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## **China Success Finance Group Holdings Limited**

**(中國集成金融集團控股有限公司)**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3623)**

### **DISCLOSEABLE TRANSACTION NEW PAYMENT GUARANTEE AGREEMENT**

On 26 July 2016 (after trading hours), Guangdong Success Finance Guarantee entered into the New Payment Guarantee Agreement with Tianxiang Construction, Mr. Hu and Ms. Zhu, pursuant to which Guangdong Success Finance Guarantee has agreed to guarantee 10% of the contract sum of the Infrastructure Construction Main Contract, the amount of which shall not exceed the Guaranteed Amount, i.e. RMB52,061,307 (equivalent to approximately HK\$60,391,116), from the date of the New Payment Guarantee Agreement to the date of acceptance certificate issued by Foshan Shanggang, which is no later than 16 March 2019. Upon the effective date of the New Payment Guarantee Agreement, Guangdong Success Finance Guarantee will receive a fee of RMB312,368 (equivalent to approximately HK\$362,347).

Given that (i) the Existing Payment Guarantee Agreement I and the Existing Payment Guarantee Agreement II are/will be completed within a 12 month period; and (ii) the Existing Payment Guarantee Agreement I and the Existing Payment Guarantee Agreement II are entered into by Guangdong Success Finance Guarantee with the same parties, the entering into of the New Payment Guarantee Agreement is required to be aggregated with the transactions contemplated under the Existing Payment Guarantee Agreement I and the Existing Payment Guarantee Agreement II pursuant to Rule 14.22 and Rule 14.23 of the Listing Rules.

As one of the applicable percentage ratios under Rule 14.07 of the Listing Rules is more than 5% but less than 25%, the entering into of the New Payment Guarantee Agreement, together with the Existing Payment Guarantee Agreement I and the Existing Payment Guarantee Agreement II, constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the relevant disclosure requirements under the Listing Rules.

## **THE NEW PAYMENT GUARANTEE AGREEMENT**

Set out below are the principal terms of the New Payment Guarantee Agreement:

Date : 26 July 2016

Parties : Guangdong Success Finance Guarantee;  
Tianxiang Construction;  
Mr. Hu; and  
Ms. Zhu.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Tianxiang Construction, Mr. Hu and Ms. Zhu and their ultimate beneficial owners are Independent Third Parties.

On 26 July 2016 (after trading hours), Guangdong Success Finance Guarantee entered into the New Payment Guarantee Agreement with Tianxiang Construction, Mr. Hu and Ms. Zhu, pursuant to which Guangdong Success Finance Guarantee has agreed to guarantee 10% of the contract sum of the Infrastructure Construction Main Contract, the amount of which shall not exceed the Guaranteed Amount, i.e. RMB52,061,307 (equivalent to approximately HK\$60,391,116), from the date of the New Payment Guarantee Agreement to the date of acceptance certificate issued by Foshan Shanggang, which is no later than 16 March 2019. Upon the effective date of the New Payment Guarantee Agreement, Guangdong Success Finance Guarantee will receive a fee of RMB312,368 (equivalent to approximately HK\$362,347).

### **Subject matter of the New Payment Guarantee Agreement**

10% of the contract sum of the Infrastructure Construction Main Contract, the amount of which shall not exceed RMB52,061,307 (equivalent to approximately HK\$60,391,116).

### **Guarantee**

Guangdong Success Finance Guarantee has agreed to provide funds and technical assistance for performing the construction obligation and compensate the loss of Foshan Shanggang arising from the Infrastructure Construction Main Contract. The amount of financial assistance and compensation shall not exceed the Guaranteed Amount.

## **Counter Guarantee**

Each of Tianxiang Construction, Mr. Hu and Ms. Zhu provides counter guarantee to Guangdong Success Finance Guarantee.

## **Consideration**

Upon the effective date of the New Payment Guarantee Agreement, Guangdong Success Finance Guarantee will receive a fee of RMB312,368 (equivalent to approximately HK\$362,347). It was determined after arm's length negotiation among the parties.

