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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
DEEMED DISPOSAL OF THE EQUITY INTERESTS IN
FUZHOU PROPERTY**

DEEMED DISPOSAL

The Board wishes to announce that on 30 March 2016, the shareholders of Fuzhou Property, a non-wholly owned subsidiary of the Company, resolved to increase the registered capital of Fuzhou Property from RMB166,666,700 to RMB189,583,300 whereby Fuzhou Wuyuan agreed to contribute RMB510,000,000 in cash on or before 31 March 2016 for subscribing the additional RMB22,916,600 registered capital of Fuzhou Property. An amount of RMB487,083,400 will be credited in the capital reserve of Fuzhou Property as a result of the Subscription.

Following the Subscription, the equity interests of Rongxin Group in Fuzhou Property will be diluted from 91% to 80%, and the equity interests of Fuzhou Wuyuan in Fuzhou Property will be increased from 9% to 20%. Upon completion of the Subscription, Fuzhou Property will continue to be consolidated as a non-wholly owned subsidiary of the Company, and the results of operations and financial position of Fuzhou Property will continue to be recorded in the Group's consolidated financial statements.

LISTING RULES IMPLICATIONS

Following the Subscription, the Company's interest in Fuzhou Property will be diluted from approximately 91% to 80%, which gives rise to the Deemed Disposal pursuant to Rule 14.29 of the Listing Rules. As one of the applicable percentage ratios calculated under Chapter 14 of the Listing Rules in respect of the transaction as contemplated under the Subscription exceeds 5% but is below 25%, the transaction as contemplated under the Subscription constitutes a discloseable transaction for the Company under the Listing Rules, which is subject to the announcement requirement but exempt from shareholders' approval requirement under the Listing Rules.

DEEMED DISPOSAL

On 30 March 2016, the shareholders of Fuzhou Property, a non-wholly owned subsidiary of the Company, resolved to increase the registered capital of Fuzhou Property from RMB166,666,700 to RMB189,583,300 whereby Fuzhou Wuyuan agreed to contribute RMB510,000,000 in cash on or before 31 March 2016 for subscribing the additional RMB22,916,600 registered capital of Fuzhou Property. An amount of RMB487,083,400 will be credited in the capital reserve of Fuzhou Property as a result of the Subscription.

The amount of capital contribution to be made by Fuzhou Wuyuan pursuant to the Subscription was arrived at after arm's length negotiations between Rongxin Group and Fuzhou Wuyuan and was determined with reference to (i) the expected development prospects of the property development project of Fuzhou Property, The White House; (ii) the expected capital funds required for the development of The White House; and (iii) the financial performance of Fuzhou Property for the years ended 31 December 2014 and 2015 and the net asset value of Fuzhou Property as at 31 December 2015.

As at the date of this announcement, the registered capital of Fuzhou Property is RMB166,666,700 and is owned as to 91% by Rongxin Group and 9% by Fuzhou Wuyuan. Upon completion of the Subscription, Fuzhou Property will have an enlarged registered capital of RMB189,583,300, and the equity interests of Rongxin Group in Fuzhou Property will be diluted from 91% to 80%, and the equity interests of Fuzhou Wuyuan in Fuzhou Property will be increased from 9% to 20%. Following the Subscription, Fuzhou Property will continue to be consolidated as a non-wholly owned subsidiary of the Company and the results of operations and financial position of Fuzhou Property will continue to be recorded in the Group's consolidated financial statements.

FINANCIAL INFORMATION OF FUZHOU PROPERTY

The following are the financial information on Fuzhou Property for the two years ended 31 December 2014 and 2015:

	For the year ended 31 December	
	2014	2015
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>(RMB'000)</i>	<i>(RMB'000)</i>
Revenue	—	886,175
Profit/(loss) before income tax	(71,649)	119,124
Profit/(loss) after income tax	(54,090)	66,214

The unaudited net asset value of Fuzhou Property as at 31 December 2015 was RMB156,985,000.

