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CHINA BEST GROUP HOLDING LIMITED

國華集團控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 370)

**DISCLOSEABLE TRANSACTION
FINANCE LEASE AGREEMENTS AND CONSULTANCY AGREEMENTS**

The Company announces that Rongjinda Finance, an indirect wholly-owned subsidiary of the Company, entered into the Finance Lease Agreements and Consultancy Agreements with three respective Independent Third Parties.

On 6 July 2015, Rongjinda Finance entered into Finance Lease Agreement 1 with Shenzhen Century, pursuant to which Rongjinda Finance purchased Machinery and Equipment 1 from Shenzhen Century at a total consideration of RMB7,000,000 (equivalent to approximately HK\$8,855,000), which were leased back to Shenzhen Century for a term of one year. On the same date, Rongjinda Finance entered into Consultancy Agreement 1 with Shenzhen Century, pursuant to which Shenzhen Century agreed to engage Rongjinda Finance to provide finance consultancy services, at an annual service fee of approximately RMB804,000 (after tax) (equivalent to approximately HK\$1,017,000), for a term of one year.

* *for identification purpose only*

On 7 July 2015, Rongjinda Finance entered into Finance Lease Agreement 2 with Shenzhen Yuexin, pursuant to which Rongjinda Finance purchased Machinery and Equipment 2 from Shenzhen Yuexin at a total consideration of RMB53,000,000 (equivalent to approximately HK\$67,045,000), which were leased back to Shenzhen Yuexin for a term of one year. On the same date, Rongjinda Finance entered into Consultancy Agreement 2 with Shenzhen Yuexin, pursuant to which Shenzhen Yuexin agreed to engage Rongjinda Finance to provide finance consultancy services, at an annual service fee of approximately RMB6,057,000 (after tax) (equivalent to approximately HK\$7,662,000), for a term of one year.

On 10 July 2015, Rongjinda Finance entered into Finance Lease Agreement 3 with Heyuan Dongjiangyuan, pursuant to which Rongjinda Finance purchased Machinery and Equipment 3 from Heyuan Dongjiangyuan at a total consideration of RMB60,000,000 (equivalent to approximately HK\$75,900,000), which were leased back to Heyuan Dongjiangyuan for a term of one year. On 7 July 2015, Rongjinda Finance entered into Consultancy Agreement 3 with Heyuan Dongjiangyuan, pursuant to which Heyuan Dongjiangyuan agreed to engage Rongjinda Finance to provide finance consultancy services, at an annual service fee of approximately RMB6,962,000 (after tax) (equivalent to approximately HK\$8,807,000), for a term of one year.

Shenzhen Century, Shenzhen Yuexin and Heyuan Dongjiangyuan are Independent Third Parties ultimately owned by the same shareholders, who are also Independent Third Parties.

As the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the transactions contemplated under Finance Lease Agreement 1 and Consultancy Agreement 1 were less than 5%, the transactions contemplated thereunder did not constitute notifiable transactions of the Company. However, as the Finance Lease Agreements and Consultancy Agreements were entered into with the same ultimate shareholders and within a 12 month period, the Finance Lease Agreements and Consultancy Agreements should be aggregated in the calculation of the relevant percentage ratios to determine the classification of notifiable transactions for the purpose of the Listing Rules.

As the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the transactions contemplated under the Finance Lease Agreements and Consultancy Agreements, when aggregated, are more than 5% but less than 25%, the Finance Lease Agreements and Consultancy Agreements constitute discloseable transactions of the Company and are subject to the notification and announcement requirements set out in Rule 14.33 of the Listing Rules. Due to inadvertent oversight of the staff of Rongjinda Finance, the Directors at the material time had not published the announcement relating to Finance Lease Agreement 1, Finance Lease Agreement 2, Consultancy Agreement 1, Consultancy Agreement 2 and Consultancy Agreement 3 on 7 July 2015 and when Finance Lease Agreement 3 was entered into on 10 July 2015. When this oversight came to the attention of the Board, the Company resolved to make this announcement as soon as practicable.

