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)

SUMMARY OF THE UNAUDITED FINANCIAL RESULTS OF A WHOLLY-OWNED SUBSIDIARY FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2015 AND RESUMPTION OF TRADING

This announcement is made by Ronshine China Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement (the "**Announcement**") of the Company dated January 15, 2016 in relation to the proposed issue of the Second Tranche Corporate Bonds by Rongxin (Fujian) Investment Company Limited* (融信(福建)投資集團有限公司)(the "**Bonds Issuer**"), a wholly-owned subsidiary of the Company. Unless the context requires otherwise, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

RONGXIN GROUP FINANCIAL RESULTS

Pursuant to the relevant requirements of the Shanghai Stock Exchange and the relevant PRC laws and regulations, the Bonds Issuer is required to publish, among other things, an offering memorandum (the "**Offering Memorandum**") in relation to the proposed issue of the Second Tranche Corporate Bonds, which contains the unaudited financial results of the Bonds Issuer and its subsidiaries (collectively, the "**Rongxin Group**") for the nine months ended September 30, 2015, including the unaudited consolidated financial statements of the Rongxin Group for the nine months ended September 30, 2015 and the audited consolidated financial statements of the Rongxin Group for the three years ended December 31, 2014 prepared in accordance with China Accounting Standards for Business Enterprises ("**PRC GAAP**") collectively, (the "**Rongxin Group Financial Results**"). The Rongxin Group Financial Results were disclosed in the documents relating to the proposed issue of the Second Tranche Corporate Bonds (the "**Bonds Documents**") which were published on the website of the Shanghai Stock Exchange (www.sse.com.cn) on January 14, 2016 and the website of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**")by way of overseas regulatory announcement on January 15, 2016, respectively.

The following sets out a summary of the key financial figures as extracted from the Rongxin Group Financial Results on a consolidated basis:

	As at September 30, 2015 *(Unaudited)*	**As at December 31, 2014**	**As at December 31, 2013**	**As at December 31, 2012**
		RMB'000		
Total assets	36,020,259.5	32,323,418.5	18,992,069.3	8,117,708.9
Total liabilities	29,180,745.5	28,229,095.6	17,450,020.4	7,112,127.3
Shareholders' equity	6,839,514	4,094,322.9	1,542,048.9	1,005,581.6

	For the nine months ended September 30, 2015 *(Unaudited)*	**For the year ended December 31, 2014**	**For the year ended December 31, 2013**	**For the year ended December 31, 2012**
		RMB'000		
Revenue	4,302,223.3	4,099,984.3	2,129,402.3	1,291,248.5
Net profit	813,916.8	541,942.4	521,425.7	177,605.1
Net operating cashflow	(145,006.3)	(7,403,159.2)	(5,378,762.1)	(168,433.8)
Net increase in cash and cash equivalents	(438,809.9)	489,031.4	554,018.6	22,150.6
Cash and cash equivalents as at end of the period	746,251.8	1,185,121.7	696,090.3	142,071.7

The following sets forth a summary of the key financial figures of the Bonds Issuer as extracted from the Rongxin Group Financial Results on a standalone basis:

	As at September 30, 2015 *(Unaudited)*	**As at December 31, 2014**	**As at December 31, 2013**	**As at December 31, 2012**
		RMB'000		
Total assets	14,463,465.1	13,689,625.7	12,393,624.5	6,204,464.9
Total liabilities	9,947,878.8	9,510,086	10,641,841.6	5,131,939.8
Shareholders' equity	4,515,586.4	4,179,539.7	1,751,783	1,072,525.1

	For the nine months ended September 30, 2015 *(Unaudited)*	**For the year ended December 31, 2014**	**For the year ended December 31, 2013**	**For the year ended December 31, 2012**
		RMB'000		
Revenue	67,506.2	1,126,874	2,075,941.2	1,265,194.7
Net profit	235,257.4	432,426.7	679,216.3	232,162.3
Net operating cashflow	61,540.2	(2,514,343.7)	400,415.6	1,205,587.5
Net increase in cash and cash equivalents	5,336.7	(37,960.4)	83,123.1	(78,897.6)
Cash and cash equivalents as at end of the period	69,853	64,516.3	102,476.7	19,353.5

The following sets forth the key financial indicators of the Rongxin Group for the nine months ended September 30, 2015 and the three years ended December 31, 2014:

