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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)

DISCLOSEABLE TRANSACTION

ACQUISITION OF 50% EQUITY INTERESTS IN FUJIAN RONGHUI REAL ESTATE COMPANY LIMITED*

THE ACQUISITION

The Board is pleased to announce that on 21 March 2016, Rongxin Investment, an indirect wholly-owned subsidiary of the Company, entered into the Equity Transfer Agreement with Fuzhou Zhuochuang, pursuant to which Rongxin Investment has agreed to acquire, and Fuzhou Zhuochuang has agreed to dispose, 50% equity interests in Fujian Ronghui at a total consideration of RMB840,000,000 (equivalent to approximately HK\$999,642,985).

Upon completion of the Acquisition, Rongxin Investment will hold 50% equity interests in Fujian Ronghui with the remaining 50% equity interests in Fujian Ronghui to be held by Fuzhou Zhuochuang, and Fujian Ronghui will thus become an indirect non-wholly owned subsidiary of the Company. Each of Rongxin Investment and Fuzhou Zhuochuang will enjoy profits and bear liabilities of Fujian Ronghui pro rata to its shareholding in Fujian Ronghui thereafter. As it is expected that Rongxin Investment will gain control over the board of directors of Fujian Ronghui, the financial results of Fujian Ronghui are expected to be consolidated to the financial results of the Group.

LISTING RULES IMPLICATION

As the applicable percentage ratios as set out in the Listing Rules are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board is pleased to announce that on 21 March 2016, Rongxin Investment, an indirect wholly-owned subsidiary of the Company, entered into the Equity Transfer Agreement with Fuzhou Zhuochuang pursuant to which Rongxin Investment has agreed to acquire, and Fuzhou Zhuochuang has agreed to dispose, 50% equity interests in Fujian Ronghui at a total consideration of RMB840,000,000 (equivalent to approximately HK\$999,642,985).

THE ACQUISITION

The Equity Transfer Agreement

Date:

21 March 2016

Parties:

- (1) Fuzhou Zhuochuang, as the vendor; and
- (2) Rongxin Investment, as the purchaser.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, Fuzhou Zhuochuang and its ultimate beneficial owner are third parties independent of the Company and its connected persons.

Assets to be acquired

Pursuant to the terms of the Equity Transfer Agreement, Rongxin Investment has agreed to acquire, and Fuzhou Zhuochuang has agreed to dispose, 50% equity interests in Fujian Ronghui. Fujian Ronghui is a company principally engaged in property development in the PRC with most of its land reserve located in Fuzhou city.

Consideration

The total consideration for the Acquisition is RMB840,000,000 (equivalent to approximately HK\$999,642,985). The consideration payable by Rongxin Investment to Fuzhou Zhuochuang will be paid in the following manner:

- (1) an initial payment of RMB168,000,000 (equivalent to approximately HK\$199,928,597), representing 20% of the total consideration for the Acquisition, will be payable by Rongxin Investment to Fuzhou Zhuochuang within five (5) working days from the entering of the Equity Transfer Agreement; and
- (2) a final payment of RMB672,000,000 (equivalent to approximately HK\$799,714,388), representing the remaining balance being 80% of the total consideration for the Acquisition, will be payable by Rongxin Investment to Fuzhou Zhuochuang within five (5) working days from the date when the relevant filing and registration procedures with the local state Administration for Industry and Commerce of the PRC in relation to the change in equity interests pursuant to the Acquisition have been completed.

The consideration of the Acquisition was arrived upon arm's length negotiations between the parties to the Equity Transfer Agreement with reference to (i) unaudited net assets of Fujian Ronghui as of 31 December 2015 of approximately RMB257,405,749 (equivalent to approximately HK\$306,326,013); (ii) the preliminary valuation of the property projects under development by Fujian Ronghui as at 31 December 2015; and (iii) the prospects of the business development of Fujian Ronghui. The Directors consider the consideration for the Acquisition is fair and reasonable so far as the Company and the Shareholders are concerned.

The consideration for the Acquisition will be financed by the Group's internal resources.

