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JINGRUI HOLDINGS LIMITED

景瑞控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01862)

DISCLOSEABLE AND CONNECTED TRANSACTION ACQUISITION OF 43.24% INDIRECT EQUITY INTEREST IN WUXI JINGRUI

ACQUISITION OF 43.24% INDIRECT EQUITY INTEREST IN WUXI JINGRUI

On 5 December 2016, Natural Apex, a wholly owned subsidiary of the Company, entered into a share purchase agreement with the Seller, pursuant to which Natural Apex will purchase the Sale Shares, representing 43.24% of the total issued share capital of the Target, from the Seller at a consideration of US\$41.8 million (equivalent to approximately RMB288.0 million). The Sale Shares were previously disposed of by Natural Apex to the Seller under the Disposal. As at the date of this announcement, the Target indirectly wholly owns the entire equity interest in Wuxi Jingrui, which in turn wholly owns the Project Land.

LISTING RULES IMPLICATIONS

As at least one of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition is more than 5% but all of the applicable percentage ratios are less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

As the Seller holds 43.24% of the total issued share capital of the Target immediately before the Closing, the Seller is a substantial shareholder of the Target and a connected person of the Company at the subsidiary level as at the date of this announcement. The Acquisition therefore constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. The Board has approved the Acquisition. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Directors have any material interest in the Acquisition and as such no Directors have abstained from voting on the resolutions of the Board approving the Acquisition. All independent non-executive Directors have confirmed that the Acquisition and the terms of the Agreement, including the consideration for the Acquisition, are fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole. Accordingly, the Acquisition is only subject to the notification and announcement requirements, and is exempted from the circular, independent financial advice and shareholders' approval requirements by virtue of Rule 14A.101 of the Listing Rules.

Reference is made to the announcement of the Company dated 29 January 2014 in relation to the acquisition of the Project Land in Wuxi, Jiangsu, PRC at the price of RMB391.4 million and the announcement of the Company dated 22 April 2014 in relation to the Disposal.

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PRINCIPAL TERMS OF THE AGREEMENT

The principal terms of the Agreement are summarized below.

Date: 5 December 2016

Parties:

- (1) Buyer: Natural Apex
- (2) Seller: Robinson RE Company, Limited, a company incorporated in Hong Kong and is an indirect wholly owned subsidiary of Century Bridge Capital, a United States based private equity firm. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, other than the Sale Shares held by the Seller in the Target, the Seller, Century Bridge Capital and the controlling shareholders of Century Bridge Capital are independent of and not connected with the Company or any of its connected persons.

Subject matter: In accordance with the terms and conditions of the Agreement, Natural Apex agreed to acquire the Sale Shares (being 21,620 fully paid shares of the Target and representing 43.24% of the total issued share capital of the Target) from the Seller, and the Seller agreed to sell the same to Natural Apex.

Consideration: The total consideration payable by Natural Apex for the Sale Shares is US\$41.8 million (equivalent to approximately RMB288.0 million).

The consideration for the Sale Shares was arrived at after arm's length negotiation among the parties, and was determined by reference to the land premium paid by Wuxi Jingrui for the Project Land, the recent market value of comparable residential and commercial development in the Yangtze River Delta region, the initial investment amount by the Seller in Wuxi Jingrui and the historical financial performance of Wuxi Jingrui (in particular, the revenue and profit incurred from the sale of properties on the development of the Project Land).

The consideration will be funded by using the Group's available internal resources.

Payment terms: The consideration shall be paid by Natural Apex to the Seller in cash within 15 days after the date of the Agreement.

In the event that Natural Apex fails to pay the consideration in full to the Seller prior to 27 January 2017, Natural Apex shall pay the Seller liquidated damages in the amount of 0.07% of the consideration for each day of delay starting from 28 January 2017 unless such failure to complete is solely due to the fault of the Seller or the prohibition or restrictions by applicable laws and regulations on the Acquisition.

Conditions precedent: Completion of the Acquisition is conditional upon the fulfilment (or waiver) of the following conditions in writing on or prior to 7 May 2017:

- (1) Natural Apex's payment of the consideration in full to the Seller in accordance with the Agreement;
- (2) the representations and warranties given by Natural Apex under the Agreement being true, correct and not misleading as of the date of the Agreement and as of the Closing;
- (3) the representations and warranties given by the Seller under the Agreement being true, correct and not misleading as of the date of the Agreement and as of the Closing;
- (4) no applicable laws, rules (including the Listing Rules) and regulations shall have been adopted, promulgated or enforced by any governmental authority, and no temporary restraining order, preliminary or permanent injunction or other order issued by any governmental entity of competent jurisdiction (an "**Injunction**") shall be in effect, having the effect of making the transactions contemplated under the Agreement illegal or otherwise prohibiting the consummation of the transactions contemplated under the Agreement; and
- (5) no proceeding initiated by any governmental authority seeking an Injunction having the effect of making the transactions contemplated under the Agreement illegal or otherwise prohibiting the consummation of the Transactions shall be pending.

Pursuant to the Agreement, Natural Apex may at any time waive the above conditions (3) to (5) and the Seller may at any time waive the above conditions (1), (2), (4) and (5). As at the date of this announcement, Natural Apex does not intend to modify or waive any of the above conditions.

