out in Appendix II to this circular into the consolidated statement of comprehensive income of the Group for the year ended 31 March 2011 as if the Introduction were completed and the control over the RZ Capital Companies by the Group were retained on 1 April 2010. This adjustment is not expected to have a continuing effect on the Remaining Group.

- (6c) The performance of RZ Group Companies, which are mainly the performance of RZ Group and its subsidiaries subtracted by the performance of RZ Capital Companies, details of which are respectively set out in Appendix I and Appendix II to this circular, for the year ended 31 March 2011 are summarized below:

	RZ Group and its subsidiaries <i>HK\$'000</i>	RZ Capital Companies <i>HK\$'000</i>	RZ Group Companies <i>HK\$'000</i>
Revenue	274,682	(35,223)	239,459
Other income	42,584	(9,594)	32,990
Profit before taxation	131,964	(24,083)	107,881
Profit for the year	92,212	(19,615)	72,597
Profit for the year attributable to owners of RZ Group	92,202	(19,615)	72,587

- (7) The adjustment represents the estimated gain arising from the Introduction and the reclassification of profit of the RZ Group Companies for the year ended 31 March 2011 attributable to the non-controlling interests in the RZ Group Companies as if the Introduction were completed and the control over the RZ Group Companies by the Group were lost on 1 April 2010. RZ Group then became an associated company of the Remaining Group for the year ended 31 March 2011. This adjustment is not expected to have a continuing effect on the Remaining Group.

	<i>HK\$'000</i>
Consideration	305,398
Less: Estimated legal and professional fees and expenses in relation to the Introduction	<u>(3,500)</u>
Net consideration receivable by the Remaining Group	301,898
Add: Fair value of investment in associate (40% of RZ Group) (Note a)	1,051,440
Less: Net asset of the RZ Group Companies as at 1 April 2010	(374,034)
Non-controlling interest attributed to the RZ Group Companies as at 1 April 2010	108,469
Estimated liability for no IPO by 31 December 2015 (Note b)	(13,232)
Adjustment arising from reduction of interest on the RZ Group Shareholder's Loan (Note c)	(48,480)
Estimated provision for additional subscription (Note d)	(293,992)
Convertible call option (Note e)	(7,163)
Goodwill	<u>(103,686)</u>
Gain on disposal	<u><u>621,220</u></u>

Notes:

- (a) The fair value of investment in associate represents the value of the remaining interest held by the Remaining Group with reference to the total consideration paid by the Investor to acquire for the same equity interest in RZ Group upon completion of the Introduction.
- (b) The estimated liability for no IPO by 31 December 2015 represents the present value of amount payable to the Investor if RZ Group or RZ Capital has not completed the Proposed IPO before 31 December 2015.
- (c) The adjustment arising from reduction of interest on the RZ Group Shareholders' Loan represents the present value of the difference in future contractual cash flows resulting from the reduction of interest rate from 10% to 5% on the RZ Group Shareholders' Loan.
- (d) The estimated provision for additional subscription represents the present value of the subscription price of HK\$315.24 million (i.e. 71% of HK\$444 million attributable to owners of the Remaining Group) for the Additional Subscription.

- (e) The convertible call option represents the fair value of the call option granted to Mr. Xie to purchase an equal number of the RZ Group Shares from each of Perfect Honour and the Investor before the completion of the Proposed IPO, but in any event no later than 31 December 2015, each representing up to 50% of the total number of RZ Group Shares sold by Mr. Xie to the Investor pursuant to the Xie's S&P Agreement, at a price per RZ Group Share equals to (I) the price per RZ Group Share paid under the Xie's S&P Agreement plus (II) an interest on the price per RZ Group Share paid under the Xie's S&P Agreement at the rate of 6% per annum, compounded annually, from the date of the Transaction Documents Completion and ending on the date of such purchase.

For the purpose of preparing the Unaudited Pro Forma Financial Information, the net proceeds from the RZ Group S&P Agreement of approximately HK\$301,898,000 is assumed to be no adjustment and received in accordance with the RZ Group S&P Agreement after deducting the estimated legal and professional fees and expenses of approximately HK\$3,500,000 in relation to the Introduction.

The financial effect and the actual amount of gain from the Introduction are to be determined based on adjustments to the total consideration, estimated legal and professional fees and expenses in relation to the Introduction, fair value of investment retained in the RZ Group Companies, the carrying amount of the net assets value (including goodwill) and non-controlling interests of the RZ Group Companies and estimated liabilities arising from the Introduction and are therefore subject to change upon completion of the Introduction.

- (8) The adjustment represents the share of profit of the RZ Group Companies, which is mainly the profit of RZ Group and its subsidiaries subtracted by the profit of the RZ Capital Companies, for the year ended 31 March 2011 in proportion to 40% equity interest held by the Remaining Group as if the Introduction were completed and the control over the RZ Group Companies by the Group were lost on 1 April 2010. RZ Group then became an associated company of the Remaining Group for the year ended 31 March 2011.
- (9) The adjustment represents the reclassification of profit of the RZ Capital Companies for the year ended 31 March 2011 attributable to the Remaining Group as if the Group had reduced the equity interest in RZ Capital from 71% to 50.055% on 1 April 2010.
- (10) The adjustment represents the reversal of the intercompany elimination of interest income and expenses between the Remaining Group and RZ Group under the RZ Group Loan Agreement, the reclassification of exchange gain (loss) between the Remaining Group and RZ Group from the consolidated statement of comprehensive income of the Group for the year ended 31 March 2011 and other minor reclassification adjustments. The adjustment is not expected to have a continuing effect on the Group.
- (11a) The adjustment represents the exclusion of the cash flows attributable to RZ Group and its subsidiaries as set out in Appendix I to this circular from the consolidated statement of cash flows of the Group for the year ended 31 March 2011 as if the Introduction were completed and the control over RZ Group and its subsidiaries by the Group were lost on 1 April 2010. This adjustment is not expected to have a continuing effect on the Remaining Group.
- (11b) The adjustment represents the inclusion of the cash flows attributable to the RZ Capital Companies as set out in Appendix II to this circular into the consolidated statement of cash flows of the Group for the year ended 31 March 2011 as if the Introduction were completed and the control over the RZ Capital Companies by the Group were retained on 1 April 2010. This adjustment is not expected to have a continuing effect on the Remaining Group.

