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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)

CONTINUING CONNECTED TRANSACTION

LANDSCAPE ENGINEERING SERVICES FRAMEWORK AGREEMENT

The Board is pleased to announce that on 15 September 2017, the Company entered into the Landscape Engineering Services Framework Agreement with Xiujing Landscape, pursuant to which Xiujing Landscape has agreed to provide the Landscape Engineering Services to the Group for a term commencing from the date of the Landscape Engineering Services Framework Agreement and ending on 31 December 2019 (both days inclusive).

Listing Rules Implication

As at the date of this announcement, Xiujing Landscape is owned as to 99% by Mr. Ou, an executive Director, a controlling Shareholder, the chief executive officer and the chairman of the Company, and 1% by Mr. Ou Guopeng, the son of Mr. Ou. As Xiujing Landscape is an associate of Mr. Ou and Mr. Ou Guopeng and it is therefore a connected person of the Company for the purpose of the Listing Rules. Accordingly, the provision of the Landscape Engineering Services by Xiujing Landscape pursuant to the Landscape Engineering Services Framework Agreement constitutes a continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (other than the profits ratio) of the highest Annual Caps for the provision of the Landscape Engineering Services are more than 0.1% but less than 5%, the transactions contemplated under the Landscape Engineering Services Framework Agreement are subject to the announcement, reporting and annual review requirements but are exempted from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

On 15 September 2017, the Company entered into the Landscape Engineering Services Framework Agreement with Xiujing Landscape, pursuant to which Xiujing Landscape has agreed to provide the Landscape Engineering Services to the Group for a term commencing from the date of the Landscape Engineering Services Framework Agreement and ending on 31 December 2019 (both days inclusive).

Details of the Landscape Engineering Services Framework Agreement are set out below:

Landscape Engineering Services Framework Agreement

Date: 15 September 2017

Parties: (a) the Company
(b) Xiujing Landscape

Subject: Pursuant to the Landscape Engineering Services Framework Agreement, the parties agreed that Xiujing Landscape will provide, among others services, (i) landscape engineering design services; (ii) landscape construction; and (iii) sale and nursery of horticultural plants (collectively, the “**Landscape Engineering Services**”) to the property projects of the Group in the PRC, including but not limited to those in Fuzhou, Xiamen, Zhangzhou, Shanghai and Hangzhou.

Term: The Landscape Engineering Services Framework Agreement has a fixed term commencing from the date of the Landscape Engineering Services Framework Agreement and ending on 31 December 2019 (both days inclusive).

Pricing: As a general principle, the price and terms of the individual services agreement in respect of the Landscape Engineering Services to be provided pursuant to the Landscape Engineering Services Framework Agreement will be determined in the ordinary course of business, on normal commercial terms, negotiated on arm’s length basis and at prices and on terms no less favorable than those provided by independent third parties to the Group. Subject to the general principle disclosed above, the service fee payable by the Company to Xiujing Landscape for the Landscape Engineering Services shall 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.

Payment: Payment for the Landscape Engineering Services will be settled by bank transfer or any other means to be agreed by the parties to the Landscape Engineering Services Framework Agreement.

The Landscape Engineering Services Framework Agreement is the framework agreement which provides the mechanism for the operation of the continuing connected transactions contemplated thereunder. It is envisaged that from time to time and as required, separate agreements may be entered into between Xiujing Landscape and/or its subsidiaries and the Company and/or its subsidiaries for the transactions contemplated under the Landscape Engineering Services Framework Agreement.

Annual Caps and Basis of Determination

The Annual Caps under the Landscape Engineering Services Framework Agreement for the period from the date of the Landscape Engineering Services Framework Agreement and ending on 31 December 2019 (both days inclusive) are as follows:

Period/Financial Year	Annual Caps <i>RMB'000</i>
15 September 2017 – 31 December 2017	150,000
1 January 2018 – 31 December 2018	400,000
1 January 2019 – 31 December 2019	490,000

The Annual Caps for the Landscape Engineering Services were determined with reference to, among others, (i) the estimated operating income of Xiujiing 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.

As the transactions contemplated under the Landscape Engineering Services Framework Agreement represent new transactions with Xiujiing Landscape, no historical transaction amounts are available for disclosure purposes.

Reasons and Benefits for entering into the Landscape Engineering Services Framework Agreement

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. To enhance the quality of the landscape engineering works of the Group's property projects and enable the Group to focus its resources on developing its core business, the Directors believe that it is in the best interest of the Company to engage a reliable and reputable service provider specialising on landscape engineering to carry out landscape engineering works for the development of the Group's property projects. Having compared with other service providers available in the market with reference to, among other factors, their track records, pricing terms, reputation and scale of business, the Directors consider that it is in the best interest of the Company to engage Xiujiing Landscape, a company principally engaged in the provision of landscape engineering service business in the PRC, for the Landscape Engineering Services.

