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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)

CLARIFICATION ANNOUNCEMENT CONTINUING CONNECTED TRANSACTION LANDSCAPE ENGINEERING SERVICES FRAMEWORK AGREEMENT

Reference is made to the announcement (the “**Announcement**”) of Ronshine China Holdings Limited (the “**Company**”) dated 15 September 2017 in relation to the continuing connected transaction for the provision of landscape engineering services (the “**Continuing Connected Transaction**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

In addition to the information disclosed in the Announcement, the Company wishes to provide the Shareholders and the public with additional information in relation to the Continuing Connected Transaction as follows:

Pricing policies

As disclosed in the Announcement, the service fees payable by the Company for the Landscape Engineering Services under the Landscape Engineering Services Framework Agreement will be determined with reference to (i) the total area of the property projects of the Group in the PRC for which the Landscape Engineering Services is required; (ii) the costs to be incurred by Xiujing Landscape for the provision of the Landscape Engineering Services (including the salaries and benefits, costs incurred for the use of facilities and disbursements to third parties); and (iii) comparable market price for the provision of the Landscape Engineering Services by other similar providers.

The Company would like to clarify that the costs to be incurred by Xiujing Landscape for the provision of the Landscape Engineering Services are determined on the basis of the actual costs (including the salaries and benefits in respect of the employment of the relevant employees of Xiujing Landscape, the raw material costs and the costs of purchase or rental of facilities or equipment for the provision of the Landscape Engineering Services) to be incurred by Xiujing Landscape with respect to the provision of the Landscape Engineering Services. In determining the actual costs incurred by Xiujing Landscape, the internal control department of the Company

will conduct regular research and study on market data such as (i) compensation package of personnel in similar industry; (ii) prevailing market prices of relevant raw material required for landscape construction; and (iii) number and types of facilities or equipment required for landscape construction, and review and assess the reasonableness of the quotations (including the incurred costs) submitted by Xiujing Landscape to the Group for approval.

In addition, the Group will obtain at least two quotations from other independent third parties providing similar services in the market and conduct online research in the market in respect of similar services provided by other service providers, and make comparisons with respect to the market price for the provision of the Landscape Engineering Services by other independent third parties providing similar services in the market. In the event that the Group is able to obtain a price from comparable independent third party service providers which is more favourable than those offered by Xiujing Landscape, the Group will negotiate the pricing terms with Xiujing Landscape and ensure that the service fee will not exceed that could be offered by other independent third party service providers in the market.

The Board considers that with the foregoing procedures in place, the Continuing Connected Transaction will be conducted on normal commercial terms and in a manner not prejudicial to the interests of the Company and its minority shareholders.

Annual Caps

As disclosed in the Announcement, the Annual Caps for the Landscape Engineering Services were determined with reference to, among others, (i) the estimated operating income of Xiujing Landscape for each of the years ending 31 December 2017, 2018 and 2019 by providing the Landscape Engineering Services to the existing property projects requiring the Landscape Engineering Services and the future property projects expected to be undertaken by the Group which require the Landscape Engineering Service; (ii) the historical costs incurred by the Group on landscape engineering in respect of the Group's previous property projects; and (iii) the general market prices in respect of the Landscape Engineering Services.

The Company would like to clarify that in determining the estimated operating income of Xiujing Landscape for each of the years ending 31 December 2017, 2018 and 2019, the Company took into account (i) the number of existing property projects together with the expected total area of such property projects that require the Landscape Engineering Services and the number of property projects together with the total area of such property projects expected to be undertaken by the Group in 2017, 2018 and 2019 based on the Group's five-year plan, which require the Landscape Engineering Service; and (ii) the estimated service fee to be charged which were determined based on the pricing policies disclosed above.

In addition, the Company made reference to the historical costs incurred by the Group on landscape engineering in respect of the Group's previous property projects as an indication to determine the Annual Caps.

The Board would like to further clarify that with regards to the general market prices in respect of the Landscape Engineering Services, the Group obtained at least two quotations from other independent third parties providing similar services in the market and conducted online research in

the market in respect of similar services provided by other service providers, and made comparisons with respect to the market price for the provision of the Landscape Engineering Services by other independent third parties providing similar services in the market. Such information was used by the Company as a reference to determine the Annual Caps and to assess the reasonableness of the estimates made by the Company.

Save as stated above, all the information set out in the Announcement remains unchanged.

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

Hong Kong, 29 September 2017

As at the date of this announcement, Mr. Ou Zonghong, Mr. Wu Jian, Mr. Lin Junling and Ms. Zeng Feiyan are the executive Directors; and Mr. Lo, Wing Yan William, Mr. Ren Yunan and Mr. Qu Wenzhou are the independent non-executive Directors.