A. FINANCIAL INFORMATION OF THE GROUP

Details of the financial information of the Group for the financial years ended 31 March 2009, 2010 and 2011 are disclosed in the Company's annual reports for the financial years ended 31 March 2009, 2010 and 2011 respectively. All of these financial statements have been published on the website of the Stock Exchange at www.hkex.com.hk and the Company's websites at www.goldbondgroup.com and www.irasia.com/listco/hk/goldbondgroup/index/htm.

B. INDEBTEDNESS

As at the close of business on 31 July 2011, being the latest practicable date for the purpose of ascertaining information contained in this indebtedness statement prior to the printing of this circular, the Group had unsecured bank borrowings of approximately HK\$104,408,000 and secured bank borrowings of approximately HK\$636,845,000 which were secured in the following manner:

- (a) a bank borrowing of not more than approximately HK\$119,048,000 (equivalent to approximately RMB100,000,000) is secured by charges over the Group's and the non-controlling interests in Rongzhong Capital Investments Group Limited ("Rongzhong Capital Investments Group"), a non-wholly owned subsidiary of the Company. The Company, Rongzhong Capital Investments Group and a director of the Company had given guarantees to the bank for the granting of such borrowing, which was fully utilised by the RZ Group Companies as at 31 July 2011. The guarantee provided by the Company was in proportion to its equity interest in the RZ Group Companies; and
- (b) bank loans of an aggregate amount of approximately HK\$517,797,000 (equivalent to approximately RMB434,950,000) are secured by charges over certain finance leases receivable of the Group with an aggregate carrying value of approximately HK\$563,153,000 and designated bank accounts with an aggregate sum of approximately HK\$1,481,000 (equivalent to approximately RMB1,244,000) as security for loan repayment.

As at the close of business on 31 July 2011, the Group had issued and outstanding redeemable convertible preference shares with a carrying value of approximately HK\$2,516,000.

As at the close of business on 31 July 2011, the Group had contingent liabilities of approximately HK\$2,950,263,000 (equivalent to approximately RMB2,478,221,000) in relation to the provision of the loan guarantee service in the PRC.

Save as aforesaid, and apart from intra-group liabilities, the Group did not have any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptable credits, debentures, mortgages, charges, hire purchases commitments, guarantees or other material contingent liabilities outstanding as at the close of business on 31 July 2011.

C. WORKING CAPITAL

The Directors are of the opinion that taking into account (i) the internal resources available to the Remaining Group; (ii) the presently available banking and other facilities; and (iii) the net proceeds in cash to be received by the Group from the Introduction, and in the absence of unforeseeable circumstances, the Remaining Group will have sufficient working capital for its present requirement for at least the next twelve months from the date of this circular.

D. MATERIAL ADVERSE CHANGE

Up to and including the Latest Practicable Date, the Directors confirm that there is no material adverse change in the financial or trading position of the Group since 31 March 2011, the date to which the latest published audited consolidated financial statements of the Group were made up.

E. FINANCIAL AND TRADING PROSPECT OF THE REMAINING GROUP

2011 is the first year to implement the “12th Five-Year Plan” with an aim to stimulate domestic consumption, develop strategic industries, accelerate the growth of services industry, promote urbanization and, most importantly, create a balanced economy to allow all Chinese residents prosper in the long run.

The Remaining Group considers that this long term driver of China’s economy will cause China to remain the fastest-growing among the world’s biggest economies and continue offering great opportunity for small to medium enterprises (“SMEs”) to grow, especially those targeting domestic consumption and located in central and western regions of China. With extensive business and distribution network in central region of China, the Remaining Group sees ample opportunity to grow in equipment and machinery financial leasing business which only represents a very small portion of financing sources in China currently. Given the existing financial leasing penetration rate of China is only around 3% which is far less than that of the developed countries ranging from around 10% to 30%, the Remaining Group anticipates that, along with the steady economic growth in China, this leasing penetration rate of China will ultimately reach the global average, representing a big room for expansion.

Since the provision of financial leasing services is also a capital intensive business, the new capital from the Investor to both RZ Group and RZ Capital would drive a more rapid business growth in future. Meanwhile, the net proceeds in cash to be received by the Group would also enable the Remaining Group to expand further the project financing and financial leasing businesses as well as to explore new investment opportunities with an aim to create sustainable value for the owners of the Company.