	For the nine months ended September 30, 2015	**For the year ended December 31, 2014**	**For the year ended December 31, 2013**	**For the year ended December 31, 2012**
Current ratio (x)	1.73	1.94	1.47	1.21
Quick ratio (x)	0.30	0.79	0.68	0.39
Gearing ratio (%)	81.01	87.33	91.88	87.61

	For the nine months ended September 30, 2015	For the year ended December 31, 2014	For the year ended December 31, 2013	For the year ended December 31, 2012
Total assets turnover	0.13	0.16	0.16	0.20
Current assets turnover	0.14	0.18	0.17	0.21
Accounts receivables turnover	29.60	30.62	16.04	19.57
Inventory turnover	0.12	0.21	0.17	0.25
EBITDA (RMB'000)	1,064,125.4	682,563.7	608,604.8	204,898.5
EBITDA interest multiple (x)	0.83	0.46	1.38	0.83
Return on total assets (%)	2.38	2.11	3.85	2.70
Return on net assets (%)	14.89	19.23	40.93	17.66
Gross profit margin (%)	39.39	33.54	41.30	30.01
Net profit (RMB'000)	813,916.8	541,942.4	521,425.7	177,605.1
Cash flow generated from operating activities (RMB'000)	(145,006.3)	(7,403,159.2)	(5,378,762.1)	(168,433.8)
Cash flow generated from investment activities (RMB'000)	(195,454.9)	(1,725,270.7)	202,830.8	535,405.7
Cash flow generated from financing activities (RMB'000)	(98,408.8)	9,617,461.3	5,729,950	708,995.7

Notes:

Unless otherwise stated, the financial indicators as disclosed above are calculated based on the followings:

1. *Current ratio=current assets / current liabilities;*

2. *Quick ratio=(current assets-inventories)/current liabilities;*

3. *Gearing ratio=total liabilities / total assets;*

4. *Total assets turnover=operating revenue / average balances of total assets;*

5. *Current assets turnover=operating revenue / average balances of current assets;*

6. *Accounts receivables turnover= operating revenue / average balances of accounts receivables;*

7. *Inventory turnover= operating cost / average balances of inventory;*

8. *EBITDA=total profit + interest expenses included in finance cost + depreciation of fixed assets + amortization;*

9. *EBITDA interest multiple= EBITDA / (capitalized interests + interest expenses included in finance cost);*

10. *Return on total assets=net profit / average balances of total assets;*

11. *Return on net assets=net profit / average balances of net assets; and*

12. *Gross profit margin= (operating revenue - operating cost) / operating revenue.*

SUMMARY OF MANAGEMENT DISCUSSION AND ANALYSIS

The management of the Bonds Issuer, taking into account the financial information of the Rongxin Group for the nine months ended September 30, 2015 and the three years ended December 31, 2014, has conducted analysis of the structures of assets and liabilities, cash flow, solvency and profitability of Rongxin Group in the Offering Memorandum. The following sets out a summary of the key analysis as extracted from the Offering Memorandum.

I. Asset Structure Analysis

Item	As at September 30, 2015 *(Unaudited)*		As at December 31, 2014		As at December 31, 2013		As at December 31, 2012	
	Amount	**Percentage**	**Amount**	**Percentage**	**Amount**	**Percentage**	**Amount**	**Percentage**
	(RMB'000)	*(%)*	*(RMB'000)*	*(%)*	*(RMB'000)*	*(%)*	*(RMB'000)*	*(%)*
Total current assets	31,746,791.1	88.14	28,850,740.6	89.26	17,662,144.9	93.00	7,169,730.9	88.32
Total non-current assets	4,273,468.4	11.86	3,472,677.9	10.74	1,329,924.4	7.00	947,978.1	11.68
Total assets	36,020,259.5	100.00	32,323,418.5	100.00	18,992,069.3	100.00	8,117,708.9	100.00

As at the end of 2012, 2013, 2014 and September 30, 2015, the consolidated total assets of the Bonds Issuer amounted RMB8,117,708.90 thousand, RMB18,992,069.30 thousand, RMB32,323,418.50 thousand and RMB36,020,259.50 thousand, respectively. From 2012 to 2014, the Bonds Issuer recorded a CAGR of 99.50% in terms of the size of total assets, which was primarily attributable to the relatively fast growth of the asset size and the continuous business development and increasing development scale of the Bonds Issuer.

