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HONBRIDGE HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

(stock code : 8137)

DISCLOSEABLE TRANSACTION ENTERING INTO AN INVESTMENT AGREEMENT

ENTERING INTO AN INVESTMENT AGREEMENT

The Company is pleased to announce that on 25 October 2015, the Company entered into an investment agreement with the Zhejiang Jinhua Economic and Technological Development Zone Committee (浙江省金華經濟技術開發區管委會) (“**Party A**”) and Zhejiang Geely Holding Group Company Limited (“**Party B**”).

FORMATION OF A JOINT VENTURE

The Company and Party B shall establish a joint venture (the “**Project Company**”) in Jinhua City, Zhejiang Province, the PRC to serve as the operation entity. The total investment is expected to be RMB2,050 million (including cost of acquiring the land use rights for constructing production site, equipment and working capital) which will be funded by equity capital and loan. The date of incorporation, shareholding of each parties and amount of registered capital of the Project Company shall be further negotiated. In order to comply with the lithium-ion battery related industry standard in the PRC, the shareholding of the Company (being a foreign investor) in the Project Company will not exceed 50%. The Group will fund the Project Company by its internal resources.

BUSINESS SCOPE OF THE PROJECT COMPANY

Through the Project Company, the Company and Party B will establish a modern lithium-ion battery enterprise in Jinhua New Energy Automobile Industrial Park, which includes functions such as research and development, production, testing and inspection, demonstration and service (the "**Project**"). The Project will occupy an area of approximately 200 Mu, it can produce 1,500,000 kWh lithium-ion battery for new energy vehicles annually after completion of the construction of production facilities.

REASON AND BENEFIT OF THE INVESTMENT AGREEMENT AND ARRANGEMENT OF JOINT VENTURE

Benefit from the global awareness of environmental protection and policies favouring new energy, there is an increasing number of automobile enterprises which start to expand the production scale of electric vehicles, including hybrid electric vehicle and pure electric vehicle. Lithium-ion battery cells, which are the power and energy storage carrier of new energy vehicles, have been under tremendous and sustained market demand. Under these good business development opportunities, the Company can build a solid foundation in lithium-ion battery field through co-operation with Party B in developing the lithium-ion battery project.

The Group will continue to seek for new energy vehicle related business and investment opportunities with a view to enhance the growth potential of the Group and create higher returns to the shareholders of the Company.

GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under the GEM Listing Rules in respect of the arrangement in the Investment Agreement exceeds 5% but is less than 25%, the transactions contemplated under the Investment Agreement constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to the requirements of reporting and announcement.

INTRODUCTION

The board (the "**Board**") of directors of the Company (the "**Directors**") of Honbridge Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") is pleased to announce that on 25 October 2015, the Company entered into an investment agreement (the "**Investment Agreement**") with the Zhejiang

Jinhua Economic and Technological Development Zone Committee (浙江省金華經濟技術開發區管委會) and Zhejiang Geely Holding Group Company Limited.

INVESTMENT AGREEMENT

Date: 25 October 2015

Parties:

1. Jinhua Economic and Technological Development Zone Committee (“**Jinhua Development Zone Committee**” or “**Party A**”);
2. Zhejiang Geely Holding Group Company Limited (“**Party B**”); and
3. The Company

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, Party A and Party B and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons and their respective associates (within the meaning of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (“**GEM Listing Rules**”)).

FORMATION OF A JOINT VENTURE

The Company and Party B shall establish a joint venture (the “**Project Company**”) in Jinhua City, Zhejiang Province, the People’s Republic of China, the “**PRC**”) to serve as the operation entity of the Project (as defined below). The total investment is expected to be Renminbi (“**RMB**”) 2,050 million (including cost of acquiring the land use rights for constructing production site, equipment and working capital) which will be funded by equity capital and loan. The date of incorporation, shareholding of each parties and amount of registered capital of the Project Company shall be further negotiated. In order to comply with the lithium-ion battery related industry standard in the PRC, the shareholding of the Company (being a foreign investor) in the Project Company will not exceed 50%. The Group will fund the Project Company by its internal resources.

BUSINESS SCOPE OF THE PROJECT COMPANY

Through the Project Company, the Company and Party B will establish a modern lithium-ion battery enterprise in Jinhua New Energy Automobile Industrial Park which includes functions such as research and development, production, testing and inspection, demonstration and service (the “**Project**”). The Project will occupy

an area of approximately 200 Mu (the “**Project Land**”), and it can produce 1,500,000 kWh lithium-ion battery for new energy vehicles annually after completion of the construction of the production facilities.