F. MANAGEMENT DISCUSSION AND ANALYSIS OF THE RESULTS OF THE REMAINING GROUP**Results of the Remaining Group**

For the three financial years ended 31 March 2009, 2010 and 2011 (these “Years”), the revenue of the Remaining Group amounted to approximately HK\$138.1 million, HK\$129.4 million and HK\$114.0 million, respectively while the profit for each of these Years attributable to the owners of the Remaining Group were approximately HK\$132.4 million, HK\$102.1 million and HK\$38.0 million, respectively. The decrease in both revenue and profit for these Years mainly represented the net effect of the followings:

- (1) less income from financing a property development project in Zhuhai, China (“Zhuhai Project”) after accepting the accelerated loan repayment plan requested by the borrower in August 2009;
- (2) less interest income on the revolving working capital loan facilities offered to RZ Group since May 2010 resulting from the change of interest rate from 16% per annum to 10% per annum in accordance with the Existing RZ Group Loan Agreement to reflect, among others, the change in Hong Kong dollar market lending rate during that period of time;
- (3) the revenue growth in financial leasing business from approximately HK\$1.1 million in 2009 to approximately HK\$35.2 million in 2011 while the direct finance costs also increased from HK\$nil in 2009 to approximately HK\$18.6 million in 2011;
- (4) less bank interest income recognised in both 2010 and 2011 as a result of the decline of market deposit interest rate in Hong Kong;
- (5) increase in share of consolidated profits of the RZ Group Companies in 2011 by approximately HK\$9.3 million;
- (6) an allowance of HK\$7.5 million for consideration receivable from disposal of an associate of the Remaining Group prior to 2009 was reversed in 2009 as it was no longer necessary;
- (7) notional interest of convertible note and change in fair value of its derivative component in both 2009 and 2010; and
- (8) exchange loss relating to non-RMB denominated net assets over these Years.

On 2 October 2007, the Remaining Group issued a convertible note in the principal amount of HK\$135 million due on 2 October 2010 to a related company in settlement of the consideration for the acquisition of 20% of the issued share capital of RZ Group. This

convertible note carried zero coupon and was convertible into Shares at a conversion price of HK\$1.08 per Share, subject to adjustment, upon occurrence of certain events. The value of this convertible note was split into liability and derivative components and a goodwill of HK\$103.7 million was also recognised on the date of issue. The liability component carried an effective interest rate of 9.19% per annum. The derivative component was subject to periodic fair value assessment with changes in fair value to be recognised in the consolidated statement of comprehensive income and the goodwill was also subject to periodic impairment review. Subsequently in December 2008 and October 2009, this convertible note was fully converted into 50,000,000 and 75,000,000 Shares, respectively, at HK\$1.08 each. In both financial years ended 31 March 2009 and 2010, the liability component incurred notional interest charges of approximately HK\$9.1 million and HK\$3.5 million, respectively, and the derivative component gave rise to a gain of HK\$15.8 million and HK\$1.2 million on the change in its fair value as of the respective reporting dates. After full conversion, no such notional interest or change in fair value was charged or recognised in the financial year ended 31 March 2011. Over these Years, no impairment provision for goodwill was considered necessary after the performance of impairment review as at each reporting date.

Since the functional currency of the Remaining Group is RMB which has appreciated significantly over these Years, a net attributable exchange loss was charged to the profit for each of these Years in the amount of approximately HK\$3.0 million, HK\$0.1 million and HK\$43.9 million, respectively, on the non-RMB denominated net assets, mainly short term bank deposits, bank balances and cash. Together with the equity-settled share based payment of approximately HK\$14.6 million, HK\$15.2 million and HK\$8.9 million in the respective years, the net total major non cash items charged to the profit for each of these Years attributable to the owners of the Remaining Group were approximately HK\$10.9 million, HK\$17.6 million and HK\$52.8 million, respectively. Excluding these major non cash items, the profit for each of these Years attributable to the owners of the Remaining Group should be approximately HK\$143.3 million, HK\$119.7 million and HK\$90.8 million, respectively.

Total comprehensive income attributable to the owners of the Remaining Group for each of these Years amounted to approximately HK\$138.8 million, HK\$102.1 million and HK\$93.2 million, respectively. The difference from the profit for each of these Years attributable to the owners of the Remaining Group mainly represented the net exchange gain of HK\$5.9 million, HK\$nil and HK\$55.0 million recognised as other comprehensive income resulting from the translation of all assets and liabilities from RMB into Hong Kong dollar (the Remaining Group's presentation currency) as at each reporting date of these Years in accordance with the Hong Kong Accounting Standard 21.

Business review

The Remaining Group is engaged principally in the provision of medium to long term financing services; mainly project financing and financial leasing, to high quality SMEs and high net-worth individuals in China. The performance analysis of these two main business segments over these Years is shown as follows:

Project financing

Throughout these Years, the Remaining Group has conducted two medium to long term financing transactions, (1) a revolving working capital loan facility to RZ Group, an associated company of the Remaining Group with 40% equity interest mainly engaging in the provision of short term financing and loan guarantee services in various cities of China, and (2) a project financing loan to the Zhuhai Project, both of which were outstanding as at each reporting date of these Years.

In May and August 2007, the Remaining Group and RZ Group entered into two loan agreements pursuant to which the Remaining Group conditionally agreed to make available two 3-year revolving working capital loan facilities of HK\$60 million and HK\$500 million to RZ Group at the interest rate of 16% per annum. In March 2010, the Remaining Group and RZ Group entered into another loan agreement pursuant to which the Remaining Group conditionally agreed to make available a 3-year revolving working capital loan facility of HK\$900 million to RZ Group for the full repayment of the aforesaid two loan agreements and the financing of its general working capital at the interest rate of 10% per annum. As at each reporting date of these Years, the total outstanding principal amount owing from RZ Group amounted to approximately HK\$524.2 million, HK\$536.2 million and HK\$627.0 million, respectively. These facilities then generated total revenue for each of these Years of approximately HK\$76.5 million, HK\$80.0 million and HK\$64.4 million, respectively. The Remaining Group also recognised the share of consolidated profits of RZ Group of approximately HK\$20.3 million, HK\$19.7 million and HK\$29.0 million respectively for each of these Years.