FINANCIAL IMPACT OF THE DEEMED DISPOSAL ON THE GROUP

Following the Subscription, the equity interests of Rongxin Group in Fuzhou Property will be diluted from 91% to 80%. Fuzhou Property will continue to be consolidated as a non-wholly owned subsidiary of the Company, and the results of operations and financial position of Fuzhou Property will continue to be recorded in the Group's consolidated financial statements. As the effect of the capital increase will not cause a loss of the Company's control over Fuzhou Property, the Deemed Disposal due to the Subscription will be accounted for as an equity transaction and the gain from the Deemed Disposal will be recorded in equity.

APPLICATION OF THE FUND FROM THE SUBSCRIPTION

Fuzhou Property intends to utilise the proceeds from the Subscription for the development of its existing property development project.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION AND THE DEEMED DISPOSAL

The Company is an investment holding company. The subsidiaries of the Company are principally engaged in property development business in the PRC.

Fuzhou Property is a non-wholly owned subsidiary of the Company, which is indirectly-owned by the Company through Rongxin Group as to approximately 91%, as at the date of this announcement, and is principally engaged in the development of The White House, a residential and commercial complex property development project located in a prime location in Cangshan district of Fuzhou adjacent to the Wulong River. The project will occupy an aggregate site area of approximately 134,789 sq.m. and is expected to consist of high-rise apartments, shopping streets and a hotel. All of the residential units and commercial properties of the project are intended for sale while Fuzhou Property intends to hold the hotel for investment.

The total amount of capital contribution to be made by Fuzhou Wuyuan is to fund the development of its existing property development project. The Directors consider that the Subscription are beneficial to the Company and its shareholder as a whole as it will provide a source of capital for the Group to the property project of Fuzhou Property, which in turn, to boost the equity base of Fuzhou Property and reduce the capital commitment of the Group.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Subscription are on normal commercial terms, which are fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

INFORMATION ABOUT FUZHOU WUYUAN

Fuzhou Wuyuan is a company established in the PRC and principally engaged in investment and agricultural leisure sightseeing in the PRC. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, save for its interests in Fuzhou Property, Fuzhou Wuyuan and its ultimate beneficial owner are independent of the Company and its connected persons.

LISTING RULES IMPLICATIONS

Following the Subscription, the Company's interest in Fuzhou Property will be diluted from approximately 91% to 80%, which gives rise to the Deemed Disposal pursuant to Rule 14.29 of the Listing Rules. As one of the applicable percentage ratios calculated under Chapter 14 of the Listing Rules in respect of the transaction as contemplated under the Subscription exceeds 5% but is below 25%, the transaction as contemplated under the Subscription constitutes a discloseable transaction for the Company under the Listing Rules, which is subject to the announcement requirement but exempt from shareholders' approval requirement under the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“Subscription”	the subscription by Fuzhou Wuyuan of the additional RMB22,916,600 registered capital of Fuzhou Property by contributing RMB510,000,000 in cash on or before 31 March 2016
“Company”	Ronshine China Holdings Limited (融信中國控股有限公司), a company incorporated in the Cayman Islands with limited liability whose issued Shares are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Deemed Disposal”	the reduction of the Group’s equity interests in Fuzhou Property from approximately 91% to 80% following the Subscription pursuant to Rule 14.29 of the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Fuzhou Property”	Rongxin (Fuzhou) Property Company Limited (融信(福州)置業有限公司), a limited liability company established in the PRC, which, as at the date of this announcement, is owned as to 91% by Rongxin Group and 9% by Fuzhou Wuyuan
“Fuzhou Wuyuan”	Fuzhou Wuyuan Ecological Agriculture Development Company Limited (福州悟源生態農業開發有限公司), a limited liability company established in the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“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 PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Rongxin Group”	Rongxin (Fujian) Investment Company Limited (融信(福建)投資集團有限公司), a limited liability company established in the PRC and a wholly-owned subsidiary of the Company
“Share(s)”	ordinary share(s) of HK\$0.00001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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

Hong Kong, 30 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.