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CHINA RONGZHONG FINANCIAL HOLDINGS COMPANY LIMITED

中國融眾金融控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3963)

DISCLOSEABLE TRANSACTION FINANCE LEASE ARRANGEMENTS

THE FINANCE LEASE AGREEMENT III

The Board is pleased to announce that, on 30 March 2016, Rongzhong PRC (a wholly owned subsidiary of the Company) entered into the Finance Lease Agreement III with Lessee II pursuant to which Rongzhong PRC agreed to purchase the Equipment C from Lessee II at a contract amount of approximately RMB12.0 million (equivalent to approximately HK\$14.3 million) and to lease the Equipment C back to Lessee II for a term of thirty-six months with a total future lease payments (inclusive of interest and other administrative fee) for such lease period of approximately RMB14.5 million (equivalent to approximately HK\$17.3 million). The book value of the Equipment C as of February 2016 is approximately RMB15.4 million (equivalent to approximately HK\$18.3 million). The agreed security deposit is approximately RMB2.0 million (equivalent to approximately HK\$2.4 million).

THE CORPORATE GUARANTEE AGREEMENTS (BATCH III)

On 30 March, 2016, Rongzhong PRC and Lessee II entered into the Corporate Guarantee Agreement V, the Corporate Guarantee Agreement VI and the Corporate Guarantee Agreement VII with Corporate Guarantor I, Corporate Guarantor II and Corporate Guarantor III respectively, pursuant to which Corporate Guarantor I, Corporate Guarantor II and Corporate Guarantor III respectively guarantee to secure due payment of the lease payments by Lessee II to Rongzhong PRC pursuant to the Finance Lease Agreement III.

THE SUBSTANTIAL SHAREHOLDER GUARANTEE AGREEMENTS (BATCH III)

On 30 March, 2016, Rongzhong PRC entered into the Substantial Shareholder Guarantee Agreement IX and the Substantial Shareholder Guarantee Agreement X with Substantial Shareholder I and Substantial Shareholder II respectively, pursuant to which Substantial Shareholder I and Substantial Shareholder II respectively guarantee to secure due payment of the lease payments by Lessee II to Rongzhong PRC pursuant to the Finance Lease Agreement III.

THE FINANCE LEASE AGREEMENT I

On 30 December 2013, Rongzhong PRC entered into the Finance Lease Agreement I with Lessee I pursuant to which Rongzhong PRC agreed to purchase the Equipment A from Lessee I at a contract amount of approximately RMB12.5 million (equivalent to approximately HK\$14.9 million) and to lease the Equipment A back to Lessee I for an aggregated amount of RMB16.0 million (equivalent to approximately HK\$19.0 million) which is inclusive of (i) the lease payment for a term of thirty-six months (inclusive of interest and other administrative fee) and (ii) a consultancy fee pursuant to the Financial Consultancy Contract I for a term of twelve months commencing from the date of the Financial Consultancy Contract I. The book value of the Equipment A as of October 2013 is approximately RMB12.6 million (equivalent to approximately HK\$14.9 million). The agreed security deposit is approximately RMB2.5 million (equivalent to approximately HK\$3.0 million).

THE FINANCE LEASE AGREEMENT II

On 30 May 2014, Rongzhong PRC entered into the Finance Lease Agreement II with Lessee I pursuant to which Rongzhong PRC agreed to purchase the Equipment B from Lessee I at a contract amount of approximately RMB12.5 million (equivalent to approximately HK\$14.9 million) and to lease the Equipment B back to Lessee I for an aggregated amount of RMB16.0 million (equivalent to approximately HK\$19.0 million) which is inclusive of (i) the lease payment for a term of thirty-six months (inclusive of interest and other administrative fee) and (ii) a consultancy fee pursuant to the Financial Consultancy Contract II for a term of twelve months commencing from the date of the Financial Consultancy Contract II. The book value of the Equipment B as of October 2013 is approximately RMB12.8 million (equivalent to approximately HK\$15.2 million). The agreed security deposit is approximately RMB2.5 million (equivalent to approximately HK\$3.0 million).