In September 2007, the Remaining Group entered into two loan agreements with two independent third parties, namely Zhuhai Poly Sanhao Company Limited* (珠海市保利三好有限公司) (“Poly Sanhao”) and Grand Ocean Investment Company Limited (“Grand Ocean”) (formerly known as Worldpro International Investment Limited), pursuant to which the Remaining Group conditionally agreed to make available two term loans of RMB100 million and RMB15 million to Poly Sanhao and Grand Ocean, respectively, for the financing of the Zhuhai Project. These loans are secured by the mortgage and charge of assets owned by Poly Sanhao and Grand Ocean together with the personal guarantees in favour of the Remaining Group issued by certain beneficial owners of both Poly Sanhao and Grand Ocean. Subsequent to the drawdown of these loans in January 2008, at the request of both Poly Sanhao and Grand Ocean, the Remaining Group conditionally agreed to accelerate the repayment schedule of these two loan agreements. As at each reporting date of these Years, the total outstanding amount owing from Poly Sanhao and Grand Ocean amounted to approximately HK\$168.0 million, HK\$161.2 million and HK\$62.1 million, respectively. These loans then contributed approximately HK\$54.1 million, HK\$34.4 million and HK\$12.1 million respectively to the total revenue of the Remaining Group for each of these Years.

Financial leasing

The Remaining Group offers financial leasing services through Rongzhong International Financial Leasing Co., Ltd. (“Rongzhong Finance Lease”), a 50.055% owned subsidiary of the Remaining Group. Established in Wuhan under the wholly-foreign owned leasing license issued by the Ministry of Commerce of China, Rongzhong Finance Lease commenced business operation in late 2008 offering a wide range of leasing services, such as direct leasing, sales and leaseback, leveraged leasing and lease with manufacturer’s buy-back undertaking, etc. The target customer group is SMEs across the country and the current customer bases spans over various provinces and cities in China, including but not limited to Beijing, Guangdong, Guizhou, Hebei, Henan, Hubei, Hunan, Jiangsu, Jiangxi, Liaoning, Shaanxi, Shanxi, Shanghai, Tianjin and Zhejiang.

Leveraging on banking facilities from various banks in China, Rongzhong Finance Lease recorded a remarkable growth over these Years. As at each reporting date of these Years, the carrying value of finance leases receivable amounted to approximately HK\$18.5 million, HK\$170.3 million and HK\$484.2 million, respectively. This portfolio contributed total revenue for each of these Years of approximately HK\$1.1 million, HK\$11.1 million and HK\$35.2 million, respectively. While the financial leasing business is currently going through a strong growth stage, the ability to maintain healthy asset quality is always of vital importance to the success of doing this business. Over these Years, the management of Rongzhong Finance Lease was able to maintain zero record of 30-day overdue or non-performing assets.

* for identification purpose only

In order to fuel the long term growth of the financial leasing business in China, the Remaining Group had strengthened the capital base of Rongzhong Finance Lease by the completion of the second phase capital injection of US\$10 million in September 2010. Where appropriate, the Remaining Group will consider to further enhance the capital base of Rongzhong Finance Lease.

Given the strong market demand of financial leasing services in China, the superb business network and the industry relationship, Rongzhong Finance Lease will continue expanding its services to all quality customers in China and is expected to become a major and stable income provider to the Remaining Group in the future.

Over these Years, the Remaining Group had not done any material acquisition and disposal of subsidiary or associated company.

Financial review

Financial resources and capital structure

The Remaining Group has always maintained healthy cash position and sufficient capital for business development. As at each reporting date of these Years, the aggregate sum of cash, bank balances and short term bank deposits amounted to approximately HK\$772.7 million, HK\$778.1 million and HK\$800.8 million, respectively. The working capital (current assets less current liabilities) of the Remaining Group were approximately HK\$847.8 million, HK\$1,048.3 million and HK\$996.4 million, respectively while the total equity were approximately HK\$2,122.4 million, HK\$2,190.9 million and HK\$2,222.8 million, respectively.

The Remaining Group commenced to leverage bank financing solely for the development of financial leasing business since 2010. All bank borrowings of the Remaining Group were granted to Rongzhong Finance Lease by several banks in China and denominated in RMB bearing variable interest with reference to the rate offered by the People's Bank of China. As at 31 March 2010 and 2011, the total bank borrowings of the Remaining Group were approximately HK\$179.8 million and HK\$383.6 million in which approximately HK\$30.3 million and HK\$129.0 million would be repayable within one year and approximately HK\$149.5 million and HK\$254.6 million would be due after one year, respectively. The Remaining Group has transferred most interest rate risk exposure to customers by allowing adjustment to the amount of leases receivable with reference to the change in market borrowing interest rates. Apart from this, the Remaining Group has not used any derivative to hedge against other interest rate risk exposure.

Liquidity and gearing ratio

The Remaining Group's healthy liquidity position was shown by the current ratio maintained throughout these Years. As at each reporting date of these Years, the current ratio (current assets/current liabilities) of the Remaining Group was 65.2 times, 22.9 times and 6.3 times, respectively.

As the economic environment in China is rather uncertain in the short run, it is the Remaining Group's intention to maintain a moderate level of gearing ratio. As at each reporting date of these Years, the debt-to-equity ratio (total bank borrowing/total equity) of the Remaining Group were nil, 8.2% and 17.3%, respectively. After considering the cash position maintained by the Remaining Group, the net debt position was nil throughout these Years.

Charges on Remaining Group assets

As at each reporting date of these Years, the bank borrowings of the Remaining Group were secured by certain finance leases receivable with an aggregate carrying value of approximately HK\$nil, HK\$90.2 million and HK\$252.6 million as well as certain bank accounts with an aggregate sum of approximately HK\$nil, HK\$33.7 million and HK\$8.4 million, respectively, as security of loan repayment.