The Company announces that Rongjinda Finance, an indirect wholly-owned subsidiary of the Company, entered into the Finance Lease Agreements and Consultancy Agreements with three respective Independent Third Parties. The principal terms of the Finance Lease Agreements and Consultancy Agreements are set out below.

FINANCE LEASE AGREEMENT 1

Date

6 July 2015

Parties

Purchaser/Lessor: Rongjinda Finance

Vendor/Lessee: Shenzhen Century

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

Finance Lease Agreement 1 comprised (i) the sale and purchase of Machinery and Equipment 1 and (ii) the lease back of Machinery and Equipment 1 to Shenzhen Century, details of which are set out below.

Sale and purchase arrangement

Pursuant to Finance Lease Agreement 1, Rongjinda Finance purchased Machinery and Equipment 1 from Shenzhen Century as specified in Finance Lease Agreement 1 for a total consideration of RMB7,000,000 (equivalent to approximately HK\$8,855,000). The consideration in respect of the sale and purchase of Machinery and Equipment 1 was determined after arm's length negotiations between the parties to Finance Lease Agreement 1 by reference to the carrying values and prevailing market price of Machinery and Equipment 1. As at the date of this announcement, the payment of the consideration has already been satisfied by Rongjinda Finance.

Lease back arrangement

Pursuant to Finance Lease Agreement 1, Rongjinda Finance agreed to lease Machinery and Equipment 1 back to Shenzhen Century for a term of one year, commencing from the date of entering into Finance Lease Agreement 1.

Lease payments

Pursuant to Finance Lease Agreement 1, the lease payment payable by Shenzhen Century to Rongjinda Finance shall be approximately RMB7,243,000 (after tax) (equivalent to approximately HK\$9,162,000), being the principal lease cost of RMB7,000,000 (equivalent to approximately HK\$8,855,000) plus the aggregate interest of approximately RMB243,000 (after tax) (equivalent to approximately HK\$307,000), which shall be payable in 12 monthly installments.

The lease payment was determined after arm's length negotiations between the parties to Finance Lease Agreement 1 by reference to the principal amounts of the lease and the prevailing market interest rate for finance leases of comparable machines and equipment.

Ownership of Machinery and Equipment 1

The ownership of Machinery and Equipment 1 under Finance Lease Agreement 1 will vest in Rongjinda Finance throughout the lease period. At the end of the lease period and subject to payment by Shenzhen Century of all amounts due under Finance Lease Agreement 1, the ownership of Machinery and Equipment 1 will be vested in Shenzhen Century.

Guarantee

Pursuant to Finance Lease Agreement 1, Shenzhen Zishengfa and Mr. Li, who are all Independent Third Parties, shall act as guarantors in favour of Rongjinda Finance to secure the obligations of Shenzhen Century under Finance Lease Agreement 1.

CONSULTANCY AGREEMENT 1

On the same day, Rongjinda Finance and Shenzhen Century also entered into Consultancy Agreement 1, pursuant to which, Shenzhen Century agreed to engage Rongjinda Finance for provision of finance consultancy services for a period of one year commencing on the date of Consultancy Agreement 1, at an annual service fee of approximately RMB804,000 (after tax) (equivalent to approximately HK\$1,017,000) payable in 12 monthly installments.

FINANCE LEASE AGREEMENT 2

Date

7 July 2015

Parties

Purchaser/Lessor: Rongjinda Finance

Vendor/Lessee: Shenzhen Yuexin

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

Finance Lease Agreement 2 comprised (i) the sale and purchase of Machinery and Equipment 2 and (ii) the lease back of Machinery and Equipment 2 to Shenzhen Yuexin, details of which are set out below.

Sale and purchase arrangement

Pursuant to Finance Lease Agreement 2, Rongjinda Finance purchased Machinery and Equipment 2 from Shenzhen Yuexin as specified in Finance Lease Agreement 2 for a total consideration of RMB53,000,000 (equivalent to approximately HK\$67,045,000). The consideration in respect of the sale and purchase of Machinery and Equipment 2 was determined after arm's length negotiations between the parties to Finance Lease Agreement 2 by reference to the carrying values and prevailing market price of Machinery and Equipment 2. As at the date of this announcement, the payment of the consideration has already been satisfied by Rongjinda Finance.