LISTING RULES IMPLICATIONS

As at the date of this announcement, all the Lessees are subsidiaries of Corporate Guarantor I, which holds approximately 100.0% of Lessee I and 90% of Lessee II. The transactions contemplated under the Transaction Documents are aggregated for the classification in accordance with Rule 14.22 of the Listing Rules.

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules for the Transaction Documents is more than 5% but all of them are less than 25%, the transactions contemplated under the Transaction Documents constitute discloseable transactions of the Company and are therefore subject to the announcement requirement in Chapter 14 of the Listing Rules.

THE FINANCE LEASE AGREEMENTS

Aggregated contract price and breakdown:

Contract date	Finance Lease Agreement	Lessee	Contract price (RMB'000)	Deposit (RMB'000)	Interest (RMB'000)	Other administrative fee (RMB'000)	Consultancy fee (RMB'000)
30/12/2013	I	Lessee I	12,500.00	2,500.00	1,858.80	813.80	800.00
30/5/2014	II	Lessee I	12,500.00	2,500.00	1,858.80	813.80	800.00
30/3/2016	III	Lessee II	12,000.00	2,000.00	1,429.80	1,075.00	N/A
		Total:	37,000.00	7,000.00	5,147.40	2,702.60	1,600.00

Book value of the equipment:

Finance Lease Agreement	Equipment	Contract date	Book value date	Book value as at book value date (RMB'000)	Book value as at book value date (HKD'000)
I	Equipment A	30 December 2013	October 2013	12,556.80	14,948.57
II	Equipment B	30 May 2014	October 2013	12,779.00	15,213.10
III	Equipment C	30 March 2016	February 2016	15,365.00	18,291.67

THE FINANCE LEASE AGREEMENT I

On 30 December 2013, Rongzhong PRC entered into the Finance Lease Agreement I with Lessee I pursuant to which Rongzhong PRC agreed to purchase the Equipment A from Lessee I at a contract amount of approximately RMB12.5 million (equivalent to approximately HK\$14.9 million) and to lease the Equipment A back to Lessee I for an aggregated amount of RMB16.0 million (equivalent to approximately HK\$19.0 million) which is inclusive of (i) the lease payment for a term of thirty-six months (inclusive of interest and other administrative fee) and (ii) a consultancy fee pursuant to the Financial Consultancy Contract I for a term of twelve months commencing from the date of the Financial Consultancy Contract I. The book value of the Equipment A as of October 2013 is approximately RMB12.6 million (equivalent to approximately HK\$14.9 million). The agreed security deposit is approximately RMB2.5 million (equivalent to approximately HK\$3.0 million).

The interest and other administrative fee are payable in thirty-six monthly instalments and the principal is payable in five semi-annual instalments starting from the twelfth month of the Finance Lease Agreement I.

THE FINANCIAL CONSULTANCY CONTRACT I

On 30 December 2013, Rongzhong PRC entered into the Financial Consultancy Contract I with Lessee I pursuant to which Rongzhong PRC agreed to provide financial consultancy service over a period of twelve months from the date of the Financial Consultancy Contract I for a consultancy fee of approximately RMB0.8 million (equivalent to approximately HK\$1.0 million).

THE CORPORATE GUARANTEE AGREEMENTS (BATCH I)

On 30 December 2013, Rongzhong PRC and each of the Corporate Guarantor I and Lessee II entered into the Corporate Guarantee Agreement I and the Corporate Guarantee Agreement II respectively, pursuant to which Corporate Guarantor I and Lessee II respectively guarantee to secure due payment of lease payments by Lessee I to Rongzhong PRC pursuant to the Finance Lease Agreement I.

