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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)**

## **ISSUANCE OF US\$207,762,000 11.25% SENIOR NOTES DUE 2021**

Reference is made to the announcements of Ronshine China Holdings Limited (融信中國控股有限公司) (the“**Company**”) dated February 8, 2019, February 12, 2019 and February 18, 2019 in respect of the Exchange Offer and the Consent Solicitation in relation to the Company’s outstanding 8.25% Senior Notes due 2021 and the Concurrent New Money Issuance (the“**Announcements**”). Unless the context herein defines otherwise, capitalized terms used in this announcement shall have the same meanings as defined in the Announcements and the Exchange Offer Memorandum.

The Board is pleased to announce that on February 18, 2019, the Company entered into a purchase agreement with, among others, Credit Suisse, UBS, BOCOM International, CEB International, Central Wealth Securities Investment Limited, China International Capital Corporation, CLSA, CMB International, Guotai Junan International, Haitong International, HSBC and Orient Securities (Hong Kong) in connection with the Concurrent New Money Issuance.

Subject to the fulfillment or waiver of the conditions precedent to the Concurrent New Money Issuance, the Company will issue Additional New Notes with a principal amount of US\$207,762,000. The Additional New Notes will be consolidated and form a single series with the US\$392,238,000 principal amount of New Exchange Notes to be issued pursuant to the Exchange Offer. See the section headed “Recent Developments – Exchange Offer and Consent Solicitation in relation to February 2018 Notes” in the Final Offering Memorandum. Upon consolidation, the total outstanding principal amount of the New Notes will be US\$600,000,000. Settlement Date is expected to occur on or about February 22, 2019.

The Company is conducting the Concurrent New Money Issuance for the purpose of refinancing certain existing indebtedness of the Company.

Approval in-principle has been received from the SGX-ST for the listing and quotation of the New Notes on the SGX-ST. Approval in-principle from, admission to the Official List of, and the listing and quotation of the New Notes on, the SGX-ST are not to be taken as an indication of the merits of the offering, the Exchange Offer, the Consent Solicitation, the Company, the subsidiary guarantors, the JV subsidiary guarantors (if any) or any of their respective associated companies, the New Notes, the subsidiary guarantees or the JV subsidiary guarantees. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein.

**Shareholders and potential investors should note that completion of the Concurrent New Money Issuance is subject to the fulfillment or waiver of the conditions precedent to the Concurrent New Money Issuance as set forth in the Exchange Offer Memorandum and summarized in this announcement. No assurance can be given that the Concurrent New Money Issuance will be completed and the Company reserves the right to amend, withdraw or terminate the Concurrent New Money Issuance with or without conditions.**

**The Company may, in its sole discretion, amend or waive certain of the conditions precedent to the Concurrent New Money Issuance. As the Concurrent New Money Issuance may or may not proceed to completion, shareholders and potential investors should exercise caution when dealing in the securities of the Company.**

## **THE PURCHASE AGREEMENT IN RELATION TO THE CONCURRENT NEW MONEY ISSUANCE**

Date: February 18, 2019

### **Parties to the Purchase Agreement**

- (a) the Company as the issuer;
- (b) the subsidiary guarantors;
- (c) Credit Suisse;
- (d) UBS;

- (e) BOCOM International Securities Limited (“**BOCOM International**”);
- (f) CEB International Capital Corporation Limited (“**CEB International**”);
- (g) Central Wealth Securities Investment Limited;
- (h) China International Capital Corporation Hong Kong Securities Limited (“**China International Capital Corporation**”);
- (i) CLSA Limited (“**CLSA**”);
- (j) CMB International Capital Limited (“**CMB International**”);
- (k) Guotai Junan Securities (Hong Kong) Limited (“**Guotai Junan International**”);
- (l) Haitong International Securities Company Limited (“**Haitong International**”);
- (m) The Hongkong and Shanghai Banking Corporation Limited (“**HSBC**”); and
- (n) Orient Securities (Hong Kong) Limited (“**Orient Securities (Hong Kong)**”).