Lease back arrangement

Pursuant to Finance Lease Agreement 2, Rongjinda Finance agreed to lease Machinery and Equipment 2 back to Shenzhen Yuexin for a term of one year, commencing from the date of entering into Finance Lease Agreement 2.

Lease payments

Pursuant to Finance Lease Agreement 2, the lease payment payable by Shenzhen Yuexin to Rongjinda Finance shall be approximately RMB54,829,000 (after tax) (equivalent to approximately HK\$69,359,000), being the principal lease cost of RMB53,000,000 (equivalent to approximately HK\$67,045,000) plus the aggregate interest of approximately RMB1,829,000 (after tax) (equivalent to approximately HK\$2,314,000), which shall be payable in 12 monthly installments.

The lease payment was determined after arm's length negotiations between the parties to Finance Lease Agreement 2 by reference to the principal amounts of the lease and the prevailing market interest rate for finance leases of comparable machines and equipment.

Ownership of the Machinery and Equipment 2

The ownership of Machinery and Equipment 2 under Finance Lease Agreement 2 will vest in Rongjinda Finance throughout the lease period. At the end of the lease period and subject to payment by Shenzhen Yuexin of all amounts due under Finance Lease Agreement 2, the ownership of Machinery and Equipment 2 will be vested in Shenzhen Yuexin.

Guarantee

Pursuant to Finance Lease Agreement 2, Shenzhen Zishengfa and Mr. Li, who are all Independent Third Parties, shall act as guarantors in favour of Rongjinda Finance to secure the obligations of Shenzhen Yuexin under Finance Lease Agreement 2.

CONSULTANCY AGREEMENT 2

On the same day, Rongjinda Finance and Shenzhen Yuexin also entered into Consultancy Agreement 2, pursuant to which, Shenzhen Yuexin agreed to engage Rongjinda Finance for provision of finance consultancy services for a period of one year commencing on the date of Consultancy Agreement 2, at an annual service fee of approximately RMB6,057,000 (after tax) (equivalent to approximately HK\$7,662,000) payable in 12 monthly installments.

FINANCE LEASE AGREEMENT 3

Date

10 July 2015

Parties

Purchaser/Lessor: Rongjinda Finance

Vendor/Lessee: Heyuan Dongjiangyuan

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

Finance Lease Agreement 3 comprised (i) the sale and purchase of Machinery and Equipment 3 and (ii) the lease back of Machinery and Equipment 3 to Heyuan Dongjiangyuan, details of which are set out below.

Sale and purchase arrangement

Pursuant to Finance Lease Agreement 3, Rongjinda Finance purchased Machinery and Equipment 3 from Heyuan Dongjiangyuan as specified in Finance Lease Agreement 3 for a total consideration of RMB60,000,000 (equivalent to approximately HK\$75,900,000). The consideration in respect of the sale and purchase of Machinery and Equipment 3 was determined after arm's length negotiations between the parties to Finance Lease Agreement 3 by reference to the carrying values and prevailing market price of Machinery and Equipment 3. As at the date of this announcement, the payment of the consideration has already been satisfied by Rongjinda Finance.

Lease back arrangement

Pursuant to Finance Lease Agreement 3, Rongjinda Finance agreed to lease Machinery and Equipment 3 back to Heyuan Dongjiangyuan for a term of one year, commencing from the date of entering into Finance Lease Agreement 3.

Lease payments

Pursuant to Finance Lease Agreement 3, the lease payment payable by Heyuan Dongjiangyuan to Rongjinda Finance shall be approximately RMB62,103,000 (after tax) (equivalent to approximately HK\$78,560,000), being the principal lease cost of RMB60,000,000 (equivalent to approximately HK\$75,900,000) plus the aggregate interest of approximately RMB2,103,000 (after tax) (equivalent to approximately HK\$2,660,000), which shall be payable in 12 monthly installments.

The lease payment was determined after arm's length negotiations between the parties to Finance Lease Agreement 3 by reference to the principal amounts of the lease and the prevailing market interest rate for finance leases of comparable machines and equipment.