THE SUBSTANTIAL SHAREHOLDER GUARANTEE AGREEMENTS (BATCH I)

On 30 December 2013, Rongzhong PRC and each of the Substantial Shareholder I, the Substantial Shareholder I's Associate, the Substantial Shareholder II and the Substantial Shareholder II's Associate entered into the Substantial Shareholder Guarantee Agreement I, the Substantial Shareholder Guarantee Agreement II, the Substantial Shareholder Guarantee Agreement III and the Substantial Shareholder Guarantee Agreement IV respectively, pursuant to which the Substantial Shareholder I, the Substantial Shareholder I's Associate, the Substantial Shareholder II and the Substantial Shareholder II's Associate respectively guarantee to secure due payment of the lease payments by Lessee I to Rongzhong PRC pursuant to the Finance Lease Agreement I.

THE FINANCE LEASE AGREEMENT II

On 30 May 2014, Rongzhong PRC entered into the Finance Lease Agreement II with Lessee I pursuant to which Rongzhong PRC agreed to purchase the Equipment B from Lessee I at a contract amount of approximately RMB12.5 million (equivalent to approximately HK\$14.9 million) and to lease the Equipment B back to Lessee I for an aggregated amount of RMB16.0 million (equivalent to approximately HK\$19.0 million) which is inclusive of (i) the lease payment for a term of thirty-six months (inclusive of interest and other administrative fee) and (ii) a consultancy fee pursuant to the Financial Consultancy Contract II for a term of twelve months commencing from the date of the Financial Consultancy Contract II. The book value of the Equipment B as of October 2013 is approximately RMB12.8 million (equivalent to approximately HK\$15.2 million). The agreed security deposit is approximately RMB2.5 million (equivalent to approximately HK\$3.0 million).

The interest and other administrative fee are payable in thirty-six monthly instalments and the principal is payable in five semi-annual instalments starting from the twelfth month of the Finance Lease Agreement II.

THE FINANCIAL CONSULTANCY CONTRACT II

On 30 May 2014, Rongzhong PRC entered into the Financial Consultancy Contract II with Lessee I pursuant to which Rongzhong PRC agreed to provide financial consultancy service over a period of twelve months from the date of the Financial Consultancy Contract II for a consultancy fee of approximately RMB0.8 million (equivalent to approximately HK\$1.0 million).

THE CORPORATE GUARANTEE AGREEMENTS (BATCH II)

On 30 May 2014, Rongzhong PRC and each of the Corporate Guarantor I and Lessee II entered into the Corporate Guarantee Agreement III and the Corporate Guarantee Agreement IV respectively, to secure due payment of the lease payments by Lessee I to Rongzhong PRC pursuant to the Finance Lease Agreement II.

THE SUBSTANTIAL SHAREHOLDER GUARANTEE AGREEMENTS (BATCH II)

On 30 May 2014, Rongzhong PRC and each of the Substantial Shareholder I, the Substantial Shareholder I's Associate, the Substantial Shareholder II and the Substantial Shareholder II's Associate entered into each of the Substantial Shareholder Guarantee Agreement V, the Substantial Shareholder Guarantee Agreement VI, the Substantial Shareholder Guarantee Agreement VII and the Substantial Shareholder Guarantee Agreement VIII respectively, pursuant to which the Substantial Shareholder I, the Substantial Shareholder I's Associate, the Substantial Shareholder II and the Substantial Shareholder II's Associate respectively guarantee to secure due payment of the lease payments by Lessee I to Rongzhong PRC pursuant to the Finance Lease Agreement II.

