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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 FORMATION OF JOINT VENTURE**

#### **PROMOTERS' AGREEMENT**

The Board announces that on 25 April 2016, the board of directors of Rongxin Investment, a wholly-owned subsidiary of the Company, resolved to enter into the Promoters' Agreement on 26 April 2016 with BOE Technology, Pingtan SOA, Pingtan Investment and Beijing Xuanji. Pursuant to the Promoters' Agreement, Rongxin Investment, BOE Technology, Pingtan SOA, Pingtan Investment and Beijing Xuanji will establish the JV Company with each holding 20% equity interest to carry on insurance business in the PRC.

Upon establishment of the JV Company, Rongxin Investment will be interested in 20% of the equity interest in the JV Company and the JV Company will not be accounted for a subsidiary of the Company and accordingly the financial results of the JV Company will not be consolidated into the financial statements of the Group. The investment of the Company in the JV Company will be funded by internal resources of the Group.

#### **LISTING RULES IMPLICATION**

As the applicable percentage ratios as set out in the Listing Rules in respect of the capital committed to the establishment of the JV Company are more than 5% but is less than 25%, the joint venture arrangement under the Promoters' Agreement and the transaction contemplated thereunder constitute a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## **INTRODUCTION**

The Board announces that on 25 April 2016, the board of directors of Rongxin Investment, a wholly-owned subsidiary of the Company, resolved to enter into the Promoters' Agreement on 26 April 2016 with BOE Technology, Pingtan SOA, Pingtan Investment and Beijing Xuanji. Pursuant to the Promoters' Agreement, Rongxin Investment, BOE Technology, Pingtan SOA, Pingtan Investment and Beijing Xuanji will establish the JV Company with each holding 20% equity interests in the JV Company to carry on insurance business in the PRC.

## **THE PROMOTERS' AGREEMENT**

Date: 26 April 2016

Parties:           (1)    Rongxin Investment;  
                      (2)    BOE Technology;  
                      (3)    Pingtan SOA;  
                      (4)    Pingtan Investment; and  
                      (5)    Beijing Xuanji.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, BOE Technology, Pingtan SOA, Pingtan Investment and Beijing Xuanji and their respective ultimate beneficial owner are third parties independent of the Company and its connected persons.

## **Formation of the JV Company**

Pursuant to the terms of the Promoters' Agreement, Rongxin Investment, a wholly-owned subsidiary of the Company, will establish the JV Company in Pingtan Comprehensive Experimental Zone (平潭綜合實驗區), Fujian province of the PRC, with BOE Technology, Pingtan SOA, Pingtan Investment and Beijing Xuanji. The JV Company will be a company with a total capital commitment of RMB2,000,000,000 and will be held as to 20% by Rongxin Investment, as to 20% by BOE Technology, as to 20% by Pingtan SOA, as to 20% by Pingtan Investment and as to 20% by Beijing Xuanji, and will be contributed as to RMB400,000,000 by each party in cash. Such capital contribution was determined after arm's length negotiations among Rongxin Investment, BOE Technology, Pingtan SOA, Pingtan Investment and Beijing Xuanji with reference to the initial capital requirement of the JV Company to carry on insurance business in the PRC. The total capital contribution of RMB2,000,000,000 will be used to satisfy the working capital of the JV Company.

Upon establishment of the JV Company, Rongxin Investment will be interested in 20% of the equity interest in the JV Company and the JV Company will not be accounted for a subsidiary of the Company and accordingly the financial results of the JV Company will not be consolidated into the financial statements of the Group. The investment of the Company in the JV Company will be funded by internal resources of the Group.

### **Business scope and operation of the JV Company**

The scope of business of the JV Company will include various RMB or foreign currency denominated personal insurance and reinsurance and insurance agency. The operation of the JV Company is subject to the insurance license to be granted by China Insurance Regulatory Commission (中國保險監督管理委員會).