## **EXISTING PAYMENT GUARANTEE AGREEMENT I**

On 23 September 2015, Guangdong Success Finance Guarantee entered into a payment guarantee agreement with Tianxiang Construction, pursuant to which Guangdong Success Finance Guarantee agreed to guarantee 10% of the infrastructure construction standard main contract of Guangdong Province entered into between Foshan Shanggang (as outsourcer) and Tianxiang Construction (as contractor) in August 2015 in respect of the construction of No. 3, 6, 7 and 25 of buildings, phase one (II) of Shili Shang Di Nan Yuan\* (十里尚堤南苑), the amount of which shall not exceed RMB16,054,621.78 (equivalent to approximately HK\$18,623,361), from the date of the Existing Payment Guarantee Agreement I to the date of acceptance certificate issued by Foshan Shanggang, which is no later than 23 September 2017. The entering into of the Existing Payment Guarantee Agreement I itself did not constitute a discloseable transaction pursuant to Chapter 14 of the Listing Rules.

## **EXISTING PAYMENT GUARANTEE AGREEMENT II**

On 20 April 2016, Guangdong Success Finance Guarantee entered into a payment guarantee agreement with Tianxiang Construction, Mr. Hu and Ms. Zhu, pursuant to which Guangdong Success Finance Guarantee agreed to guarantee 10% of the infrastructure construction standard main contract of Guangdong Province entered into between Foshan Shanggang (as outsourcer) and Tianxiang Construction (as contractor) in April 2016 in respect of the construction of No. 5 of residential building, Shili Shang Di Nan Yuan\* (十里尚堤南苑), the amount of which shall not exceed RMB5,482,166 (equivalent to approximately HK\$6,359,313), from the date of the Existing Payment Guarantee Agreement II to the date of acceptance certificate issued by Foshan Shanggang, which is no later than 25 March 2018. The entering into of the Existing Payment Guarantee Agreement I and the Existing Payment Guarantee Agreement II themselves did not constitute a discloseable transaction pursuant to Chapter 14 of the Listing Rules.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE EXISTING PAYMENT GUARANTEE AGREEMENT I, THE EXISTING PAYMENT GUARANTEE AGREEMENT II AND THE NEW PAYMENT GUARANTEE AGREEMENT**

The Group is a financial service provider engaging in, among other things, the offering of financial and non-financial guarantee services, financial consultancy services and financial leasing services in the PRC. Guangdong Success Finance Guarantee is a wholly-owned subsidiary of the Company, engaging in the financial guarantee business.

The entering into of the Existing Payment Guarantee Agreement I, the Existing Payment Guarantee Agreement II and the New Payment Guarantee Agreement is in the ordinary and usual course of business of Guangdong Success Finance Guarantee. It is expected that Guangdong Success Finance Guarantee will earn a total fee of approximately RMB607,642 (equivalent to approximately HK\$704,865) from the entering into of the Existing Payment Guarantee Agreement I, the Existing Payment Guarantee Agreement II and the New Payment Guarantee Agreement.

The Directors are of the view that the terms of the Existing Payment Guarantee Agreement I, the Existing Payment Guarantee Agreement II and the New Payment Guarantee Agreement are fair and reasonable and are in the interests of the Company and the shareholders of the Company as a whole.

## **INFORMATION ABOUT THE GROUP AND GUANGDONG SUCCESS FINANCE GUARANTEE**

The Group is a financial service provider engaging in, among other things, the offering of financial and non-financial guarantee services, financial consultancy services and financial leasing services in the PRC. Guangdong Success Finance Guarantee is a wholly-owned subsidiary of the Company, engaging in the financial guarantee business.

## **INFORMATION ABOUT THE PARTY**

Tianxiang Construction is a limited liability company established under the laws of the PRC and principally engaged in the business of construction.

## **LISTING RULES IMPLICATIONS**

Given that (i) the Existing Payment Guarantee Agreement I and the Existing Payment Guarantee Agreement II are/will be completed within a 12 month period; and (ii) the Existing Payment Guarantee Agreement I and the Existing Payment Guarantee Agreement II are entered into by Guangdong Success Finance Guarantee with the same parties, the entering into of the New Payment Guarantee Agreement is required to be aggregated with the transactions contemplated under the Existing Payment Guarantee Agreement I and the Existing Payment Guarantee Agreement II pursuant to Rule 14.22 and Rule 14.23 of the Listing Rules.