THE FINANCE LEASE AGREEMENT III

On 30 March, 2016, Rongzhong PRC entered into the Finance Lease Agreement III with Lessee II pursuant to which Rongzhong PRC agreed to purchase the Equipment C from Lessee II at a contract amount of approximately RMB12.0 million (equivalent to approximately HK\$14.3 million) and to lease the Equipment C back to Lessee II for a term of thirty-six months with a total future lease payments (inclusive of interest and other administrative fee) for such lease period of approximately RMB14.5 million (equivalent to approximately HK\$17.3 million). The book value of the Equipment C as of February 2016 is approximately RMB15.4 million (equivalent to approximately HK\$18.3 million). The agreed security deposit is approximately RMB2.0 million (equivalent to approximately HK\$2.4 million). The material terms of the Finance Lease Agreement III have been summarised as follows:

Date of contract

30 March 2016

Parties

Lessor: Rongzhong PRC

Lessee: Lessee II

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, Lessee II and its ultimate beneficial owners are Independent Third Parties.

Lease period

Thirty-six months from the date of the Finance Lease Agreement III.

Lease payments

The interest and other administrative fee are payable in thirty-six monthly instalments and the principal is payable in six instalments, including five semi-annual instalments starting from the ninth month of the Finance Lease Agreement III and one final instalment on the thirty-sixth month of the Finance Lease Agreement III.

The lease payments are approximately RMB14.5 million (equivalent to approximately HK\$17.3 million), including a total interest of approximately RMB1.4 million (equivalent to approximately HK\$1.7 million), calculated at the PBOC Rate of compatible maturity period plus a premium and a total of other administrative fee of approximately RMB1.1 million (equivalent to approximately HK\$1.3 million). In accordance with the relevant accounting standards, the amount of finance lease receivable recognised by Rongzhong PRC on inception date will be approximately RMB12.0 million (equivalent of approximately HK\$14.3 million).

Security deposit

The security deposit of approximately RMB2.0 million (equivalent to approximately HK\$2.4 million) will be offset against part of the contract amount. The security deposit bears no interest and will be applied to make up part of the total future lease payments of approximately RMB14.5 million (equivalent to approximately HK\$17.3 million) during the lease period.

Equipment ownership

During the lease period, the ownership of the Equipment C shall be vested in Rongzhong PRC. Subject to Lessee II having duly and fully performed all of its obligations under the Finance Lease Agreement III, Rongzhong PRC will transfer the ownership of the Equipment C to Lessee II at nil consideration upon the expiry of the Finance Lease Agreement III.

THE CORPORATE GUARANTEE AGREEMENTS (BATCH III)

On 30 March, 2016, Rongzhong PRC and Lessee II entered into the Corporate Guarantee Agreement V, the Corporate Guarantee Agreement VI and the Corporate Guarantee Agreement VII with the Corporate Guarantor I, Corporate Guarantor II and Corporate Guarantor III respectively, pursuant to which Corporate Guarantor I, Corporate Guarantor II and Corporate Guarantor III respectively guarantee to secure due payment of the lease payments by Lessee II to Rongzhong PRC pursuant to the Finance Lease Agreement III. The material terms of the Corporate Guarantee Agreements (Batch III) have been summarised as follows (unless otherwise specified below, the terms of the Corporate Guarantee Agreements (Batch III) are identical):

Date of contracts

30 March 2016

Parties

Lessor: Rongzhong PRC

Lessee: Lessee II

Guarantor: Each of the Corporate Guarantors respectively

Guarantee period

Expires two years upon the expiration of the Finance Lease Agreement III.

Scope of guarantee

Each of the Corporate Guarantors agreed in each of their respective agreement under the Corporate Guarantee Agreements (Batch III) to undertake guarantee, on a joint and several basis, to satisfy any and all of the liabilities of Lessee II under the Finance Lease Agreement III.

Further protective covenants

Each of the Corporate Guarantors further agreed in each of their respective agreement under the Corporate Guarantee Agreements (Batch III) respectively to give certain protective covenants in favour of Rongzhong PRC, including an obligation to obtain the prior written consent of Rongzhong PRC if it intends to transfer up to 50% or above of its total assets, an obligation to inform Rongzhong PRC 30 days in advance and obtain written consent from Rongzhong PRC in case of merger, reorganisation or other major changes in shareholdings structure on the part of the relevant Corporate Guarantor(s) and an obligation to obtain written consent from Rongzhong PRC if it intends to provide guarantee to any third party with its cumulative guarantee liabilities in excess of 70% of its net asset value as shown in its latest financial statements.