The pricing of the Additional New Notes, including the aggregate principal amount and the offering price was determined through a book building exercise conducted by Credit Suisse, UBS, BOCOM International, CEB International, Central Wealth Securities Investment Limited, China International Capital Corporation, CLSA, CMB International, Guotai Junan International, Haitong International, HSBC and Orient Securities (Hong Kong) as the joint lead managers and joint bookrunners. In respect of the offer and sale of the Additional New Notes, Credit Suisse, UBS, BOCOM International, CEB International, Central Wealth Securities Investment Limited, China International Capital Corporation, CLSA, CMB International, Guotai Junan International, Haitong International, HSBC and Orient Securities (Hong Kong) are also the initial purchasers of the Additional New Notes. To the best of the Directors’ knowledge, information and belief, having all reasonable inquiries, each of Credit Suisse, UBS, BOCOM International, CEB International, Central Wealth Securities Investment Limited, China International Capital Corporation, CLSA, CMB International, Guotai Junan International, Haitong International, HSBC and Orient Securities (Hong Kong) is an independent third party and not a connected person of the Company.

The New Notes and the subsidiary guarantees have not been, and will not be registered under the U.S. Securities Act or any securities laws and, unless so registered, may not be offered or sold within the United States or to U.S. persons (as defined in Regulation S under the U.S. Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. Accordingly, the New Notes are being offered and sold only to non-U.S. persons outside the United States in compliance with Regulation S under the U.S. Securities Act. None of the New Notes will be offered to the public in Hong Kong.

### **Offering Price and Reoffering Yield**

The offering price of the Additional New Notes is 101.721% of the principal amount. The reoffering yield of the Additional New Notes is 10.45% per annum.

## **PRINCIPAL TERMS OF THE NEW NOTES**

### **Amount and Tenor**

Subject to the fulfillment or waiver of the conditions precedent to the Exchange Offer and the Concurrent New Money Issuance, the Company will issue the New Notes (ISIN (Reg S): XS1950819729, Common Code (Reg S): 195081972) with an aggregate principal amount of US\$600,000,000, consisting of US\$392,238,000 principal amount of New Exchange Notes issued in the Exchange Offer and US\$207,762,000 principal amount of New Additional Notes to be issued pursuant to the Concurrent New Money Issuance. The New Notes will mature on August 22, 2021.

### **Interest**

The New Notes will bear interest at the rate of 11.25% per annum, payable semi-annually in arrears.

### **Ranking of the New Notes**

The New Notes are (1) general obligations of the Company; (2) senior in right of payment to any existing and future obligations of the Company expressly subordinated in right of payment to the New Notes; (3) at least *pari passu* in right of payment with all other unsecured, unsubordinated indebtedness of the Company (including existing *pari passu* secured indebtedness) (subject to any priority rights of such unsecured, unsubordinated indebtedness pursuant to applicable law); (4) guaranteed by the Subsidiary Guarantors and the JV Subsidiary Guarantors (if any) on a senior basis, subject to certain limitations under applicable law; and (5) effectively subordinated to all existing and future secured obligations (if any) of the Company, the Subsidiary Guarantors and the JV Subsidiary Guarantors, to the extent of the value of the assets serving as security therefor other than the collateral created under the New Notes.

### **Covenants**

The New Notes, the indenture governing the New Notes, the Subsidiary Guarantees and JV Subsidiary Guarantees will limit the Company's ability and the ability of certain of its subsidiaries to, among other things:

- (a) incur or guarantee additional indebtedness and issue disqualified or preferred stock;
- (b) make investments or other specified restricted payments;
- (c) issue or sell capital stock of certain of its subsidiaries;
- (d) guarantee indebtedness of certain of its subsidiaries;
- (e) sell assets;
- (f) create liens;
- (g) enter into sale and leaseback transactions;
- (h) enter into agreements that restrict certain of its subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;

- (i) enter into transactions with shareholders or affiliates; and
- (j) effect a consolidation or merger.

## **Security**

The Company and the initial Subsidiary Guarantor Pledgor have pledged in favor of the Security Agent the Collateral in order to secure the obligations of the Company under the Existing Pari Passu Secured Indebtedness and of such initial Subsidiary Guarantor Pledgor under their respective subsidiary guarantees of the Existing Pari Passu Secured Indebtedness.

The Company has agreed to extend, or cause the initial Subsidiary Guarantor Pledgor to extend, as the case may be, the benefit of the security interests created over the Collateral to the holders on the Original Issue Date in order to secure the obligations of the Company under the New Notes and the Indenture and of such initial Subsidiary Guarantor Pledgor under its Subsidiary Guarantee. Upon the execution of a supplement to the Intercreditor Agreement, such security interests will be so extended.

The Collateral securing the New Notes and the Subsidiary Guarantees may be released or reduced in the event of certain asset sales and certain other circumstances. In addition, the Collateral will be shared on a *pari passu* basis pursuant to the Intercreditor Agreement, as supplemented, entered into by the holders of the Existing Pari Passu Secured Indebtedness and the holders of Permitted Pari Passu Secured Indebtedness in the future (subject to conditions of completion and accession to the Intercreditor Agreement).