In terms of the asset structure, most assets of the Bonds Issuer are current assets. As at the end of 2012, 2013, 2014 and September 30, 2015, the consolidated current assets of the Rongxin Group accounted for 88.32%, 93.00%, 89.26% and 88.14%, respectively, of the total assets, and the proportion of the Bonds Issuer's current assets had showed a stable trend. The primary reason for such trend was because that the property development industry is capital-intensive with relative long construction and sales cycle. The development costs and developed products of residential buildings are included in the inventory account and therefore, the Bonds Issuer recorded a relatively large amount of current assets which accounted for a relatively higher proportion in its assets.

II. Debt Structure Analysis

Item	As at September 30, 2015 *(Unaudited)*		As at December 31, 2014		As at December 31, 2013		As at December 31, 2012	
	Amount *(RMB'000)*	**Percentage** *(%)*	**Amount** *(RMB'000)*	**Percentage** *(%)*	**Amount** *(RMB'000)*	**Percentage** *(%)*	**Amount** *(RMB'000)*	**Percentage** *(%)*
Short-term borrowings	1,318,724.5	4.52	380,100	1.35	802,040	4.60	—	—
Non-current liabilities due within one year	4,883,400	16.74	3,552,600	12.58	2,224,300	12.75	1,151,000	16.18
Long-term borrowings	10,800,450	37.01	13,325,100	47.20	5,445,700	31.21	1,170,000	16.45
Total liabilities	29,180,745.5	100.00	28,229,095.6	100.00	17,450,020.4	100.00	7,112,127.3	100.00

As at the end of 2012, 2013 and 2014 and September 30, 2015, the consolidated total liabilities of the Bonds Issuer amounted to RMB7,112,127.30 thousand, RMB17,450,020.40 thousand, RMB28,229,095.60 thousand and RMB29,180,745.50 thousand, respectively.

In terms of the liability structure, most liabilities of the Bonds Issuer are current liabilities. As at the end of 2012, 2013, 2014 and September 30, 2015, the consolidated current liabilities of the Bonds Issuer accounted for 83.55%, 68.79%, 52.80% and 62.80%, respectively, of its total liabilities, and the proportion of current liabilities showed a decreasing trend.

As at September 30, 2015, the Bonds Issuer had three types of interest-bearing debts including short-term borrowings, long-term borrowings and long-term borrowings due within one year. The balance of interest-bearing debts was RMB17,002,574.5 thousand. Based on the financial ratio analysis, short-term solvency of the Bonds Issuer has enhanced year by year. Judging from the structure of the Bonds Issuer's interest-bearing debts, its interest-bearing debts are mainly long-term borrowings. With the proposed issue of the Domestic Corporate Bonds, the structure of the Bonds Issuer's long-term liabilities is expected to be adjusted, and the costs of its long-term liabilities will gradually decrease. The details are as follows:

Item	Amount *(Unaudited)* *(RMB'000)*	Percentage *(%)*
Short-term borrowings	1,318,724.5	7.76
Long-term borrowings due within one year	4,883,400.0	28.72
Long-term borrowings	10,800,450	63.52
Interest-bearing debts	17,002,574.5	100.00

III. **Cash Flow Analysis**

RMB'000

Item	For the nine months ended September 30, 2015 *(Unaudited)*	For the year ended December 31, 2014	For the year ended December 31, 2013	For the year ended December 31, 2012
Net cash flow generated from operating activities	(145,006.3)	(7,403,159.2)	(5,378,762.1)	(168,433.8)
Net cash flow generated from Investing activities	(195,454.9)	(1,725,270.7)	202,830.8	(518,411.3)
Net cash flow generated from financing activities	(98,408.8)	9,617,461.3	5,729,950.0	708,995.7
Balance of cash and cash equivalents at end of the period	746,251.8	696,090.3	1,185,121.7	1,860,062.9