Ownership of the Machinery and Equipment 3

The ownership of Machinery and Equipment 3 under Finance Lease Agreement 3 will vest in Rongjinda Finance throughout the lease period. At the end of the lease period and subject to payment by Heyuan Dongjiangyuan of all amounts due under Finance Lease Agreement 3, the ownership of Machinery and Equipment 3 will be vested in Heyuan Dongjiangyuan.

Guarantee

Pursuant to Finance Lease Agreement 3, Shenzhen Zishengfa and Mr. Li, who are all Independent Third Parties, shall act as guarantors in favour of Rongjinda Finance to secure the obligations of Heyuan Dongjiangyuan under Finance Lease Agreement 3.

CONSULTANCY AGREEMENT 3

On 7 July 2015, Rongjinda Finance and Heyuan Dongjiangyuan also entered into Consultancy Agreement 3, pursuant to which, Heyuan Dongjiangyuan agreed to engage Rongjinda Finance for provision of finance consultancy services for a period of one year commencing on the date of Consultancy Agreement 3, at an annual service fee of approximately RMB6,962,000 (after tax) (equivalent to approximately HK\$8,807,000) payable in 12 monthly installments.

REASONS AND BENEFITS FOR THE FINANCE LEASE AGREEMENTS AND THE CONSULTANCY AGREEMENTS

The entering into of the Finance Lease Agreements and Consultancy Agreements were part of the ordinary and usual course of business of Rongjinda Finance which will enable Rongjinda Finance to earn an aggregate income of approximately RMB17,998,000 (after tax) (equivalent to approximately HK\$22,767,000), being the aggregate of (i) interest on the Finance Lease Agreements of approximately RMB4,175,000 (after tax) (equivalent to approximately HK\$5,281,000); and (ii) annual service fee under the Consultancy Agreements of approximately RMB13,823,000 (after tax) (equivalent to approximately HK\$17,486,000).

The Directors believe that the terms of each of the Finance Lease Agreements and each of the Consultancy Agreements are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE LESSEES

Shenzhen Century is a limited liability company established in the PRC and is principally engaged in the business of art exhibition and sales and marketing of art works.

Shenzhen Yuexin is a limited liability company established in the PRC and is principally engaged in the business of cultural activities planning and exhibition in cultural and creative industry sector, domestic trade and property management.

Heyuan Dongjiangyuan is a limited liability company established in the PRC and is principally engaged in hot spring resort development, operation and management.

INFORMATION ON THE GROUP

The Group was principally engaged in the manufacture and sales of coal, international air and sea freight forwarding and the provision of logistics services as well as trading of securities and trading of fuel oil, electronic devices and other commodities. Rongjinda Finance is an indirect wholly-owned subsidiary of the Company and is principally engaged in finance leasing business in the PRC.

IMPLICATION UNDER THE LISTING RULES

As the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the transactions contemplated under Finance Lease Agreement 1 and Consultancy Agreement 1 were less than 5%, the transactions contemplated thereunder did not constitute notifiable transactions of the Company. However, as the Finance Lease Agreements and Consultancy Agreements were entered into with the same ultimate shareholders and within a 12 month period, the Finance Lease Agreements and Consultancy Agreements should be aggregated in the calculation of the relevant percentage ratios to determine the classification of notifiable transactions for the purpose of the Listing Rules.

As the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the transactions contemplated under the Finance Lease Agreements and Consultancy Agreements, when aggregated, are more than 5% but less than 25%, the Finance Lease Agreements and Consultancy Agreements constitute discloseable transactions of the Company and are subject to the notification and announcement requirements set out in Rule 14.33 of the Listing Rules. Due to an inadvertent oversight of the staff of Rongjinda Finance, the Directors at the material time had not published the announcement relating to Finance Lease Agreement 1, Finance Lease Agreement 2, Consultancy Agreement 1, Consultancy Agreement 2 and Consultancy Agreement 3 on 7 July 2015 and when Finance Lease Agreement 3 was entered into on 10 July 2015. When this oversight came to the attention of the Board, the Company resolved to make this announcement as soon as practicable.