## **Events of Default**

The events of default under the New Notes will include, among other things:

- (1) default in the payment of principal of (or premium, if any, on) the New Notes when the same becomes due and payable at maturity, upon acceleration, redemption or otherwise;
- (2) default in the payment of interest on any New Note when the same becomes due and payable, and such default continues for a period of 30 consecutive days;
- (3) default in the performance or breach of the provisions of the covenants under the indenture governing the New Notes or the New Notes;
- (4) the Company or any Restricted Subsidiary defaults in the performance of or breaches any other covenant or agreement in the Indenture or under the New Notes (other than a default specified in clause (1), (2) or (3) above) and such default or breach continues for a period of 30 consecutive days after written notice by the holders of 25% or more in aggregate principal amount of the New Notes then outstanding or by the Trustee at the direction of such holders;
- (5) there occurs with respect to any Indebtedness of the Company or any Restricted Subsidiary having an outstanding principal amount of US\$15.0 million (or the Dollar Equivalent thereof) or more in the aggregate for all such Indebtedness of all such Persons, whether such Indebtedness now exists or shall hereafter be created, (a) an event of default that has caused the holder thereof to declare such Indebtedness to be due and payable prior to its Stated Maturity and/or (b) the failure to make a principal payment when due;

- (6) one or more final judgments or orders for the payment of money are rendered against the Company or any Restricted Subsidiary and are not paid or discharged, and there is a period of 60 consecutive days following entry of the final judgment or order that causes the aggregate amount for all such final judgments or orders outstanding and not paid or discharged against all such Persons to exceed US\$15.0 million (or the Dollar Equivalent thereof) (in excess of amounts which the Company's insurance carriers have agreed to pay under applicable policies) during which a stay of enforcement, by reason of a pending appeal or otherwise, is not in effect;
- (7) an involuntary case or other proceeding is commenced against the Company or any significant restricted subsidiary with respect to it or its debts under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect seeking the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Company or any significant restricted subsidiary or for any substantial part of the property and assets of the Company or any significant restricted subsidiary and such involuntary case or other proceeding remains undismissed and unstayed for a period of 60 consecutive days; or an order for relief is entered against the Company or any significant restricted subsidiary under any applicable bankruptcy, insolvency or other similar law as now or hereafter in effect;
- (8) the Company or any significant restricted subsidiary (a) commences a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consents to the entry of an order for relief in an involuntary case under any such law, (b) consents to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Company or any significant restricted subsidiary or for all or substantially all of the property and assets of the Company or any significant restricted subsidiary or (c) effects any general assignment for the benefit of creditors (other than, in each case under (b), any of the foregoing that arises from any solvent liquidation or restructuring of a Significant Subsidiary in the ordinary course of business that shall result in the net assets of such Significant Subsidiary being transferred to or otherwise vested in the Company or any Restricted Subsidiary on a pro rata basis or on a basis more favorable to the Company);
- (9) any Subsidiary Guarantor or JV Subsidiary Guarantor denies or disaffirms its obligations under its Subsidiary Guarantee or JV Subsidiary Guarantee or, except as permitted by the Indenture, any Subsidiary Guarantee or JV Subsidiary Guarantee is determined to be unenforceable or invalid or shall for any reason cease to be in full force and effect;
- (10) any default by the Company or any Subsidiary Guarantor Pledgor in the performance of any of its obligations under the Security Documents, which adversely affects the enforceability, validity, perfection or priority of the applicable Lien on the Collateral or which adversely affects the condition or value of the Collateral, taken as a whole, in any material respect; or
- (11) the Company or any Subsidiary Guarantor Pledgor denies or disaffirms its obligations under any Security Document or, other than in accordance with the Indenture and the Security Documents, any Security Document ceases to be or is not in full force and effect or the Security Agent ceases to have a first priority Lien in the Collateral (subject to any Permitted Liens and the Intercreditor Agreement, if any).