The Directors (including the independent non-executive Directors) consider that the terms of the Landscape Engineering Services Framework Agreement (including the Annual Caps) and the transactions contemplated thereunder are (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms based on an arm's length basis and on terms no less favourable than terms available to independent third parties of the Group; and (iii) fair and reasonable. The Directors (including independent non-executive Directors) are of the view that

the continuing connected transactions and the Annual Caps to the Landscape Engineering Services Framework Agreement are in the interests of the Group and the Shareholders as a whole.

Information about parties to the Landscape Engineering Services Framework Agreement

The Company

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.

Xiujing Landscape

Xiujing Landscape is a limited liability company established in the PRC and is principally engaged in the provision of landscape engineering service business in the PRC.

Listing Rules Implication

As at the date of this announcement, Xiujing Landscape is owned as to 99% by Mr. Ou, an executive Director, a controlling Shareholder, the chief executive officer and the chairman of the Company, and 1% by Mr. Ou Guopeng, the son of Mr. Ou. As Xiujing Landscape is an associate of Mr. Ou and Mr. Ou Guopeng, it is therefore a connected person of the Company for the purpose of the Listing Rules. Accordingly, the provision of the Landscape Engineering Services by Xiujing Landscape pursuant to the Landscape Engineering Services Framework Agreement constitutes a continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (other than the profits ratio) of the highest Annual Caps for the provision of the Landscape Engineering Services are more than 0.1% but less than 5%, the transactions contemplated under the Landscape Engineering Services Framework Agreement are only subject to the announcement, reporting and annual review requirements but are exempted from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Internal Control

Subject to the general principle disclosed above, the pricing policy will be supervised and monitored by the relevant personnel from the finance department, the legal department and the management of the Group in charge to ensure the Landscape Engineering Services Framework Agreement is conducted on normal commercial terms and will not be prejudicial to the interests of the Company and the Shareholders as a whole. The relevant personnel and management of the Group will also conduct regular checks to review and assess whether the transactions contemplated under the Landscape Engineering Services Framework Agreement are conducted in accordance with the terms of the Landscape Engineering Services Framework Agreement and in accordance with

the aforesaid pricing policy. The independent non-executive Directors will continue to review the transactions contemplated under the Landscape Engineering Services Framework Agreement and its auditors will also conduct an annual review on the pricing terms and the Annual Caps. Accordingly, the Directors consider that the internal control mechanism is effective to ensure that the transactions contemplated under the Landscape Engineering Services Framework Agreement has been and will be conducted on normal commercial terms and not prejudicial to the interests of the Company and the Shareholders as a whole.

General

As at the date of this announcement, Xiujing Landscape is owned as to 99% by Mr. Ou, an executive Director, a controlling Shareholder, the chief executive officer and the chairman of the Company. Accordingly, Mr. Ou is considered having a material interest in the transactions contemplated under the Landscape Engineering Services Framework Agreement and therefore has abstained from attending the Board meeting and/or voting on the Board resolutions approving the entering into of the Landscape Engineering Services Framework Agreement and the transactions contemplated thereunder.

Definitions

Unless otherwise stated, the terms in this announcement have the following meanings:

“Annual Caps”	the annual caps of the Landscape Engineering Services set out in the Landscape Engineering Services Framework Agreement for the period from the date of the Landscape Engineering Services Framework Agreement and ending on 31 December 2017 and each of the two years ending 31 December 2018 and 2019
“Board”	the board of Directors
“Company”	Ronshine China Holdings Limited, a company incorporated in 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 thereto in the Listing Rules
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“Landscape Engineering Services”	as defined under the paragraph headed “Landscape Engineering Services Framework Agreement” of this announcement
“Landscape Engineering Services Framework Agreement”	the agreement dated 15 September 2017 entered into between the Company and Xiujing Landscape in relation to the provision of the Landscape Engineering Services by Xiujing Landscape to the Group

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Ou”	Mr. Ou Zonghong, an executive Director, a controlling Shareholder, the chief executive officer and the chairman of the Company
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shares”	ordinary shares of HK\$0.00001 each in the share capital of the Company
“Shareholders”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Xiujing Landscape”	Xiujing (Fujian) Landscape Engineering Company Limited* (秀景 (福建) 園林工程有限公司), a limited liability company established in the PRC, and owned as to 99% by Mr. Ou and 1% by Mr. Ou Guopeng as at the date of this announcement
“%”	per cent.

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

Hong Kong, 15 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.

** for identification purposes only*