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Ronshine China Holdings Limited

融信中國控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3301)

DISCLOSABLE TRANSACTION RELATING TO PROVISION OF GUARANTEE FOR A JOINT VENTURE

PROVISION OF GUARANTEE

On 23 August 2019, Rongxin Investment (being an indirect wholly-owned subsidiary of the Company), as guarantor, entered into the Guarantee Agreement in favour of the Creditor, pursuant to which Rongxin Investment has agreed to provide guarantee for the due performance of the repayment obligations of the JV Company to the Creditor under the Loan Agreement. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Creditor and its ultimate beneficial owner(s) are Independent Third Parties.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the provision of the guarantee under the Guarantee Agreement are more than 5% but are less than 25%, the provision of the guarantee under the Guarantee Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

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Principal terms of the Guarantee Agreement

Date: 23 August 2019

Parties: (1) Rongxin Investment (as guarantor); and
(2) the Creditor

Guarantee: Rongxin Investment, as guarantor, has agreed to provide guarantee in favour of the Creditor for the due performance of the JV Company's debt obligations under the Loan Agreement, including but not limited to that with respect to up to RMB750 million of the principal amount under the Loan Agreement, interest, penalties, compensations, liquidated damages and other expenses incurred by the Creditor from the realisation of its debt and guarantee rights.

Term of guarantee: commencing from the effective date of the Guarantee Agreement and ending on the date of three years after the expiry of the repayment obligations of the debts under the Loan Agreement

Effective date of the Guarantee Agreement: the Guarantee Agreement shall become effective upon it is being duly sealed by the parties, being 23 August 2019

REASONS FOR AND BENEFITS OF THE PROVISION OF GUARANTEE

The principal loan amount extended by the Creditor to the JV Company under the Loan Agreement amounted to RMB750 million. The Directors are of the view that the provision of the guarantee will facilitate the JV Company to meet its working capital requirement for the development of a property project in Hangzhou, which is expected to generate substantial profits to the Group and is in line with the Group's overall business strategy and interest in the long run. The other joint venture partner of the JV Company, namely Hangzhou Haoyu, has also agreed to provide guarantee for the entire repayment obligation of the JV Company to the Creditor under the same terms and conditions as to the Guarantee Agreement.

The Directors are of the view that the terms of the Guarantee Agreement are on normal commercial terms, are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

INFORMATION ON THE COMPANY, RONGXIN INVESTMENT, THE JV COMPANY AND THE CREDITOR

The Company is an investment holding company. The Group is a property developer in the PRC, focusing on the development of residential properties in cities in the Western Taiwan Straits Economic Zone and selected first and second-tier cities. The Group is primarily engaged in the development of mid to high-end residential properties, and also develops commercial properties integrated with or in the vicinity of its residential properties, including office buildings, retail shops and other commercial properties.

Rongxin Investment is a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company which is principally engaged in property development in the PRC.

The JV Company is a joint venture of the Group established in the PRC with limited liability which is principally engaged in property development in the PRC.

The Creditor is a licensed bank established under the laws of the PRC which is principally engaged in, among others, the provision of financing services in the PRC.

LISTING RULES IMPLICATIONS

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DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings ascribed to them respectively:

“associates”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Ronshine China Holdings Limited, an exempted company incorporated under the laws of the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Creditor”	平安銀行股份有限公司杭州分行 (Ping An Bank Co., Ltd Hangzhou Branch*), a licensed bank established under the laws of the PRC
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Guarantee Agreement”	the guarantee agreement dated 23 August 2019 and entered into by Rongxin Investment, as guarantor, and the Creditor, pursuant to which Rongxin Investment has agreed to provide guarantee in favour of the Creditor for the due performance of the debt obligations of the JV Company to the Creditor under the Loan Agreement

“Hangzhou Haoyu”	杭州晟宇實業有限公司 (Hangzhou Haoyu Industrial Co., Ltd.*), 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 People’s Republic of China
“Independent Third Party(ies)”	independent third party(ies) who is/are not connected person(s) (has the meaning ascribed to it under the Listing Rules) of the Company and is/are independent of and not connected with the Company and directors, chief executive, controlling shareholders and substantial shareholders of the Company or any of its subsidiaries or their respective associates
“JV Company”	杭州融浩置業有限公司 (Hangzhou Ronghao Property Co., Ltd.*), a company established in the PRC with limited liability which, as at the date of this announcement, is indirectly owned as to 45.28% by the Company through 杭州華合企業管理諮詢有限公司 (Hangzhou Huahe Enterprise Management Consulting Co., Ltd.*), and 49% by Hangzhou Haoyu and 5.72% by Pingtan Longchangcheng Investment
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Agreement”	the loan agreement dated 23 August 2019 entered into between the JV Company and the Creditor in relation to the grant of a loan in the principal amount of RMB750 million by the Creditor to the JV Company
“percentage ratios”	has the meaning ascribed to it under the Listing Rules
“Pingtan Longchangcheng Investment”	平潭隆昌城投資合夥企業 (Pingtan Longchangcheng Investment Partnership Co., Ltd.*), a company established in the PRC with limited partnership and an Independent Third Party
“PRC”	the People’s Republic of China, which for the purpose of this announcement only, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan

“RMB”	Renminbi, the lawful currency of the PRC
“Rongxin Investment”	融信 (福建) 投資集團有限公司 (Rongxin (Fujian) Investment Company Limited*), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Share(s)”	ordinary share(s) of nominal value of HK\$0.00001 each in the capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%” or “per cent.”	percentage or per centum

By order of the Board
Ronshine China Holdings Limited
Ou Zonghong
Chairman

Hong Kong, 23 August 2019

As at the date of this announcement, Mr. Ou Zonghong, Ms. Yu Lijuan, Ms. Zeng Feiyuan, Mr. Ruan Youzhi and Mr. Zhang Lixin are the executive Directors; Ms. Chen Shucui is the non-executive Director; and Mr. Qu Wenzhou, Mr. Ren Yunan and Mr. Ruan Weifeng are the independent non-executive Directors.

* For identification purpose only