THE SUBSTANTIAL SHAREHOLDER GUARANTEE AGREEMENTS (BATCH III)

On 30 March, 2016, Rongzhong PRC entered into the Shareholder Guarantee Agreement IX and the Substantial Shareholder Guarantee Agreement X with Substantial Shareholder I and Substantial Shareholder II respectively, pursuant to which Substantial Shareholder I and Substantial Shareholder II respectively guarantee to secure due payment of the lease payments by Lessee II to Rongzhong PRC pursuant to the Finance Lease Agreement III. The material terms of the Substantial Shareholder Guarantee Agreements (Batch III) have been summarised as follows (unless otherwise specified below the terms of the Substantial Shareholder Guarantee Agreements (Batch III) are identical):

Date of contracts

30 March 2016

Parties

Lessor: Rongzhong PRC

Lessee: Lessee II

Guarantor: Each of the Substantial Shareholder I and the Substantial Shareholder II

Guarantee period

Expires two years upon the expiration of the Finance Lease Agreement III.

Scope of guarantee

Each of the Substantial Shareholder I and the Substantial Shareholder II agreed in each of their respective agreement under the Substantial Shareholder Guarantee Agreements (Batch III) to undertake personal guarantee, on a joint and several basis, to satisfy any and all of the liabilities of Lessee II under the Finance Lease Agreement III and all incidental enforcement costs.

REASONS FOR, AND BENEFITS OF, THE TRANSACTIONS

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

Each of the Lessees and the Corporate Guarantors principally engaged in the business of research, development and utilisation of biomass energy and environmental friendly power technologies, and their related services.

The terms of the Finance Lease Agreement III (including the contract amount, the lease payment and the security deposit), each of the Corporate Guarantee Agreements (Batch III) and each of the Substantial Shareholder Guarantee Agreements (Batch III) were determined after arm's length negotiation between the relevant parties and Rongzhong PRC respectively, with reference to, among other things, the prevailing market terms and practices.

The Directors consider that the entering into the Finance Lease Agreement III, the Corporate Guarantee Agreements (Batch III) and the Substantial Shareholder Guarantee Agreements (Batch III) is in the ordinary and usual course of business of Rongzhong PRC and that will generate revenue and profit to the Group over the lease period. Since the Finance Lease Agreement III, the Corporate Guarantee Agreements (Batch III) and the Substantial Shareholder Guarantee Agreements (Batch III) were entered into under normal commercial terms, the Directors are of the view that the terms of these agreements are fair and reasonable and are in the interest of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As at the date of this announcement, all the Lessees are subsidiaries of the Corporate Guarantor I, which holds approximately 100% of Lessee I and 90% of Lessee II. The transactions contemplated under the Transaction Documents are aggregated for the classification in accordance with Rule 14.22 of the Listing Rules.