As one of the applicable percentage ratios under Rule 14.07 of the Listing Rules is more than 5% but less than 25%, the entering into of the New Payment Guarantee Agreement, together with the Existing Payment Guarantee Agreement I and the Existing Payment Guarantee Agreement II, constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the relevant disclosure requirements under the Listing Rules.

## **DEFINITIONS**

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

|   |   |
|---|---|
| “Board”                                   | the board of Directors  |
| “Company”                                 | China Success Finance Group Holdings Limited (Stock Code: 3623), a company incorporated in the Cayman Islands whose shares are listed on the main board of the Stock Exchange |
| “Director(s)”                             | director(s) of the Company  |
| “Existing Payment Guarantee Agreement I”  | the payment guarantee agreement dated 23 September 2015 entered into between Guangdong Success Finance Guarantee and Tianxiang Construction                                   |
| “Existing Payment Guarantee Agreement II” | the payment guarantee agreement dated 20 April 2016 entered into among Guangdong Success Finance Guarantee, Tianxiang Construction, Mr. Hu and Ms. Zhu                        |

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|---|--|
| “Foshan Shanggang”                          | Foshan Shanggang Investment Company Limited* (佛山市上港投資有限公司), a limited liability company established under the laws of the PRC  |
| “Guangdong Success Finance Guarantee”       | Guangdong Success Finance Guarantee Company Limited* (廣東集成融資擔保有限公司), a limited liability company established under the laws of the PRC and a wholly-owned subsidiary of the Company  |
| “Guaranteed Amount”                         | 10% of the contract sum of the Infrastructure Construction Main Contract, the amount of which shall not exceed RMB52,061,307 (equivalent to approximately HK\$60,391,116)  |
| “Group”                                     | the Company and its subsidiaries   |
| “HK\$”                                      | Hong Kong dollar, the lawful currency of Hong Kong   |
| “Hong Kong”                                 | the Hong Kong Special Administrative Region of the PRC   |
| “Independent Third Party(ies)”              | third party(ies) independent of the Company and its connected persons (has the meaning ascribed to it under the Listing Rules)   |
| “Infrastructure Construction Main Contract” | the infrastructure construction standard main contract of Guangdong Province entered into between Foshan Shanggang (as outsourcer) and Tianxiang Construction (as contractor) in March 2016 in respect of the construction of the Site |
| “Listing Rules”                             | the Rules Governing the Listing of Securities on the Stock Exchange  |
| “Mr. Hu”                                    | Mr. Hu Gangfeng (胡剛鋒先生)  |
| “Ms. Zhu”                                   | Ms. Zhu Sulan (朱蘇蘭女士)  |
| “New Payment Guarantee Agreement”           | the payment guarantee agreement dated 26 July 2016 entered into among Guangdong Success Finance Guarantee, Tianxiang Construction, Mr. Hu and Ms. Zhu  |

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|--------------------------|--|
| “PRC”                    | the People’s Republic of China, but for the purpose of this announcement shall exclude Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan |
| “RMB”                    | Renminbi, the lawful currency of the PRC   |
| “Site”                   | No.9-11 and No.14-16 of residential buildings and No.20-22 of commercial buildings, phase two Shili Shang Di Nan Yuan* (十里尚堤南苑)  |
| “Stock Exchange”         | The Stock Exchange of Hong Kong Limited  |
| “Tianxiang Construction” | Tianxiang Construction Group Limited* (天祥建設集團有限公司), a limited liability company established under the laws of the PRC  |
| “%”                      | per cent.  |

*In this announcement, for the purpose of illustration only, amounts quoted in RMB have been converted into HK\$ at the rate of RMB1.00 to HK\$1.16. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.*

By order of the Board  
**China Success Finance Group Holdings Limited**  
**Zhang Tiewei**  
*Chairman and Executive Director*

Hong Kong, 26 July 2016

*As at the date of this announcement, the Board comprises (i) five executive Directors, namely Mr. Zhang Tiewei, Mr. Chen Hui, Mr. Li Bin, Mr. Xu Kaiying and Mr. Wang Xiong, (ii) two non-executive Directors, namely, Mr. He Darong and Mr. Pang Haoquan, and (iii) four independent non-executive Directors, namely, Mr. Tsang Hung Kei, Mr. Au Tien Chee Arthur, Mr. Xu Yan and Mr. Zhou Xiaojiang.*

\* *For identification purpose only*