DEFINITIONS

“Board”	the board of Directors;
“Company”	China Best Group Holding Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange;
“Consultancy Agreements”	Consultancy Agreement 1, Consultancy Agreement 2 and Consultancy Agreement 3;
“Consultancy Agreement 1”	the consultancy agreement entered into between Rongjinda Finance and Shenzhen Century dated 6 July 2015;
“Consultancy Agreement 2”	the consultancy agreement entered into between Rongjinda Finance and Shenzhen Yuexin dated 7 July 2015;
“Consultancy Agreement 3”	the consultancy agreement entered into between Rongjinda Finance and Heyuan Dongjiangyuan dated 7 July 2015;

“connected persons”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	directors of the Company;
“Finance Lease Agreements”	Finance Lease Agreement 1, Finance Lease Agreement 2 and Finance Lease Agreement 3;
“Finance Lease Agreement 1”	the finance lease agreement entered into between Rongjinda Finance and Shenzhen Century dated 6 July 2015;
“Finance Lease Agreement 2”	the finance lease agreement entered into between Rongjinda Finance and Shenzhen Yuexin dated 7 July 2015;
“Finance Lease Agreement 3”	the finance lease agreement entered into between Rongjinda Finance and Heyuan Dongjiangyuan dated 10 July 2015;
“Group”	the Company and its subsidiaries;
“Heyuan Dongjiangyuan”	河源市東江源溫泉度假村有限公司 (Heyuan City Dongjiangyuan Hot Spring Resort Limited*), a company established in the PRC with limited liability and an Independent Third Party;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Third Part(y)(ies)”	part(y)(ies) independent of the Company and its connected persons;
“Mr. Li”	Li Yinfa (李吟發), an Independent Third Party, who is the ultimate beneficial owner of Shenzhen Century, Shenzhen Yuexin, Heyuan Dongjiangyuan and owns 90% equity interest in Shenzhen Zishengfa;
“Lessees”	Heyuan Dongjiangyuan, Shenzhen Century and Shenzhen Yuexin;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;

“Machinery and Equipment 1”	certain machinery and equipment including, among others, music equipment, air conditioning facility, elevators and installation fee for certain machinery, being the subject matter of Finance Lease Agreement 1;
“Machinery and Equipment 2”	certain machinery and equipment including, among others, elevators, generators and associated machinery, cooling towers, air conditioning facility, chillers, electrical system and high and low voltage power distribution, being the subject matter of Finance Lease Agreement 2;
“Machinery and Equipment 3”	certain machinery and equipment including, among others, elevators, chillers and generators, being the subject matter of Finance Lease Agreement 3;
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“Rongjinda Finance”	融金達融資租賃有限公司 (Rongjinda Finance Lease Limited*), a wholly foreign-owned enterprise in the PRC and wholly-owned by Jet-Air (H.K.) Limited, an indirect wholly-owned subsidiary of the Company;
“Shareholders”	holder(s) of share(s) of the Company;
“Shenzhen Century”	深圳市世紀文化創意有限公司 (Shenzhen City Century Culture Creative Limited*), a company established in the PRC with limited liability and an Independent Third Party;
“Shenzhen Yuexin”	深圳市粵信創意文化有限公司 (Shenzhen City Yuexin Creative Culture Limited*), a company established in the PRC with limited liability and an Independent Third Party;

“Shenzhen Zishengfa”	深圳市梓盛發實業集團有限公司 (Shenzhen City Zishengfa Industrial Group Limited*), a company established in the PRC with limited liability and an Independent Third Party, which is the intermediate holding company of Shenzhen Century, Shenzhen Yuexin and Heyuan Dongjiangyuan;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

* *The unofficial English translations or transliterations are for identification purposes only*

The figures in RMB are converted into HK\$ at the rate of RMB1: HK\$1.265 throughout this announcement for indicative purpose only.

By Order of the Board
China Best Group Holding Limited
Mr. Li Yang
Deputy Chairman

Hong Kong, 11 September 2015

As at the date of this announcement, the Board comprises three executive directors, namely Mr. Tan Xiangdong, Mr. Li Yang, and Mr. Wang Jian and three independent non-executive directors, namely Mr. Chan Fong Kong Francis, Mr. Chen Zhenguo and Mr. Li Yu.