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules for the Transaction Documents is more than 5% but all of them are less than 25%, the transactions contemplated under the Transaction Documents constitute discloseable transactions of the Company and are therefore subject to the announcement requirement in Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	China Rongzhong Financial Holdings Company Limited, a limited liability company incorporated in Cayman Islands with its issued shares listed on the Main Board of the Stock Exchange
“connect person(s)”	has the same meaning ascribed to it under the Listing Rules
“Corporate Guarantee Agreement I”	the corporate guarantee agreement entered into between Rongzhong PRC and Corporate Guarantor I on 30 December 2013 pursuant to which Corporate Guarantor I has provided to Rongzhong PRC certain guarantees in connection with the Finance Lease Agreement I
“Corporate Guarantee Agreement II”	the corporate guarantee agreement entered into between Rongzhong PRC and Lessee II on 30 December 2013 pursuant to which Lessee II has provided to Rongzhong PRC certain guarantees in connection with the Finance Lease Agreement I
“Corporate Guarantee Agreement III”	the corporate guarantee agreement entered into between Rongzhong PRC and Corporate Guarantor I on 30 May 2014 pursuant to which Corporate Guarantor I has provided to Rongzhong PRC certain guarantees in connection with the Finance Lease Agreement II
“Corporate Guarantee Agreement IV”	the corporate guarantee agreement entered into between Rongzhong PRC and Lessee II on 30 May 2014 pursuant to which Lessee II has provided to Rongzhong PRC certain guarantees in connection with the Finance Lease Agreement II
“Corporate Guarantee Agreement V”	the corporate guarantee agreement entered into between Rongzhong PRC, Lessee II and Corporate Guarantor I on 30 March 2016 pursuant to which Corporate Guarantor I has provided to Rongzhong PRC certain guarantees in connection with the Finance Lease Agreement III
“Corporate Guarantee Agreement VI”	the corporate guarantee agreement entered into between Rongzhong PRC, Lessee II and Corporate Guarantor II on 30 March 2016 pursuant to which Corporate Guarantor II has provided to Rongzhong PRC certain guarantees in connection with the Finance Lease Agreement III

“Corporate Guarantee Agreement VII”	the corporate guarantee agreement entered into between Rongzhong PRC, Lessee II and Corporate Guarantor III on 30 March 2016 pursuant to which Corporate Guarantor III has provided to Rongzhong PRC certain guarantees in connection with the Finance Lease Agreement III
“Corporate Guarantee Agreements”	the Corporate Guarantee Agreements (Batch I), the Corporate Guarantee Agreements (Batch II) and the Corporate Guarantee Agreements (Batch III)
“Corporate Guarantee Agreements (Batch I)”	the Corporate Guarantee Agreement I and the Corporate Guarantee Agreement II
“Corporate Guarantee Agreements (Batch II)”	the Corporate Guarantee Agreement III and the Corporate Guarantee Agreement IV
“Corporate Guarantee Agreements (Batch III)”	the Corporate Guarantee Agreement V, the Corporate Guarantee Agreement VI and the Corporate Guarantee Agreement VII
“Corporate Guarantor I”	a limited liability company established in the PRC and held as to approximately 26.7% by the Substantial Shareholder I and approximately 25% by the Substantial Shareholder II, with its principal business in the research, development and utilisation of biomass energy, environmental friendly energy and other forms of energy related technologies, and, to the best of the Directors’ knowledge, information and belief after having made all reasonable enquiries, an Independent Third Party
“Corporate Guarantor II”	a limited liability company established in the PRC, and held as to approximately 100% by Corporate Guarantor I, with its principal business in the development of electricity generation and thermal power generation technologies, and, to the best of the Directors’ knowledge, information and belief after having made all reasonable enquiries, an Independent Third Party
“Corporate Guarantor III”	a limited liability company established in the PRC and held as to approximately 100% by Corporate Guarantor I, with its principal business in the development of biological straw boiler electricity generation and thermal power generation technologies, and, to the best of the Directors’ knowledge, information and belief after having made all reasonable enquiries, an Independent Third Party
“Corporate Guarantors”	the Corporate Guarantor I, the Corporate Guarantor II and the Corporate Guarantor III