Contingent Liabilities

The Remaining Group had no material contingent liabilities as at each reporting date of these Years.

Exposure to fluctuations in exchange rates

The Remaining Group reports its operating results in Hong Kong dollar while its major operations are carried out in China, transacted and recorded in RMB with some monetary assets and liabilities denominated in other foreign currencies. The Remaining Group is, thus, exposed to the fluctuation in exchange rates between Hong Kong dollars and other currencies. The Remaining Group has taken in place effective measures and monitored the foreign currency movement closely. At present, no derivative instrument is used by the Remaining Group to hedge against any exchange rate risk exposure.

Employees and remuneration policy

Throughout these Years, the Remaining Group had about 30 staff located in both Hong Kong and China. The Remaining Group remunerated these employees based on their performance, experience and prevailing industry practices. Other benefits offered to these employees included medical insurance, retirement scheme and training subsidies. In addition, the Remaining Group has a share option scheme available for the purpose of providing incentives to the eligible employees.

A. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

B. DISCLOSURE OF INTERESTS**(I) Interests and short positions of Directors in the shares, underlying shares and debentures of the Company and its associated corporations**

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

(i) Interest in Shares

Name of Director	Capacity	Numbers of Shares	Approximate percentage of the issued share capital of the Company as at the Latest Practical Date
Mr. Wang Jun (“Mr. Wang”)	Interest in controlled corporation	101,251,000 <i>(Note 1)</i>	3.67%
Mr. Wong Yu Lung, Charles (“Mr. Wong”)	Interest in controlled corporation	855,808,725 <i>(Note 2)</i>	31.00%
Ms. Wong, Michelle Yatyee (“Ms. Michelle Wong”)	Interest in controlled corporation	584,806,792 <i>(Note 3)</i>	21.18%

Name of Director	Capacity	Numbers of Shares	Approximate percentage of the issued share capital of the Company as at the Latest Practical Date
Mr. Ding Chung Keung, Vincent (“Mr. Ding”)	Beneficial owner	46,000,000	1.67%
Mr. Kee Wah Sze (“Mr. Kee”)	Beneficial owner	30,000,000	1.09%
Mr. Xie	Interest in controlled corporation	125,000,000 <i>(Note 4)</i>	4.53%
	Beneficial owner	1,900,000	0.07%
Mr. Ma Ho Fai SBS JP (“Mr. Ma”)	Beneficial owner	1,200,000	0.04%
Mr. Melvin Jitsumi Shiraki (“Mr. Shiraki”)	Beneficial owner	5,540,000	0.20%

Notes:

1. These Shares were held by Canasia Profits Corporation (which was wholly-owned by Mr. Wang).
2. These Shares were held by Allied Luck Trading Limited (“Allied Luck”) which in turn owned as to 50% by Mr. Wong and as to 50% by Mrs. Wong Fang Pik Chun (“Mrs. Wong”), the spouse of Mr. Wong. As such, each of Mr. Wong and Mrs. Wong was respectively taken to have an interest in such Shares by virtue of their respective shareholding interests in Allied Luck.
3. These Shares were held by Ace Solomon Investment Limited (“Ace Solomon”), which was owned as to 50% by Aceyork Investment Limited (“Aceyork”) (a company wholly-owned by Ms. Michelle Wong) and as to 50% by Allied Golden Investment Limited (“Allied Golden”) (a company wholly-owned by Ms. Wong). As such, each of Aceyork, Allied Golden, Ms. Michelle Wong, Mr. Kwok, Gareth Wing-Sien (“Mr. Kwok”) (the spouse of Ms. Michelle Wong) and Ms. Wong was respectively deemed to be interested in all these Shares.
4. These Shares were held by Yonghua.

(ii) Interest in underlying Shares pursuant to the options

Name of Director	Capacity	Number of outstanding options	Number of underlying Shares	Date of grant	Exercise price per Share	Exercisable period
Mr. Wang	Beneficial owner	25,000,000	25,000,000	17 August 2007	HK\$1.014	17 August 2010 to 16 August 2017
Mr. Wong	Beneficial owner	25,000,000	25,000,000	17 August 2007	HK\$1.014	17 August 2010 to 16 August 2017
	Beneficial owner	26,000,000	26,000,000	13 October 2009	HK\$0.500	13 October 2012 to 12 October 2019
	Beneficial owner	26,000,000	26,000,000	1 February 2011	HK\$0.410	1 February 2014 to 31 January 2021
Ms. Michelle Wong	Beneficial owner	13,000,000	13,000,000	1 February 2011	HK\$0.410	1 February 2014 to 31 January 2021
Mr. Ding	Beneficial owner	25,000,000	25,000,000	17 August 2007	HK\$1.014	17 August 2010 to 16 August 2017
	Beneficial owner	26,000,000	26,000,000	13 October 2009	HK\$0.500	13 October 2012 to 12 October 2019
	Beneficial owner	26,000,000	26,000,000	1 February 2011	HK\$0.410	1 February 2014 to 31 January 2021
Mr. Kee	Beneficial owner	1,500,000	1,500,000	1 February 2011	HK\$0.410	1 February 2014 to 31 January 2021
Mr. Xie	Beneficial owner	16,000,000	16,000,000	29 March 2007	HK\$0.256	29 March 2010 to 28 March 2017
Mr. Ma	Beneficial owner	1,500,000	1,500,000	1 February 2011	HK\$0.410	1 February 2014 to 31 January 2021
Mr. Shiraki	Beneficial owner	1,500,000	1,500,000	1 February 2011	HK\$0.410	1 February 2014 to 31 January 2021
Mr. Cheng Yuk Wo	Beneficial owner	1,600,000	1,600,000	23 March 2008	HK\$0.692	23 May 2011 to 22 May 2018
	Beneficial owner	2,600,000	2,600,000	1 February 2011	HK\$0.410	1 February 2014 to 31 January 2021

(iii) Interest in shares of associated corporation

Name of Director	Capacity	Name of the associated corporation	Number of ordinary shares of the associated corporation	Percentage of the issued share capital of the associated corporation as at the Latest Practicable Date
Mr. Xie	Interest in controlled corporation	RZ Group	4,942,600	19.01%

All the interests stated above represent long position.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and the chief executive of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, to be entered in the register referred to therein, or were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to the Company and the Stock Exchange.

