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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
RELATING TO PROVISION OF GUARANTEE
FOR A JOINT VENTURE**

PROVISION OF GUARANTEE

On 26 February 2021, Rongxin Investment (being an indirect wholly-owned subsidiary of the Company), as guarantor, entered into the Guarantee Agreement in favour of the Creditor, pursuant to which Rongxin Investment has agreed to provide guarantee for the due performance of the repayment obligations of the JV Company to the Creditor under the Loan Agreement.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Creditor and its ultimate beneficial owner(s) are Independent Third Parties.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the provision of guarantee under the Guarantee Agreement are more than 5% but are less than 25%, the provision of guarantee under the Guarantee Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

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Principal terms of the Guarantee Agreement

Date: 26 February 2021

Parties: (1) Rongxin Investment (as guarantor); and
(2) the Creditor

Guarantee: Rongxin Investment, as guarantor, has agreed to provide guarantee up to a maximum amount of RMB869,156,670, in favour of the Creditor for the due performance of the JV Company's repayment obligations under the Loan Agreement, including but not limited to that with respect to the principal amount under the Loan Agreement together with any interest, penalty interest, compensations, liquidated damages and other expenses incurred by the Creditor from the realisation of its debt and guarantee rights.

Term of guarantee: commencing from the effective date of the Guarantee Agreement and ending on the date of three years after the expiry of the term of the Loan Agreement

Effective date of the Guarantee Agreement: the Guarantee Agreement shall become effective upon due execution, being 26 February 2021

REASONS FOR AND BENEFITS OF THE PROVISION OF GUARANTEE

The principal loan amount extended by the Creditor to the JV Company under the Loan Agreement amounted to RMB600 million. The Directors are of the view that the provision of the guarantee under the Guarantee Agreement will facilitate the JV Company to meet its working capital requirement for the development of Longteng Garden City property project in Chengdu City, the PRC, which is expected to generate substantial profits to the Group and is in line with the Group's overall business strategy and interest in the long run.

On the same date as the Guarantee Agreement, the JV Partners also executed a Counter Guarantee in favour of Rongxin Investment, pursuant to which the JV Partners agreed to provide unconditional and irrevocable joint and several liability guarantee for the guarantee issued by Rongxin Investment under the Guarantee Agreement in relation to the due performance of the repayment obligations of the JV Company to the Creditor under the Loan Agreement.

Having taken into consideration of the Counter Guarantee and that the risks exposed to the Group is being minimised, the Directors are of the view that the terms of the Guarantee Agreement are on normal commercial terms, are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

INFORMATION ON THE COMPANY, RONGXIN INVESTMENT, THE JV COMPANY AND THE CREDITOR

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.

The JV Company is a joint venture of the Group established in the PRC with limited liability which is principally engaged in property development in the PRC.

The Creditor is a licensed bank established under the laws of the PRC which is principally engaged in, among others, the provision of financing services in the PRC.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the provision of guarantee under the Guarantee Agreement are more than 5% but are less than 25%, the provision of guarantee under the Guarantee Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings ascribed to them respectively:

“associates”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Chengdy Longteng”	成都隆騰錦華置業有限公司 (Chengdu Longteng Jinhua Real Estate Co., Ltd.*), a company established in the PRC with limited liability principally engaged in property development business and save as being a partner to the JV Company, is an Independent Third Party

“Chengdu Rongheng”	成都融恒房地產開發有限公司 (Chengdu Rongheng Real Estate Development Co., Ltd. *), a company established in the PRC with limited liability principally engaged in property development business and an indirectly wholly-owned subsidiary of the Company as at the date of this announcement
“Company”	Ronshine China Holdings Limited, an exempted company incorporated under the laws of the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Counter Guarantee”	the counter guarantee agreement executed by JV Partners in favor of Rongxin Investment on 26 February 2021, the guarantee period of which shall commence from 26 February 2021, and continue to take effect until the end of three years from the date when Rongxin Investment actually fulfills its payment obligations under the Guarantee Agreement, pursuant to which the JV Partners agree to provide unconditional and irrevocable joint and several liability guarantee for the guarantee issued by Rongxin Investment under the Guarantee Agreement in relation to the due performance of the repayment obligations of the JV Company to the Creditor under the Loan Agreement
“Creditor”	China Zheshang Bank Co., Ltd. Chengdu Branch, a licensed bank established under the laws of the PRC
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Guarantee Agreement”	the maximum guarantee agreement dated 26 February 2021 and entered into by Rongxin Investment, as guarantor, and the Creditor, pursuant to which Rongxin Investment has agreed to provide guarantee in favour of the Creditor for the due performance of the repayment obligations of the JV Company to the Creditor under the Loan Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Independent Third Party(ies)”	independent third party(ies) who is/are not connected person(s) (has the meaning ascribed to it under the Listing Rules) of the Company and is/are independent of and not connected with the Company and directors, chief executive, controlling shareholders and substantial shareholders of the Company or any of its subsidiaries or their respective associates
“JV Company”	成都隆騰錦瑞置業有限公司 (Chengdu Longteng Jinrui Real Estate Co., Ltd.*), a company established in the PRC with limited liability which, as at the date of this announcement, is indirectly owned as to 40% by the Company through Chengdu Rongheng (an indirect wholly-owned subsidiary of the Company) and 60% by Chengdu Longteng
“JV Partners”	(i) Chengdu Longteng; (ii) 四川正為投資集團有限公司 (a company established in the PRC with limited liability principally engaged in investment management and save as being an indirect majority shareholder of Chengdu Longteng, is an Independent Third Party); (iii) 成都隆騰投資集團有限公司 (a company established in the PRC with limited liability principally engaged in projects investment and marketing development and save as being a 60% shareholder of Chengdu Longteng, is an Independent Third Party); (iv) 四川瑞森實業有限公司 (a company established in the PRC with limited liability principally engaged in general projects operating and building construction and save as being a 20% shareholder of Chengdu Longteng, is an Independent Third Party); and (v) 成都新傑置業有限公司 (a company established in the PRC with limited liability principally engaged in property development and save as being a 20% shareholder of Chengdu Longteng, is an Independent Third Party)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Agreement”	the fixed assets loan agreement dated 26 February 2021 entered into between the JV Company and the Creditor in relation to the grant of a loan in the principal amount of RMB600 million by the Creditor to the JV Company for a term of three years commencing from 26 February 2021
“percentage ratios”	has the meaning ascribed to it under the Listing Rules
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC

“Rongxin Investment”	融信 (福建) 投資集團有限公司 (Rongxin (Fujian) Investment Company Limited*), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Share(s)”	ordinary share(s) of nominal value of HK\$0.00001 each in the capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%” or “per cent.”	percentage or per centum

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

Hong Kong, 26 February 2021

As at the date of this announcement, Mr. Ou Zonghong, Ms. Yu Lijuan, Ms. Zeng Feiyan, Mr. Ruan Youzhi and Mr. Zhang Lixin are the executive Directors; Ms. Chen Shucui is the non-executive Director; and Mr. Qu Wenzhou, Mr. Ren Yunan and Mr. Ruan Weifeng are the independent non-executive Directors.

* For identification purpose only