For the three years ended December 31, 2012, 2013 and 2014 the nine months ended September 30, 2015, cash flow from operating activities of the Bonds Issuer was -RMB168,433.80 thousand, -RMB5,378,762.10 thousand, -RMB7,403,159.20 thousand and -RMB145,006.30 thousand, respectively. Cash flow from operating activities of the Bonds Issuer in 2013 decreased by RMB5,210,328.30 thousand as compared with 2012, and the primary reason for such decrease was because in 2013, the Bonds Issuer increased its land reserves and project development. Cash flow from operating activities of the Bonds Issuer in 2014 decreased by RMB2,024,397.10 thousand as compared with 2013, and the primary reason for such decrease was because in 2014, the Bonds Issuer continued to increase its land reserves and incurred substantial expenditure in labor, materials and other costs. Cash flow from operating activities of the Bonds Issuer in 2015 increased by RMB7,258,152.90 thousand as compared with 2014, and the primary reason for such increase was because the projects developed by the Bonds Issuer before 2015 gradually reached salable stage and the presale status was optimistic resulting in increased advance payment.

IV. **Solvency Analysis**

Major debt indicators on a consolidated basis of the Rongxin Group for the three years ended December 31, 2012, 2013 and 2014 the nine months ended September 30, 2015 are as follows:

RMB'000

Financial Indicators	**For the nine months ended September 30, 2015** *(Unaudited)*	**For the year ended December 31, 2014**	**For the year ended December 31, 2013**	**For the year ended December 31, 2012**
Gearing ratio (%)	81.01	87.33	91.88	87.61
EBITDA	1,064,125.4	682,563.7	608,604.8	204,898.5
EBITDA interest multiple (x)	0.83	0.46	1.38	0.83

The property development industry is capital intensive, and advance land reserves and construction works require relatively large amounts of cash. Therefore, a higher financial leverage standard generally exists in property development companies. From the perspective of long-term solvency indicator, the Bonds Issuer's gearing ratio was 87.61%, 91.88%, 87.33% and 81.01%, respectively, for the for the three years ended December 31, 2012, 2013 and 2014 the nine months ended September 30, 2015, which had remained relatively stable and there was no concern in the long-term solvency of the Bonds Issuer.

From 2012 to 2014, the earnings before interest, tax, depreciation and amortization (EBITDA) of the Bonds Issuer was RMB204,898.5 thousand, RMB608,604.8 thousand and RMB682,563.7 thousand, respectively, and the EBITDA interest multiple was 0.83, 1.38 and 0.46. There was a decline in the EBITDA interest coverage ratio in 2014 as compared to 2013, which was mainly attributable to a significant increase in the Bonds Issuer's interest-bearing debts as a result of its continuous expansion in the operation size which resulted in an increase in capitalized interest of the Bonds Issuer year by year. However, viewing from an integrated perspective, the profit generating ability of the Bonds Issuer has been increasing continuously and its long-term solvency will be improved.

V. **Profitability Analysis**

RMB'000

Item	**For the nine months ended September 30, 2015** *(Unaudited)*	**For the year ended December 31, 2014**	**For the year ended December 31, 2013**	**For the year ended December 31, 2012**
1. Operating income	4,302,223.3	4,099,984.3	2,129,402.3	1,291,248.5
Less: Operating costs	2,607,684.5	2,725,008.1	1,249,927.9	903,801.9
2. Operating profit (Loss represented by"-")	1,062,745.3	672,506.6	590,498.5	199,770.5
3. Total profit (Total loss represented by"-")	1,048,799.7	653,650.8	591,228.3	197,853.7
4. Net profit (Net loss represented by"-")	813,916.8	541,942.4	521,425.7	177,605.1

For the three years ended December 31, 2012, 2013 and 2014 the nine months ended September 30, 2015, the Bonds Issuer realized total operating revenue of RMB1,291,248.5 thousand, RMB2,129,402.3 thousand, RMB4,099,984.3 thousand and RMB4,302,223.3 thousand, respectively, of which revenue generated from principal businesses accounted for 99.99%, 99.98%, 99.98% and 100.00%, respectively.

In terms of profit, for the three years ended December 31, 2012, 2013 and 2014 the nine months ended September 30, 2015, the Bonds Issuer's gross profit was RMB387,446.6 thousand, RMB879,474.4 thousand, RMB1,374,976.2 thousand and RMB1,694,538.8 thousand and the gross profit margin was 30.01%, 41.30%, 33.54% and 39.39%, the overall gross profit margin of the Bonds Issuer remained at a relatively high level indicating that the Bonds Issuer has prospective development momentum and strong profitability.