(II) Interest in Shares held by the companies in which the Directors or proposed Director is a director or employee

As at the Latest Practicable Date, the Directors or the proposed Directors who were a director or employee of a company which had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part VX of the SFO, were as follows:

Name of Director	Name of the company	Capacity in such company	Numbers of Shares	Approximate percentage of the issued share capital of the Company as at the Latest Practical Date
Mr. Wong	Allied Luck	Director	855,808,725	31.00%
	Ace Solomon	Director	584,806,792	21.18%
	Aceyork	Director	584,806,792	21.18%
	Allied Golden	Director	584,806,792	21.18%
Ms. Michelle Wong	Ace Solomon	Director	584,806,792	21.18%
	Aceyork	Director	584,806,792	21.18%
	Allied Golden	Director	584,806,792	21.18%

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or proposed Director who were a director or employee of a company which had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part VX of the SFO.

C. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors and their respective associates had any interest in a business, which competes or may compete with the business of the Group.

D. LITIGATION

Neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened against the Company or any of its subsidiaries as at the Latest Practicable Date.

E. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered or proposed to enter into any service contract with the Company or any other member of the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

F. DIRECTOR'S INTEREST IN CONTRACTS

As at the Latest Practicable Date, the Directors as mentioned below were materially interested in the following contracts which were significant in relation to the business of the Group:

- (1) On 24 March 2010, the Company as tenant and Wah Link Investments Limited ("Wah Link") as landlord executed a tenancy agreement whereby the Company agreed to lease certain areas located at Unit 1901 and portion of Units 1902-3, 19th Floor, Tower One, Lippo Centre, 89 Queensway, Hong Kong (the "Lease") for a term of three years commencing from 1 May 2010 at a monthly rental of HK\$184,548 (exclusive of management fees, rate, government rent and operating expenses).

As at the Latest Practicable Date, Wah Link was beneficially owned by a close relative of Mr. Wong.

- (2) On 24 March 2010, RZ Group, as tenant, entered into a tenancy agreement with Wah Link, as landlord, whereby RZ Group agreed to lease certain areas located at Units 1905-6, 19th Floor, Tower One, Lippo Centre, 89 Queensway, Hong Kong (the "Rongzhong Lease") for a term of three years commencing from 1 May 2010 at a monthly rental of HK\$31,434 (exclusive of management fees, rate, government rent and operating expenses).

As at the Latest Practicable Date, RZ Group was owned as to 19.01% by Mr. Xie, an executive Director.

Save as disclosed above and the Introduction (except for the Xie's S&P), as at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement subsisting and which was significant in relation to the business of the Group.

G. DIRECTORS' INTEREST IN ASSETS OF THE GROUP

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any asset which had been acquired or disposed of by or leased to any member of the Group or was proposed to be acquired or disposed of by or leased to any member of the Group since 31 March 2011, the date to which the latest published audited consolidated financial statements of the Company were made up.

H. MATERIAL CONTRACTS

The following contracts (being contracts not entered into in the ordinary course of business of the Group) had been entered into by the members of the Group after the date of two years immediately preceding the Latest Practicable Date, which are or may be material:

- (I) the Existing RZ Group Loan Agreement;
- (II) the RZ Group S&P Agreement;
- (III) the RZ Group Subscription Agreement; and
- (IV) the RZ Capital Subscription Agreement.

I. EXPERTS AND CONSENT

The qualifications of the experts who have given opinions in this circular are as follows:

Name	Qualification
Deloitte Touche Tohmatsu	certified public accountants
CIMB	a licensed corporation to carry out type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities under the SFO

None of the above experts had any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group as at the Latest Practicable Date.

As at the Latest Practicable Date, none of the above experts had any direct or indirect interest in any asset which had been acquired, or disposed of by, or leased to any member of the Group, or was proposed to be acquired, or disposed of by, or leased to any member of the Group since 31 March 2011, being the date to which the latest published audited financial statements of the Group were made up.

Each of Deloitte Touche Tohmatsu and CIMB has given and has not withdrawn its written consents to the issue of this circular with the inclusion of its reports and/or letters and/or the reference to its name in the form and context in which it is respectively included.

J. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours (i.e. from 9:30 a.m. to 6:00 p.m. on Monday to Friday, except Saturdays, Sundays and public holidays) at the registered office of the Company in Hong Kong at Units 1901-06, 19th Floor, Tower One, Lippo Centre, 89 Queensway, Hong Kong from 23 September 2011, the date of this circular, up to and including the date of the EGM:

- (I) the memorandum and articles of association of the Company;
- (II) the annual reports of the Company for the two years ended 31 March 2011;
- (III) the letter dated 23 September 2011 from the Independent Board Committee to the Independent Shareholders, the text of which is set out in this circular;
- (IV) the letter dated 23 September 2011 from CIMB to the Independent Board Committee and the Independent Shareholders, the text of which is set out in this circular;
- (V) the letters of consents referred to in the section headed “Experts and consent” in this Appendix; and
- (VI) the material contracts referred to under the section headed “Material contracts” in this Appendix.

