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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)**

**ADJUSTMENT IN THE CREDIT RATINGS  
OF THE CORPORATE BONDS ISSUED BY  
RONGXIN (FUJIAN) INVESTMENT COMPANY LIMITED  
ON THE SHANGHAI STOCK EXCHANGE**

**AND**

**SUMMARY OF THE UNAUDITED FINANCIAL RESULTS  
OF RONGXIN (FUJIAN) INVESTMENT COMPANY LIMITED  
FOR THE THREE MONTHS ENDED 31 MARCH 2016**

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).

References are made to:

- (i) the section headed “Summary and Highlights — Recent Developments — Developments in our Business” in the prospectus of the Company dated 31 December 2015 in relation to the first tranche of public corporate bonds on the Shanghai Stock Exchange in an aggregate principal amount of RMB1.2 billion issued by Rongxin (Fujian) Investment Company Limited\* (融信(福建)投資集團有限公司) (the “**Bond Issuer**”), a wholly-owned subsidiary of the Company (the “**First Tranche Public Corporate Bonds**”);
- (ii) the announcements of the Company dated 15 January 2016, 17 January 2016 and 19 January 2016 in relation to the second tranche of public corporate bonds on the Shanghai Stock Exchange in an aggregate principal amount of RMB1.3 billion issued by the Bond Issuer (the “**Second Tranche Public Corporate Bonds**”);

- (iii) the announcements of the Company dated 18 March 2016 and 21 March 2016 in relation to the first tranche of private corporate bonds on the Shanghai Stock Exchange in an aggregate principal amount of RMB500 million issued by the Bond Issuer (the “**First Tranche Shanghai Private Corporate Bonds**”);
- (iv) the announcement of the Company dated 29 April 2016 in relation to the second tranche of private corporate bonds on the Shanghai Stock Exchange in an aggregate principal amount of RMB550 million issued by the Bond Issuer (the “**Second Tranche Shanghai Private Corporate Bonds**”); and
- (v) the announcement of the Company dated 24 June 2016 in relation to the third tranche of private corporate bonds on the Shanghai Stock Exchange in an aggregate principal amount of RMB1.05 billion issued by the Bond Issuer (the “**Third Tranche Shanghai Private Corporate Bonds**”, and together with the First Tranche Public Corporate Bonds, the Second Tranche Public Corporate Bonds, the First Tranche Shanghai Private Corporate Bonds and the Second Tranche Shanghai Private Corporate Bonds, the “**Corporate Bonds**”).

## **ADJUSTMENT IN THE CREDIT RATINGS OF THE CORPORATE BONDS**

Reference is also made to the announcement of the Company dated 3 July 2016 in relation to the assignment of “AA+” long term general corporate credit rating with stable outlook to the Bond Issuer by 聯合信用評級有限公司 (United Credit Rating Co., Ltd.\*) (“**UCRC**”), an independent rating agency, on 1 July 2016.

The board of directors of the Company is pleased to announce that, corresponding to the aforementioned assignment of corporate credit rating to the Bond Issuer, the credit rating of each of the Corporate Bonds has also adjusted from “AA” to “AA+”.

## **SUMMARY OF THE UNAUDITED FINANCIAL RESULTS OF THE BOND ISSUER FOR THE THREE MONTHS ENDED 31 MARCH 2016**

Pursuant to the relevant requirements in the People’s Republic of China (the “**PRC**”), the credit rating report prepared by UCRC (the “**Credit Rating Report**”) in relation to the credit ratings of the First Tranche Public Corporate Bonds and the Second Tranche Public Corporate Bonds shall be published in the PRC. The Credit Rating Report contains, among others, the unaudited financial results of the Bond Issuer and its subsidiaries (collectively, “**Rongxin Group**”) for the three months ended 31 March 2016 and the audited consolidated financial statements of Rongxin Group for the years ended 31 December 2014 and 2015 (the “**Rongxin Group Financial Results**”) prepared in accordance with China Accounting Standards for Business Enterprises (“**PRC GAAP**”).

