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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)

INSIDE INFORMATION

This announcement is made by Ronshine China Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

BACKGROUND

Since the second half of 2021, the business environment of China’s real estate industry has undergone major changes, with increased difficulties in financing confronted by real estate companies. Under such circumstances, a number of real estate companies have successively encountered debt repayment issues, indicating accelerated deterioration of the industry’s business environment. At the same time, the recent outbreak of the COVID-19 epidemic in Shanghai and other cities has brought enormous pressure on the Group’s operations. As a result of the impact of above factors combined, the Group’s contracted sales declined significantly this year. For the six months ended 30 June 2022, the total contracted sales of the Group amounted to approximately RMB38.7 billion, representing a year-on-year decrease of 53%.

The Group has taken measures to ensure stable operation and improve liquidity, including but not limited to strengthening sales and cash collection, expanding diversified financing channels, reasonably reducing operating costs, negotiating for extensions of some existing debts, and disposing of certain assets. Since the beginning of the second half of 2021, the Company has accumulatively made a net repayment of nearly RMB30 billion in public bonds and various interest-bearing debts and interest thereon, fully demonstrating the Company’s firm willingness and unremitting efforts to repay its debts.

Although the Company has tried its best to mitigate the impact of various unfavourable factors on its operations, due to so prolonged duration of this situation, the Group’s operation and cash position have been significantly affected, and its ability to perform future obligations is subject to uncertainty.

SENIOR NOTES

(1) **June 2023 Notes**

Interest in the amount of US\$12,798,000 under the 8.1% senior notes due June 2023 (the “**June 2023 Notes**”, ISIN: XS2090949160 and Common Code: 209094916) issued by the Company and listed on the Singapore Exchange Securities Trading Limited (the “**SGX**”) became due and payable on 9 June 2022. The Company has a 30-day grace period to pay such interest. As of the date of this announcement, the Company has not made such payment.

(2) **December 2023 Notes**

Interest in the amount of US\$15,067,500 under the 7.35% senior notes due December 2023 (the “**December 2023 Notes**”, ISIN: XS2189303873 and Common Code: 218930387) issued by the Company and listed on the SGX became due and payable on 15 June 2022. The Company has a 30-day grace period to pay such interest. As of the date of this announcement, the Company has not made such payment.

If the Company fails to pay the above interest upon expiry of the grace period and such non-payment continues, holders of at least 25% of the aggregate principal amount of the relevant outstanding senior notes at that time may, by written notice to the Company or the trustee, require the Company to pay the principal and accrued interest of the relevant outstanding senior notes immediately. As of the date of this announcement, the Company has not received any notice regarding accelerated repayment from the holders of the June 2023 Notes or the December 2023 Notes.

In light of its current liquidity position, the Group cannot guarantee that it will be able to perform repayment obligations of the interest on senior notes mentioned above and other senior notes when they fall due or within the relevant grace period. If the Company fails to perform the obligations of repaying the debts due and cannot agree on a consensual solution to the corresponding indebtedness with creditors in a timely manner, it may cause the relevant creditors to demand accelerated repayment of the obligations of the relevant debts or take enforcement actions.

The Group regrets that it is not able to guarantee the performance of obligations of the debts as scheduled, hoping that such creditors will give the Group certain buffer time to solve the current funding issues. The Group intends to engage external advisors to explore various feasible solutions with overseas creditors, so as to seek a holistic solution to the relevant debts. The Group will also maintain stable operation of its projects and its efforts on enhancing sales and cash collection, so as to do its best to protect the interests of all stakeholders.

The Board and management of the Company will closely monitor the development of the events mentioned by the Company, assess the potential impact of such events on the business development and financial conditions of the Group, and make further announcements in due course in respect of any material development.

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

Hong Kong, 10 July 2022

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 nonexecutive Director; and Mr. Qu Wenzhou, Mr. Ren Yunan and Mr. Ruan Weifeng are the independent non-executive Directors.