K. GENERAL

- (I) As at the Latest Practicable Date, the company secretary of the Company was Ms. Li Yu Lian, Kelly, an associate member of The Hong Kong Institute of Chartered Secretaries and an associate member of the Institute of Chartered Secretaries and Administrators.
- (II) The English texts of this circular and the form of proxy shall prevail over their respective Chinese texts in case of any inconsistency.

NOTICE OF EGM



GOLDBOND GROUP HOLDINGS LIMITED

金榜集團控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 172)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of **Goldbond Group Holdings Limited** 金榜集團控股有限公司 (the “**Company**”) will be held at JW Marriott Ballroom, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Wednesday, 12 October 2011 at 10:00 a.m. for the purpose of considering and, if thought fit, passing, with or without modification, the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“**THAT:**

- (a) the entering into of the conditional sale and purchase agreement dated 24 August 2011 (the “**S&P Agreement**”, a copy of which has been produced to the meeting marked “**A**” and initialled by the Chairman of the meeting for the purpose of identification) by Perfect Honour Limited (“**Perfect Honour**”), a wholly-owned subsidiary of the Company, as vendor with Silver Creation Investments Limited (“**Silver Creation**”) as purchaser, whereby Perfect Honour has agreed to sell, and Silver Creation has agreed to purchase, 4,750,000 shares of Rongzhong Group Limited (“**Rongzhong Group**”, which is owned as to 71% by Perfect Honour as at the date of the S&P Agreement), representing approximately 13.86% (on a fully diluted basis assuming the Rongzhong Group Subscription Agreement (as defined in paragraph (b) below) is completed) of its entire issued share capital, at the consideration of US\$39,153,633.85 upon the terms and subject to the conditions therein contained, be and is hereby approved, confirmed and ratified;
- (b) the entering into of the conditional subscription agreement dated 24 August 2011 (the “**Rongzhong Group Subscription Agreement**”, a copy of which has been produced to the meeting marked “**B**” and initialled by the Chairman of the meeting for the purpose of identification) by Rongzhong Group with Silver Creation as subscriber, whereby Rongzhong Group has agreed to issue, and Silver Creation has agreed to subscribe for, 8,275,000 shares of Rongzhong Group, representing approximately 24.14% of the enlarged issued share capital of Rongzhong Group after such issue, at the consideration of US\$90,000,000 upon the terms and subject to the conditions therein contained, be and is hereby approved, confirmed and ratified;

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- (c) the entering into of the conditional subscription agreement dated 24 August 2011 (the “**Rongzhong Capital Subscription Agreement**”, a copy of which has been produced to the meeting marked “C” and initialled by the Chairman of the meeting for the purpose of identification, which together with the S&P Agreement and the Rongzhong Group Subscription Agreement, collectively the “**Transaction Documents**”) by Rongzhong Capital Holdings Limited (“**Rongzhong Capital**”), a wholly-owned subsidiary of Rongzhong Group as at the date of the Rongzhong Capital Subscription Agreement, with Silver Creation as subscriber, whereby Rongzhong Capital has agreed to issue, and Silver Creation has agreed to subscribe for, 29,500 shares of Rongzhong Capital, representing approximately 29.50% of the enlarged issued share capital of Rongzhong Capital after such issue, at the consideration of US\$20,000,000 upon the terms and subject to the conditions therein contained, be and is hereby approved, confirmed and ratified;
- (d) the performance by the Company, Perfect Honour, Rongzhong Group, Rongzhong Capital and Solomon Glory Limited (“**Solomon Glory**”), a wholly-owned subsidiary of the Company, of all the respective transactions contemplated under or referred to in the Transaction Documents, including but not limited to the following, be and are hereby approved:
- (i) the entering into of a supplemental loan agreement (the “**Supplemental Loan Agreement**”) to the loan agreement dated 17 March 2010 between Solomon Glory as lender and Rongzhong Group as borrower, whereby Solomon Glory will consent to, inter alia, the implementation of the proposed reorganisation of Rongzhong Group and its subsidiaries in manner as set out in the Transaction Documents, the reduction of the interest rate in respect of part of the loan in the principal amount of HK\$444,000,000 (the “**First Loan**”) under the said loan agreement from 10% to 5% per annum and the extension of the final repayment date in respect of the First Loan to the day falling thirty-six (36) months after completion of the Transaction Documents (“**Completion**”) or the day immediately before the IPO Completion Date (as defined in the Supplemental Loan Agreement), whichever is earlier, upon the terms and subject to the conditions contained in the Supplemental Loan Agreement and the performance of the transactions contemplated thereunder;
- (ii) the entering into of the shareholders’ agreements (the “**Shareholders’ Agreements**”) by Perfect Honour, Rongzhong Group and Rongzhong Capital with, among others, Silver Creation relating to Rongzhong Group and Rongzhong Capital respectively upon Completion upon the terms and subject to the conditions contained in the Shareholders’ Agreements and the performance of the respective transactions contemplated thereunder;
- (iii) the implementation of the proposed reorganisation of Rongzhong Group and its subsidiaries in manner as set out in the Transaction Documents and the Shareholders’ Agreements;