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

	Year 2014	Year 2015	January to March 2016
Total assets ( <i>RMB'00,000,000</i> )	323.23	363.60	600.87
Total liabilities ( <i>RMB'00,000,000</i> )	282.29	288.10	430.13
Shareholders' equity ( <i>RMB'00,000,000</i> )	40.94	75.50	170.74
Long-term indebtedness ( <i>RMB'00,000,000</i> ) ( <i>Note 1</i> )	133.25	69.28	157.22
Short-term indebtedness ( <i>RMB'00,000,000</i> ) ( <i>Note 2</i> )	40.45	94.46	83.90
Total indebtedness ( <i>RMB'00,000,000</i> ) ( <i>Note 3</i> )	173.70	163.74	241.12
Revenue ( <i>RMB'00,000,000</i> )	41.00	74.15	42.47
Net profit ( <i>RMB'00,000,000</i> )	5.42	15.19	5.92
Net cash generated from/(used in) operating activities ( <i>RMB'00,000,000</i> )	(74.03)	30.55	(23.12)
Net cash generated from/(used in) investing activities ( <i>RMB'00,000,000</i> )	(17.25)	0.45	(25.36)
Net cash generated from/(used in) financing activities ( <i>RMB'00,000,000</i> )	96.17	(15.38)	96.54
Net increase in cash and cash equivalent ( <i>RMB'00,000,000</i> )	4.89	15.62	48.06
<b>Operational efficiency indicator</b>			
Cash to revenue ratio (%) ( <i>Note 4</i> )	149.06	124.31	86.97
<b>Profitability indicators</b>			
Revenue profit ratio (%) ( <i>Note 5</i> )	22.83	27.71	17.17
Costs to revenue ratio (%) ( <i>Note 6</i> )	12.60	8.35	3.63

	Year 2014	Year 2015	January to March 2016
<b>Short-term solvency indicators</b>			
Gearing ratio (%) <i>(Note 7)</i>	87.33	79.23	71.58
Current ratio (times) <i>(Note 8)</i>	1.94	1.46	1.94
Quick ratio (times) <i>(Note 9)</i>	0.79	0.24	0.66
Cash to short-term indebtedness ratio (times) <i>(Note 10)</i>	0.35	0.30	0.91
Operating cash to current liabilities ratio(%) <i>(Note 11)</i>	(49.67)	14.02	(8.60)

*Notes:*

1. *Long-term indebtedness = Long-term borrowings + Bonds payables*
2. *Short-term indebtedness = Short-term borrowings + Financial liabilities accounted on profit or loss and calculated on fair-value basis + Notes payables + Non-current liabilities due within one year + Borrowed funds*
3. *Total indebtedness = Long-term indebtedness + Short-term indebtedness*
4. *Cash to revenue ratio = (Cash inflow from goods and services provided / revenue) x 100%*
5. *Revenue profit ratio = {(Revenue — Operating costs — Taxation and other fees paid)/Revenue} x 100%*
6. *Costs to revenue ratio = {(Management costs + Operational costs + Financial costs)/Revenue} x 100%*
7. *Gearing ratio = (Total liabilities / Total assets) x 100%*
8. *Current ratio = Current assets / Current liabilities*
9. *Quick ratio = (Current assets — Inventories) / Current liabilities*
10. *Cash to short-term indebtedness ratio = Cash assets/ Short-term indebtedness*
11. *Operating cash to current liabilities ratio = (Net operating cashflow / current liabilities) x 100%*

As at 31 March 2016, the total assets of Rongxin Group amounted to approximately RMB60.1 billion, among which, (i) monetary assets amounted to approximately RMB7.7 billion; (ii) trade receivables amounted to approximately RMB1.5 billion; (iii) prepayments amounted to approximately RMB6.0 billion; (iv) other receivables amounted to approximately RMB2.0 billion; (v) inventories amounted to approximately RMB34.3 billion; (vi) properties held for investment amounted to approximately RMB4.4 billion; and (vii) properties under development amounted to approximately RMB1.1 billion.

As at 31 March 2016, the total liabilities of Rongxin Group amounted to approximately RMB43.0 billion, among which, (i) trade payables amounted to approximately RMB2.8 billion; (ii) other payables amounted to approximately RMB3.4 billion; (iii) long-term borrowings amounted to approximately RMB9.3 billion; and (iv) bond payables amounted to approximately RMB6.4 billion.

## 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 Company's annual report published on 26 April 2016. Further, the financial results of the Rongxin Group for the three months ended 31 March 2016 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 Corporate Bonds by way of further announcement(s) as and when appropriate or necessary. **Further, the credit ratings in relation to the Corporate Bonds mentioned herein are strictly for information purposes only and not for any other purposes. Such ratings do not constitute a recommendation to buy, sell or hold any securities of the Company. 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, 7 July 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*