VI. **Operating Capacity Analysis**

Operating capability indicators of the Bonds Issuer for the three years ended December 31, 2012, 2013, 2014 and the nine months ended September 30, 2015 are as follows:

Financial Indicators	**For the nine months ended September 30, 2015** *(Unaudited)*	**For the year ended December 31, 2014**	**For the year ended December 31, 2013**	**For the year ended December 31, 2012**
Total assets turnover (x)	0.13	0.16	0.16	0.20
Current assets turnover (x)	0.14	0.18	0.17	0.21
Accounts receivables turnover (x)	29.60	30.62	16.04	19.57
Inventory turnover (x)	0.12	0.21	0.17	0.25

As the Bonds Issuer has generally adopted the pre-sale model for its property development projects, the balance of account receivables of the Bonds Issuer was relatively low while turnover rate was high. The Bonds Issuer's account receivables were mainly amounts not yet received from property sales by mortgages. From 2012 to 2014, the Bonds Issuer's account receivables turnover was 19.57, 16.04 and 30.62, respectively. From January to September 2015, the Bonds Issuer's account receivables turnover was 29.60.

Since the development cycle of property projects was relatively long, from land acquisition to formal delivery of products, settlement of income and cost, it usually took two to three years. Therefore, the asset turnover and inventory turnover of property companies were generally low. From 2012 to 2014, the inventory turnover of the Bonds Issuer was 0.25, 0.17 and 0.21 respectively. From January to September 2015, the inventory turnover of the Bonds Issuer was 0.12.

USE OF PROCEEDS

It was also disclosed in the Bonds Documents that the proceeds from the proposed issue of the Domestic Corporate Bonds will be approximately RMB2.5 billion, all of which will be used to repay the institutional borrowings of the Rongxin Group. The Bonds Issuer proposes to apply the proceeds in the following manner:

No.	**Borrower**	**Lender**	**Maturity Date**	**Nature of Loan**	**Amount of Loan** *(RMB'000)*
1.	Fuzhou Rongxin Shuanghang Investment Development Company Limited* (福州融信雙杭投資發展有限公司)	Ping An Bank	October 23, 2017	Mortgage	49,000
2.	Fuzhou Rongxin Shuanghang Investment Development Company Limited* (福州融信雙杭投資發展有限公司)	Ping An Bank	October 23, 2017	Mortgage	1,830,000
3.	Fuzhou Rongxin Shuanghang Investment Development Company Limited* (福州融信雙杭投資發展有限公司)	Ping An Bank	December 15, 2017	Mortgage	1,104,750
TOTAL					**2,983,750**

If the proceeds from the proposed issue of the Domestic Corporate Bonds are not sufficient for the repayment of the institutional borrowings of the Rongxin Group as indicated in the table above, the Bonds Issuer intends to use the funds of the Rongxin Group raised through other resources to meet the shortfall.

RESUMPTION OF TRADING

At the request of the Company, trading in the shares of the Company (the "**Shares**") on the Main Board of the Stock Exchange have been halted with effect from 9:30 a.m. on Friday, January 15, 2016 pending the release of an inside information announcement. Following the publication of this announcement by the Company, an application has been made by the Company to the Stock Exchange for resumption of trading in the Shares with effect from 9:00 a.m. on Monday, January 18, 2016.

OTHER INFORMATION

The Rongxin Group Financial Results have been prepared in accordance with the PRC GAAP, which is different from the Hong Kong Financial Reporting Standards, the accounting policies the Company has adopted to prepare and present its financial information. Accordingly, the financial information contained herein may differ from those disclosed in the prospectus of the Company dated December 31, 2015 and the audited consolidated financial statements of the Group for the year ended December 31, 2015 to be disclosed in the Company's annual results announcement. Further, the financial results of the Rongxin Group for the nine months ended September 30, 2015 are not directly comparable to the financial results the Group, and the Rongxin Group Financial Results do not represent or provide a full picture of the operation and financial conditions of the Group.

The Company will keep its Shareholders and potential investors informed of further development in connection with the proposed issue of the Second Tranche Corporate Bonds by way of further announcement(s) as and when appropriate or necessary. **Shareholders and potential investors of the Company are advised not to rely solely on the information contained herein and should exercise caution when dealing in the Shares. When in doubt, the Shareholders and potential investors of the Company are advised to seek professional advice from their own professional or financial advisers.**

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

Hong Kong, January 17, 2016

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 purpose only*