### **Board composition of the JV Company**

The board of directors of the JV Company will comprise of nine directors, two of whom will be appointed by BOE Technology, one of whom will be appointed by each of Rongxin Investment, Pingtan SOA, Pingtan Investment and Beijing Xuanji, and the remaining three will be independent directors to be appointed upon the referral by BOE Technology together with other promoters. The chairman of board of directors of the JV Company will be appointed by BOE Technology.

The JV Company will set up a supervisory committee which will comprise of three supervisors, including one supervisor representing the shareholders and one supervisor representing the employees. The chairman of the supervisory committee will be appointed by BOE Technology.

Further, the JV Company will have one general manager, which will be appointed by BOE Technology.

### **Profit/Liabilities of the JV Company**

Upon establishment of the JV Company, the JV Company will be held as to 20% by Rongxin Investment, a wholly-owned subsidiary of the Company, as to 20% by BOE Technology, as to 20% by Pingtan SOA, as to 20% by Pingtan Investment and as to 20% by Beijing Xuanji, and the parties will enjoy all the profit and bear all the liabilities of the JV Company pro rata to their equity interests in the JV Company.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE PROMOTERS' AGREEMENT**

The Group has always been seeking investment opportunities with growth potential. The establishment of the JV Company is also regarded as a strategic development milestone of the Group to diverse the Group's business coverage. Accordingly, the Directors (including the independent non-executive Directors) consider that the investment in the JV Company by the Company and the transactions contemplated under the Promoters' Agreement have 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 Promoters' Agreement and the investment in the JV Company are 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 in respect of the capital committed to the establishment of the JV Company are more than 5% but is less than 25%, the joint venture arrangement under the Promoters' Agreement and the transaction contemplated thereunder constitute a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## **GENERAL**

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.

BOE Technology is a company established in the PRC with limited liability and is a supplier of semiconductor display technologies, products and services. The shares of BOE Technology are listed on Shenzhen Stock Exchange (stock code: 00725 and 200725).

Pingtan SOA is a PRC state-owned enterprise which is principally engaged in investment, property development, tourism and state-owned assets management.

Pingtan Investment is a PRC state-owned enterprise which is principally engaged in infrastructure construction, project management and investment.

Beijing Xuanji is a company established in the PRC with limited liability and is an embedded system solution service provider. The shares of Beijing Xuanji are listed on the growth enterprise market of Shenzhen Stock Exchange (stock code: 300324).

## DEFINITIONS

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

“Beijing Xuanji”	Beijing Xuanji Information Technology Co., Ltd.* (北京旋極信息技術股份有限公司), a company established in the PRC with limited liability
“Board”	the board of Directors
“BOE Technology”	BOE Technology Group Co., Ltd. (京東方科技集團股份有限公司), a company established in the PRC with limited liability
“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 ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“JV Company”	a joint venture company (tentatively to be named 國祥人壽保險股份有限公司) to be established in the PRC by Rongxin Investment, BOE Technology, Pingtan SOA, Pingtan Investment and Beijing Xuanji in the shareholding of 20%, 20%, 20%, 20% and 20%, respectively, for the purpose of carrying on insurance business in the PRC

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Pingtan Investment”	Pingtan Comprehensive Experimental Zone Communications Investment Group Co., Ltd. (平潭綜合實驗區交通投資集團有限公司), a PRC state-owned enterprise
“Pingtan SOA”	Pingtan Comprehensive Experimental Zone State-owned Assets Investment Group Co., Ltd.* (平潭綜合實驗區國有資產投資集團有限公司), a PRC state-owned enterprise
“PRC”	The People’s Republic of China
“Promoters’ Agreement”	the promoters’ agreement to be dated 26 April 2016 and to be entered into between Rongxin Investment, BOE Technology, Pingtan SOA, Pingtan Investment and Beijing Xuanji in relation to the formation of the JV Company
“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)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

\* *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, 25 April 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.*