Completion of the Acquisition

Completion of the Acquisition shall take place on the date when the filing and registration procedures with the local state Administration for Industry and Commerce of the PRC in relation to the change in equity interests are completed.

Upon completion of the Acquisition, Rongxin Investment will hold 50% equity interests in Fujian Ronghui with the remaining 50% equity interests in Fujian Ronghui to be held by Fuzhou Zhuochuang, and Fujian Ronghui will thus become an indirect non-wholly owned subsidiary of the Company. Each of Rongxin Investment and Fuzhou Zhuochuang will enjoy profits and bear liabilities of Fujian

Ronghui pro rata to its shareholding in Fujian Ronghui thereafter. As it is expected that Rongxin Investment will gain control over the board of directors of Fujian Ronghui, the financial results of Fujian Ronghui are expected to be consolidated to the financial results of the Group.

INFORMATION OF FUJIAN RONGHUI

Fujian Ronghui is a company incorporated in the PRC with limited liability and is principally engaged in property development in the PRC.

The unaudited net asset value of Fujian Ronghui as at 31 December 2015 was approximately RMB257,405,749 (equivalent to approximately HK\$306,326,013) and as at the date of this announcement, no revenue or profit has been generated by Fujian Ronghui yet.

Set forth is the details of the projects held by Fujian Ronghui. As at the date of this announcement, the property projects are at development stage.

Unit: s.q. meter

Name of Project	Status	Type of Project	Aggregate site area	Estimated Saleable Area
<i>Ronghui • Hot Spring City*</i> (融滙 • 溫泉城)	Under development	Residential	206,252	451,666
<i>Ronghui • Hot Spring Resort Zone*</i> (融滙 • 溫泉度假區)	Under development	Commercial, touristic, cultural and hotel complex	812,584	633,023

INFORMATION OF THE PARTIES TO THE EQUITY TRANSFER AGREEMENT

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.

Fuzhou Zhuochuang is a company established in the PRC with limited liability, which is principally engaged in property development business in the PRC.

REASON FOR AND BENEFITS OF THE ACQUISITION

With the continuous steady development of the real estate market in the PRC, the Directors believe that the Acquisition will increase the land bank of the Group, enhance the Group's position in the PRC property market and will provide the Group a better opportunity for project development in Fujian province. Through the Acquisition, the Group not only consolidates the financial results of Fujian Ronghui and its subsidiaries to the Group's financial statements, but also strengthens the Group's leading market position in Fujian province.

The Directors consider that the Acquisition has been made on normal commercial terms and that such terms are fair and reasonable so far as the Company and the Shareholders are concerned and that the Acquisition is in the interest of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATION

As the applicable percentage ratios as set out in the Listing Rules are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the following meanings unless otherwise requires:

“Acquisition”	the acquisition of 50% equity interests in Fujian Ronghui from Fuzhou Zhuochuang by Rongxin Investment as contemplated under the Equity Transfer Agreement
“Board”	the board of directors of the Company

“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(s)”	has the meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Equity Transfer Agreement”	the equity transfer agreement dated 21 March 2016 entered into between Rongxin Investment and Fuzhou Zhuochuang with respect to the Acquisition
“Fujian Ronghui”	Fujian Ronghui Real Estate Company Limited* (福建融滙置業有限公司), a company incorporated in the PRC with limited liability
“Fuzhou Zhuochuang”	Fuzhou Zhuochuang Investment Company Limited* (福州卓創投資有限公司), a company incorporated in the PRC with limited liability and an Independent Third Party
“GFA”	gross floor area
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	third party independent of the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Rongxin Investment”	Rongxin (Fujian) Investment Company Limited (融信(福建)投資集團有限公司), a limited liability company incorporated in the PRC and is an indirect wholly-owned subsidiary of the Company

“Shareholder(s)” the shareholder(s) of the Company
“Stock Exchange” The Stock Exchange of Hong Kong Limited
“%” per cent.

For illustration purposes, amounts in RMB in this announcement have been translated into HK\$ at HK\$1.00 = RMB0.8403.

** The English name is a translation of its Chinese name and is included in this announcement for identification purposes only.*

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

Hong Kong, 21 March 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.