“Director(s)”	director(s) of the Company
“Equipment A”	12 sets of photovoltaic power generation system
“Equipment B”	6 sets of photovoltaic power generation system and 1 set of boiler system
“Equipment C”	3 sets of turbine power generators
“Financial Consultancy Contract I”	the financial consultancy contract entered into between Rongzhong PRC and Lessee I on 30 December 2013 pursuant to which Rongzhong PRC agreed to provide financial consultancy services to Lessee I
“Financial Consultancy Contract II”	the financial consultancy contract entered into between Rongzhong PRC and Lessee I on 30 May 2014 pursuant to which Rongzhong PRC agreed to provide financial consultancy services to Lessee I
“Financial Consultancy Contracts”	the Financial Consultancy Contract I and the Financial Consultancy Contract II
“Finance Lease Agreement I”	the finance lease agreement entered into between Rongzhong PRC and Lessee I on 30 December 2013 pursuant to which Rongzhong PRC will purchase the Equipment A from Lessee I and lease it back to Lessee I
“Finance Lease Agreement II”	the finance lease agreement entered into between Rongzhong PRC and Lessee I on 30 May 2014 pursuant to which Rongzhong PRC will purchase the Equipment B from Lessee I and lease it back to Lessee I
“Finance Lease Agreement III”	the finance lease agreement entered into between Rongzhong PRC and Lessee II on 30 March 2016 pursuant to which Rongzhong PRC will purchase the Equipment C from Lessee II and lease it back to Lessee II
“Finance Lease Agreements”	the Finance Lease Agreement I, the Finance Lease Agreement II and the Finance Lease Agreement III
“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

“Independent Third Party(ies)”	any person(s) or company(ies) who are not connected persons (as defined in the Listing Rules) of the Company and are independent of and not connected with the Company and its connected persons (as defined in the Listing Rules)
“Lessee I”	a limited liability company established in the PRC, and held as to approximately 100% by the Corporate Guarantor I, with its principal business in the development of hydro-electric, thermal, coal and steam power generation technologies, and, to the best of the Directors’ knowledge, information and belief after having made all reasonable enquiries, an Independent Third Party
“Lessee II”	a limited liability company established in the PRC and held as to approximately 90% by the Corporate Guarantor I, with its principal business in the development of hydro-electric, thermal, coal and steam power generation technologies, and, to the best of the Directors’ knowledge, information and belief after having made all reasonable enquiries, an Independent Third Party
“Lessees”	the Lessee I and Lessee II
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PBOC Rate”	the benchmark interest rate promulgated the People’s Bank of China for RMB loans
“PRC”	the People’s Republic of China which, for the purposes of this announcement, excludes Hong Kong, Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Rongzhong PRC”	Rongzhong International Financial Leasing Co., Ltd. (融眾國際融資租賃有限公司), a limited liability company incorporated in the PRC and a wholly own subsidiary of the Company
“Shareholder(s)”	the holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial Shareholder Guarantee Agreement I”	the guarantee agreement entered into between Rongzhong PRC and Substantial Shareholder I on 30 December 2013 pursuant to which the Substantial Shareholder I has provided to Rongzhong PRC certain guarantees