ROLE OF JINHUA DEVELOPMENT ZONE COMMITTEE

After the Project Company successfully obtained the land use rights of the Project Land, Party A will be responsible for establishing basic construction conditions which include water, power and roads connection and land formation before commencement of the Project. Communications, sewerage, drainage, broadband facilities will also be completed before the completion of the construction and commencement of production. Party A will also provide relevant supporting policy to the Project Company.

INFORMATION OF JINHUA DEVELOPMENT ZONE COMMITTEE

Jinhua Development Zone Committee is a department under Zhejiang Jinhua Government, the duty of Jinhua Development Zone Committee includes but not limited to, studying and formulating socio-economic development plan for development zone, construction and planning of urban and industrial district, construction and planning in city zones, and construction and planning of town and village.

INFORMATION OF PARTY B

Party B is a company incorporated in Zhejiang Province in the PRC, and is principally engaged in manufacturing and sales of automobile. Party B owns and control the automobile brand “Geely” in the PRC and luxury European automobile brand “Volvo”, and Party B is also one of the Fortune Global 500 companies in 2014.

BUSINESS OF THE COMPANY

The Company is principally engaged in trading and manufacturing of lithium-ion battery, investment in new energy and resource sector and exploration of mineral resources. The Group intends to enter the field of new energy vehicles and intends to acquire the complete core technology such as battery system, electric motor system and vehicle control module by acquisitions. The strategy is to conduct business consolidation by mergers and acquisitions globally in order to obtain the cutting-edge techniques and to integrate creativity, and to industrialize the production of new energy vehicles and related core components in the PRC and follow this direction to seek for mergers and acquisitions opportunities.

REASON AND BENEFIT OF THE INVESTMENT AGREEMENT AND ARRANGEMENT OF JOINT VENTURE

Benefit from the global awareness of environmental protection and policies favouring new energy, there is an increasing number of automobile enterprises which start to expand the production scale of electric vehicles, including hybrid electric vehicle and pure electric vehicle. Lithium-ion battery cells which is the power and energy storage carrier of new energy vehicles, have been under tremendous and sustained market demand. Under these good business development opportunities, the Company can build a solid foundation in lithium-ion battery field through co-operation with Party B in developing the Project.

The headquarters of party B is established in Zhejiang Province and is principally engaged in manufacturing and sales of automobile. Party B owns and control the automobile brand “Geely” in the PRC and luxury European automobile brand “Volvo”, and Party B is also one of the Fortune Global 500 companies in 2014. Through co-operation with Party B, the Company can benefit from its business running experience in Zhejiang and along with the support from Party A, which will be beneficial for the Project development.

The terms in the Investment Agreement, which have been agreed after arm's length negotiations between the parties thereto. After considering the above factors, the Directors consider that the Investment Agreement is on normal commercial terms and such terms are fair and reasonable and in the interests of the Company and the shareholders as a whole.

The Group will continue to seek for new energy vehicle related business and investment opportunities with a view to enhancing the growth potential of the Group and create higher returns to shareholders of the Company.

Further announcement will be made by the Company in accordance with the GEM Listing Rules as and when the Company enters into any further cooperation agreement with Party A and Party B. Details arrangement of the Project have yet to be reached and will be confirmed once the Company entered into a joint venture agreement with Party B. Shareholders and potential investors of the Company should exercise caution when dealing in shares of the Company.

GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under the GEM Listing Rules in respect of the arrangement in the Investment Agreement exceeds 5% but is less than 25%, the transactions contemplated under the Investment Agreement constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to the requirements of reporting and announcement.

By Order of the Board of
Honbridge Holdings Limited
YEUNG Ho Ming
Company Secretary

Hong Kong, 26 October 2015

As at the date of this announcement, the Board comprises Mr. He Xuechu, Mr. Liu Wei, William and Mr. Shi Li Xin as executive directors; Mr. Ang Siu Lun, Lawrence and Mr. Yan Weimin as non-executive directors and Mr. Chan Chun Wai, Tony, Mr. Ma Gang and Mr. Ha Chun as independent non-executive directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited 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 announcement 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 announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the Growth Enterprise Market website at www.hkgem.com for at least seven days from the date of its posting and on the website of the Company at www.8137.hk.