If an event of default (other than an event of default specified in clause (7) or (8) above) occurs and is continuing under the Indenture, the holders of at least 25% in aggregate principal amount of the New Notes then outstanding, by written notice to the Company and to the Trustee, may, and the Trustee at the request of such holders shall (subject to the Trustee being indemnified and/or secured to its satisfaction by the holders), declare the principal of, premium, if any, and accrued and unpaid interest on the New Notes to be immediately due and payable. Upon a declaration of acceleration, such principal of, premium, if any, and accrued and unpaid interest shall be immediately due and payable. If an event of default specified in clause (7) or (8) above occurs with respect to the Company or any significant restricted subsidiary, the principal of, premium, if any, and accrued and unpaid interest on the New Notes then outstanding shall automatically become and be immediately due and payable without any declaration or other act on the part of the Trustee or any holder.

### **Optional Redemption**

The New Notes may be redeemed in the following circumstances:

- (1) At any time prior to maturity, the Company may at its option redeem the New Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the New Notes plus the applicable premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date.
- (2) At any time and from time to time prior to maturity, the Company may redeem up to 35% of the aggregate principal amount of the New Notes with the net cash proceeds of one or more sales of common stock of the Company in an equity offering at a redemption price of 111.25% of the principal amount of the New Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date, subject to certain conditions.

The terms of the New Notes will be described in more detail in the final offering memorandum (the “**Final Offering Memorandum**”) to be issued by the Company.

### **PROPOSED USE OF PROCEEDS**

The gross proceeds from the Concurrent New Money Issuance will be US\$211,337,584, which the Company intends to use to refinance certain existing indebtedness of the Company.

### **INFORMATION ABOUT THE COMPANY**

The Company is an investment holding company. The Company and its subsidiaries are property developers in the PRC, focusing on the development of residential properties in cities in the Yangtze River Delta and the Western Taiwan Straits Economic Zone, and selected first and second-tier cities. The Company and its subsidiaries are primarily engaged in the development of mid to high-end residential properties, and also develop commercial properties integrated with or in the vicinity of its’ residential properties, including office buildings, retail shops and other commercial properties.

## GENERAL

This announcement is not an offer to purchase, a solicitation of an offer to purchase, an offer to sell or a solicitation of an offer to sell, securities in the United States or elsewhere. No securities of the Company or any of its subsidiaries are being, or will be, registered under the U.S. Securities Act or the securities laws of any state of the United States, and no such securities may be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state or local securities laws. No public offering of securities is being or will be made in the United States or any other jurisdiction. Nothing in this communication shall constitute an offer to sell or the solicitation of an offer to buy securities in any jurisdiction in which such offer or sale would be unlawful.

The distribution of this announcement in certain jurisdictions may be restricted by law. Persons into whose possession this announcement comes are required to inform themselves about, and to observe, any such restrictions. Forward-looking statements in this announcement, including, among others, those statements relating to the Concurrent New Money Issuance are based on current expectations. These statements are not guarantees of future events or results. Future events and results involve risks, uncertainties and assumptions and are difficult to predict with any precision. Actual events and results could vary materially from the description contained herein due to many factors including changes in the market and price for the New Notes, changes in the business and financial condition of the Company and its subsidiaries, changes in the property industry and changes in the capital markets in general.

The distribution of the Exchange Offer Memorandum and the Final Offering Memorandum is restricted by law in certain jurisdictions. Persons who come into possession of the Exchange Offer Memorandum and the Final Offering Memorandum are required to inform themselves of and to observe any of these restrictions. The Exchange Offer Memorandum and the Final Offering Memorandum do not constitute, and may not be used in connection with, an offer to buy New Notes by anyone in any jurisdiction in which such an offer is not authorized or in which the person making such an offer is not qualified to do so or to any person to whom it is unlawful to make an offer. The Company will not accept any responsibility for any violation by any person of the restrictions applicable in any jurisdiction.



**No assurance can be given that the Concurrent New Money Issuance will be completed and the Company reserves the right, in its sole and absolute discretion, to terminate the Concurrent New Money Issuance and amend, modify or waive any of the terms and conditions of the Concurrent New Money Issuance, in each case in whole or in part, at any time before the Settlement Date. As the Concurrent New Money Issuance may or may not proceed, noteholders and potential investors in any securities of the Company should exercise caution when dealing in the securities of the Company.**

By order of the board  
**Ronshine China Holdings Limited**  
**Ou Zonghong**  
*Chairman*

Hong Kong, February 19, 2019

*As at the date of this announcement, Mr. Ou Zonghong, Ms. Zeng Feiyan, Mr. Ruan Youzhi and Mr. Zhang Lixin are the executive Directors; Ms. Chen Shucui is the non-executive Director; and Dr. Lo, Wing Yan William, Mr. Ren Yunan and Mr. Qu Wenzhou are the independent non-executive Directors.*