“Substantial Shareholder Guarantee Agreement II”	the guarantee agreement entered into between Rongzhong PRC and the Substantial Shareholder I’s Associate on 30 December 2013 pursuant to which the Substantial Shareholder I’s Associate has provided to Rongzhong PRC certain guarantees
“Substantial Shareholder Guarantee Agreement III”	the guarantee agreement entered into between Rongzhong PRC and the Substantial Shareholder II on 30 December 2013 pursuant to which the Substantial Shareholder II has provided to Rongzhong PRC certain guarantees
“Substantial Shareholder Guarantee Agreement IV”	the guarantee agreement entered into between Rongzhong PRC and the Substantial Shareholder II’s Associate on 30 December 2013 pursuant to which the Substantial Shareholder II’s Associate has provided to Rongzhong PRC certain guarantees
“Substantial Shareholder Guarantee Agreement V”	the guarantee agreement entered into between Rongzhong PRC and the Substantial Shareholder I on 30 May 2014 pursuant to which the Substantial Shareholder I has provided to Rongzhong PRC certain guarantees
“Substantial Shareholder Guarantee Agreement VI”	the guarantee agreement entered into between Rongzhong PRC and the Substantial Shareholder I’s Associate on 30 May 2014 pursuant to which the Substantial Shareholder I’s Associate has provided to Rongzhong PRC certain guarantees
“Substantial Shareholder Guarantee Agreement VII”	the guarantee agreement entered into between Rongzhong PRC and the Substantial Shareholder II on 30 May 2014 pursuant to which the Substantial Shareholder II has provided to Rongzhong PRC certain guarantees
“Substantial Shareholder Guarantee Agreement VIII”	the guarantee agreement entered into between Rongzhong PRC and the Substantial Shareholder II’s Associate on 30 May 2014 pursuant to which the Substantial Shareholder II’s Associate has provided to Rongzhong PRC certain guarantees
“Substantial Shareholder Guarantee Agreement IX”	the guarantee agreement entered into between Rongzhong PRC and the Substantial Shareholder I on 30 March 2016 pursuant to which the Substantial Shareholder I has provided to Rongzhong PRC certain guarantees
“Substantial Shareholder Guarantee Agreement X”	the guarantee agreement entered into between Rongzhong PRC and the Substantial Shareholder II on 30 March 2016 pursuant to which the Substantial Shareholder II has provided to Rongzhong PRC certain guarantees

“Substantial Shareholder Guarantee Agreements”	the Substantial Shareholder Guarantee Agreements (Batch I), the Substantial Shareholder Guarantee Agreements (Batch II) and the Substantial Shareholder Guarantee Agreements (Batch III)
“Substantial Shareholder Guarantee Agreements (Batch I)”	the Substantial Shareholder Guarantee Agreement I, the Substantial Shareholder Guarantee Agreement II, the Substantial Shareholder Guarantee Agreement III and the Substantial Shareholder Guarantee Agreement IV
“Substantial Shareholder Guarantee Agreements (Batch II)”	the Substantial Shareholder Guarantee Agreement V, the Substantial Shareholder Guarantee Agreement VI, the Substantial Shareholder Guarantee Agreement VII and the Substantial Shareholder Guarantee Agreement VIII
“Substantial Shareholder Guarantee Agreements (Batch III)”	the Substantial Shareholder Guarantee Agreement IX and the Substantial Shareholder Guarantee Agreement X
“Substantial Shareholder I”	an individual directly holding approximately 26.7% of the Corporate Guarantor I and, to the best of the Directors’ knowledge, information and belief after having made all reasonable enquiries, an Independent Third Party
“Substantial Shareholder I’s Associate”	an individual being the spouse of the Substantial Shareholder I and, to the best of the Directors’ knowledge, information and belief after having made all reasonable enquiries, an Independent Third Party
“Substantial Shareholder II”	an individual directly holding approximately 25% of the Corporate Guarantor I and, to the best of the Directors’ knowledge, information and belief after having made all reasonable enquiries, an Independent Third Party
“Substantial Shareholder II’s Associate”	an individual being the spouse of the Substantial Shareholder II and, to the best of the Directors’ knowledge, information and belief after having made all reasonable enquiries, an Independent Third Party

“Transaction Documents” the Finance Lease Agreements, the Financial Consultancy Contracts, the Corporate Guarantee Agreements and the Substantial Shareholder Guarantee Agreements

“%” per cent

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

HK\$1: RMB0.84

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

By order of the Board
China Rongzhong Financial Holdings Company Limited
Wong Tsz Lun
Company Secretary

Hong Kong, 31 March 2016

As at the date of this announcement, the executive Directors of the Company are Mr. Xie Xiaoqing and Mr. Li Fan; the non-executive Directors of the Company are Mr. Ding Chung Keung Vincent, Ms. Wong Jacqueline Yue Yee and Mr. Sun Changyu and the independent non-executive Directors of the Company are Mr. Nie Yong, Mr. Duan Chang Feng, and Ms. Zou Lin.