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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\$300,000,000 10.5% SENIOR NOTES DUE 2022

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 25, 2019 in relation to the Notes Issue (the "**Announcement**"). Unless the context herein defines otherwise, capitalized terms used in this announcement shall have the same meanings as defined in the Announcement and the Offering Memorandum.

The Board is pleased to announce that on February 25, 2019, the Company and the Subsidiary Guarantors entered into a Purchase Agreement with, among others, UBS, Credit Suisse, Bank of China, BOCOM International, CEB International, China International Capital Corporation, CLSA, CMB International, CMBC Capital, Central Wealth Securities Investment Limited, Deutsche Bank, Guotai Junan International, Haitong International and Orient Securities (Hong Kong) in connection with the issue of US\$300,000,000 10.5% senior notes due 2022.

The gross proceeds from this offering, before deducting the underwriting discounts and commissions and other expenses payable in connection with this offering, will be US\$300,000,000. The Company intends to use the net proceeds from this offering to refinance certain existing indebtedness of the Company.

Approval in-principle has been received from the SGX-ST for the listing and quotation of the Notes on the SGX-ST. Approval in-principle from, admission to the Official List of, and the listing and quotation of the Notes on, the SGX-ST are not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors, the JV Subsidiary Guarantors (if any) or any of their respective associated companies, the 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 in this announcement. No listing of the Notes has been, or will be, sought in Hong Kong.

THE PURCHASE AGREEMENT

Date: February 25, 2019

Parties to the Purchase Agreement

- (a) the Company as the issuer;
- (b) the Subsidiary Guarantors;
- (c) UBS;
- (d) Credit Suisse;
- (e) Bank of China;
- (f) BOCOM International;
- (g) CEB International;
- (h) China International Capital Corporation;
- (i) CLSA;

- (j) CMB International;
- (k) CMBC Capital;
- (l) Central Wealth Securities Investment Limited;
- (m) Deutsche Bank;
- (n) Guotai Junan International;
- (o) Haitong International; and
- (p) Orient Securities (Hong Kong).

UBS, Credit Suisse, Bank of China, BOCOM International, CEB International, China International Capital Corporation, CLSA, CMB International, CMBC Capital, Central Wealth Securities Investment Limited, Deutsche Bank, Guotai Junan International, Haitong International and Orient Securities (Hong Kong) have been appointed as the joint lead managers and joint bookrunners of the Notes Issue. In respect of the offer and sale of the Notes, UBS, Credit Suisse, Bank of China, BOCOM International, CEB International, China International Capital Corporation, CLSA, CMB International, CMBC Capital, Central Wealth Securities Investment Limited, Deutsche Bank, Guotai Junan International, Haitong International and Orient Securities (Hong Kong) are also the Initial Purchasers of the Notes. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of UBS, Credit Suisse, Bank of China, BOCOM International, CEB International, China International Capital Corporation, CLSA, CMB International, CMBC Capital, Central Wealth Securities Investment Limited, Deutsche Bank, Guotai Junan International, Haitong International and Orient Securities (Hong Kong) is an independent third party and not a connected person of the Company and its connected persons.

The Notes and the Subsidiary Guarantees have not been, and will not be registered, under the Securities Act or any state securities law and, unless so registered, may not be offered or sold within the United States and may only be offered and sold outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. Accordingly, the Notes are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S. None of the Notes will be offered to the public in Hong Kong.

Principal terms of the Notes

Issuer:	the Company
ISIN (Reg S):	XS1957481440
Common Code (Reg S):	195748144
Aggregated principal amount:	US\$300,000,000
Offer price:	100% of the principal amount of the Notes
Settlement date:	March 1, 2019
Interest rate:	10.5% per annum, payable semi-annually in arrears on March 1 and September 1 of each year, beginning on September 1, 2019.
Maturity:	March 1, 2022
Subsidiary Guarantees:	guarantees will be provided by the Subsidiary Guarantors

Ranking of the Notes

The 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 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 Notes.

Covenants

The Notes, the Indenture governing the Notes, the Subsidiary Guarantees and the 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 restricted subsidiaries;

- (d) guarantee indebtedness of restricted subsidiaries;
- (e) sell assets;
- (f) create liens;
- (g) enter into sale and leaseback transactions;
- (h) enter into agreements that restrict the restricted 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 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 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 defaults under the Notes include, among other things:

- (1) default in the payment of principal of (or premium, if any, on) the Notes when the same becomes due and payable at maturity, upon acceleration, redemption or otherwise;
- (2) default in the payment of interest on any 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 or the 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 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 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 guarantees securing the obligations of the Notes or, except as permitted by the Indenture, any such 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 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 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 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 Notes may be redeemed in the following circumstances:

- (1) At any time prior to maturity, the Company may at its option redeem the Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 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 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 110.5% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date, subject to certain conditions.

The terms of the Notes will be described in more detail in the Final Offering Memorandum to be issued by the Company.

PROPOSED USE OF PROCEEDS

The gross proceeds from this offering, before deducting the underwriting discounts and commissions and other expenses payable in connection with this offering, will be US\$300,000,000. The Company plans to use the net proceeds from this offering to refinance certain existing indebtedness of the Company.

RATINGS

The Notes are expected to be rated “B+” by Fitch Ratings.

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.

DEFINITIONS

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

“Collateral”	all collateral securing, or purported to be securing, directly or indirectly, the Notes, any Subsidiary Guarantee or any JV Subsidiary Guarantee, and shall consist of the charge over shares of the Subsidiary Guarantors;
“connected person”	has the meaning ascribed to it under the Listing Rules;
“Final Offering Memorandum”	the final offering memorandum dated February 25, 2019 in relation to the Notes Issue;
“Indenture”	the indenture to govern the Notes;
“Initial Purchasers”	UBS, Credit Suisse, Bank of China, BOCOM International, CEB International, China International Capital Corporation, CLSA, CMB International, CMBC Capital, Central Wealth Securities Investment Limited, Deutsche Bank, Guotai Junan International, Haitong International and Orient Securities (Hong Kong);
“JV Subsidiary Guarantors”	certain subsidiaries of the Company, other than the Subsidiary Guarantors, that guarantee the Company’s obligations under the Notes;

“JV Subsidiary Guarantees”	limited-recourse guarantees given by the JV Subsidiary Guarantors;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Notes”	the US\$300,000,000 10.5% senior notes due 2022 to be issued by the Company;
“Notes Issue”	the issue of the Notes by the Company;
“Offering Memorandum”	the preliminary offering memorandum dated February 25, 2019 in relation to the Notes Issue;
“Subsidiary Guarantor Pledgor”	the Subsidiary Guarantor that will provide a pledge over the shares of the Subsidiary Guarantor held by it to secure the obligations of such Subsidiary Guarantor under its guarantee for the Notes;
“United States”	The United States of America; and
“US\$”	United States dollar, the lawful currency of the United States.

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

Hong Kong, February 26, 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.