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- (iv) the purchase by Perfect Honour or the redemption by Rongzhong Group and/or Rongzhong Capital of Silver Creation's entire interest in Rongzhong Group and/or Rongzhong Capital upon exercise by Silver Creation of any of its rights under the Shareholders' Agreements as more particularly set out in the circular of the Company dated 23 September 2011 (the "**Circular**", a copy of which has been produced to the meeting marked "**D**" and initialled by the Chairman of the meeting for the purpose of identification);
- (v) the grant of a loan facility of not more than RMB150 million by Rongzhong Capital and its subsidiaries (the "**Rongzhong Capital Companies**") to Rongzhong Group and its subsidiaries (the "**Rongzhong Group Companies**") after completion at an interest rate of 3% per annum payable semi-annually in arrears from the date of Completion to the earlier of the day falling twenty-four (24) months after the date of Completion and the day immediately before completion of the IPO (as defined in the Transaction Documents) relating to the Rongzhong Group Companies or the Rongzhong Capital Companies (whichever shall first occur), unless otherwise extended by Rongzhong Capital at its absolute discretion, in consideration of the provision by the Rongzhong Group Companies of an unlimited guarantee in favour of any financial institutions as security for the grant of facilities by such financial institutions to the Rongzhong Capital Companies after completion at a fee of 1.5% of the outstanding guaranteed amount from time to time payable semi-annually from the date of Completion to the earlier of the day falling three (3) years after the date of Completion and the day immediately before completion of the IPO relating to the Rongzhong Group Companies or the Rongzhong Capital Companies (whichever shall first occur) as more particularly set out in the Circular and the performance of the transactions contemplated thereunder;
- (vi) the sale by Perfect Honour to Mr. Xie Xiao Qing ("**Mr. Xie**"), an executive director of the Company, of 50% of the total number of the shares of Rongzhong Group to be sold by Yong Hua International Limited ("**Yong Hua**") (a company wholly and beneficially owned by Mr. Xie) to Silver Creation under the conditional sale and purchase agreement dated 24 August 2011 entered into between Yong Hua (as seller), Silver Creation (as buyer), and Mr. Xie (as Yong Hua's guarantor) pursuant to the exercise by Mr. Xie of his rights under the Shareholders' Agreement relating to Rongzhong Group as more particularly set out in the Circular; and
- (vii) the purchase by Perfect Honour from Silver Creation, Yong Hua, Legend Crown International Limited ("**Legend Crown**") and Plenty Boom Investments Limited ("**Plenty Boom**") (both of which are wholly-owned by Ms. Wong, Jacqueline Yue Yee, being the daughter of a director of the Company) of their respective entire interests in Rongzhong Group and Rongzhong Capital pursuant to the exercise by Silver Creation, Yong Hua, Legend Crown and Plenty Boom of their respective rights in the event of breach of the non-compete undertaking given by Perfect Honour under the Shareholders' Agreements as more particularly set out in the Circular;

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- (e) the directors of the Company be and are hereby authorised to exercise all the powers of the Company and take all steps as they may in their opinion consider desirable, necessary or expedient in relation to the Transaction Documents and the respective transactions contemplated under or referred to in the Transaction Documents, including but not limited to those set out in sub-paragraph (d) above, and for the purposes of carrying out, implementing and giving effect to any or all transactions contemplated under or referred to in the Transaction Documents, including without limitation to the execution, amendment, supplement, delivery, submission and implementation of any documents or agreements; and
- (f) the provision of the guarantee by the Company in favour of a bank, which provides a loan facility of up to RMB100 million to 武漢融金弘企業管理有限公司 (Wuhan Rongjinhong Enterprise Management Co., Ltd.*) (“**Wuhan Rongjinhong**”) (a company which will be indirectly owned as to 40% by the Company after Completion) until 4 September 2012 pursuant to a facility agreement dated 2 September 2009 as supplemented by a supplemental agreement dated 3 September 2011 (collectively the “**Facility Agreement**”), to guarantee payment of not less than 51% of all sums payable by Wuhan Rongjinhong under the Facility Agreement with effect from the date of Completion be and is hereby approved, confirmed and ratified, and the directors of the Company be and are hereby authorised to exercise all the powers of the Company and take all steps as they may in their opinion consider desirable, necessary or expedient in relation to the provision of such guarantee, including without limitation to the execution, amendment, supplement, delivery, submission and implementation of any documents or agreements.”

* For identification purpose only

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

Hong Kong, 23 September 2011

Registered office:

Units 1901-06, 19th Floor,
Tower One, Lippo Centre,
89 Queensway,
Hong Kong.

Notes:

1. Any member of the Company entitled to attend and vote at the meeting of the Company may appoint another person as his proxy to attend and vote instead of him. A member of the Company who is the holder of two or more shares may appoint more than one proxy to represent him and attend and vote on his behalf at the meeting. A proxy need not be a member of the Company. In addition, a proxy or proxies representing either a member of the Company who is an individual or a member of the Company which is a corporation shall be entitled to exercise the same power on behalf of such member of the Company which he or they represent as such member of the Company could exercise.

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2. In order to be valid, the instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof, it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the facts.
3. The instrument appointing a proxy and (if required by the board of directors of the Company) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to the Company's registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not less than twenty-four (24) hours before the time appointed for the holding of the meeting or any adjournment thereof.
4. Delivery of an instrument appointing a proxy will not preclude a member of the Company from attending and voting in person at the meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to have been revoked.
5. Where there are joint holders of any share of the Company, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at the meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
6. At the meeting, the chairman thereof will exercise his power under article 64(a) of the articles of association of the Company to put the above resolution to the vote of the members of the Company by way of poll.
7. As at the date of this notice, the board of directors of the Company comprises Mr. Wang Jun, Mr. Wong Yu Lung, Charles, Mr. Ding Chung Keung, Mr. Kee Wah Sze, Mr. Xie and Ms. Wong, Michelle Yatye (all being executive directors), Mr. Ma Ho Fai SBS JP, Mr. Melvin Jitsumi Shiraki and Mr. Cheng Yuk Wo (all being independent non-executive directors).