Closing: Closing shall take place on the date on which all the conditions precedent to the Agreement have been satisfied or otherwise waived by the relevant party to the Agreement in writing. It is currently anticipated that Closing shall take place in the second quarter of 2017.

Termination:

The Agreement may be terminated at any time prior to Closing:

- (a) by mutual written consent of both parties to the Agreement; or
- (b) if a court of competent jurisdiction or other governmental authority shall have issued an order, decree, or ruling or taken any other action (which order, decree or ruling the parties to the Agreement shall use their best efforts to lift), in each case permanently restraining, enjoining, or otherwise prohibiting the transactions contemplated under the Agreement, and such order, decree, ruling, or other action shall have become final and non-appealable; or
- (c) if the Closing shall not have occurred by 7 May 2017, provided that if a party has breached the Agreement and such breach has resulted in the Closing not occurring by 7 May 2017, then such defaulting party shall not be entitled to terminate the Agreement based on such provision; or
- (d) by any party to the Agreement, if after the date of the Agreement, such party's rights under the Agreement are adversely and materially affected by the promulgation of any new applicable laws, rules or regulations or other actions of any governmental authority restricting or otherwise adversely affecting the rights of such party under the Agreement.

INFORMATION ON THE PARTIES TO THE AGREEMENT**The Seller**

Robinson RE Company, Limited, a company incorporated in Hong Kong which is primarily engaged in the business of real estate investment and is an indirect wholly owned subsidiary of Century Bridge Capital, a United States based private equity firm focused on residential real estate investments in China. As at the date of this announcement, the Seller is the legal and beneficial owner of the Sale Shares, representing 43.24% of the total issued share capital of the Target. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, other than the Sale Shares held by the Seller in the Target, the Seller, Century Bridge Capital and the controlling shareholders of Century Bridge Capital are independent of and not connected with the Company or any of its connected persons.

Natural Apex

Natural Apex is a business company established in the BVI with limited liability and a wholly owned subsidiary of the Company. Its principal business activity is investment holding.

The Target Group

The Target is a business company established in the BVI with limited liability. Its principal business activity is investment holding. As at the date of this announcement, the Target is owned as to 56.76% by Shanghai Xiaoyu Investment Co., Ltd. (上海驍禦投資有限公司), a wholly owned subsidiary of the Company, and as to 43.24% by the Seller, and an indirect non-wholly owned subsidiary of the Company.

The Target, through Shimmery Amber, an investment holding company incorporated in Hong Kong with limited liability and a direct wholly owned subsidiary of the Target, holds the entire equity interest in Wuxi Jingrui. Wuxi Jingrui is a company established in the PRC with limited liability and is engaged in the development of the Project Land.

Immediately prior to the completion of the Acquisition, each member of the Target Group is a non-wholly owned subsidiary of the Company with their combined financial results being consolidated in the Company's accounts. Upon completion of the Acquisition, the Target, and in turn Shimmery Amber and Wuxi Jingrui, will become indirect wholly owned subsidiaries of the Company and their combined financial results will continue to be consolidated in the Company's accounts.

The unaudited combined net assets value of the Target Group as at 30 June 2016 was approximately RMB437.7 million. The unaudited combined financial results of the Target Group for the two years immediately preceding the date of the Agreement were as follows:

	For the years ended December 31,	
	(unaudited)	
	2014	2015
	<i>in RMB million</i>	<i>in RMB million</i>
Profit/(loss) before tax and extraordinary items	(16.8)	14.3
Profit/(loss) after tax but before extraordinary items	(12.7)	(1.0)

INFORMATION ON THE PROJECT LAND

The land number XDG-2013-51 comprising the zone portions situated at Xidong Road West and Xingyue Road South, Business District of Xidong New City, Xishan District, Wuxi, Jiangsu, PRC (中國江蘇省無錫市錫山區錫東新城商務區錫東大道西、興越路南), with a total site area of 103,439 square meters and a planned above-ground gross floor area not exceeding 186,190.2 square meters. The land shall be used for the development of residential properties. As at the date of this announcement, Wuxi Jingrui has obtained all relevant approvals and certificates, including the State-Owned Land Use Right Certificate and Approval Certificate of Land for Construction Use, with respect to the Project Land. The book value of the Project Land is approximately RMB391.4 million as of 30 June 2016, which represents the land premium paid for the Project Land.

REASONS FOR THE ACQUISITION

The Group is principally engaged in the property development business in the Yangtze River Delta region. In April 2014, the Group entered into the Disposal with an aim to (i) increase cash funding for the payment of the land premium for the Project Land and (ii) form a strategic alliance with Century Bridge Capital, a renowned United States based private equity investment firm which focuses on residential real estate investments in China, for the development of the Project Land. Since the completion of the Disposal, there has been significant improvement in the infrastructure surrounding the Project Land and the road network plan has been finalized. In addition, ancillary municipal facilities that are essential for development, including those related to the supply of water and electricity, have been set up. In the circumstances, the Company considers that it is in the interests of the Company to purchase the entire equity interest in the Target to enable the Group to regain full control over the development, management and future operations of the Project Land. The Group will also be entitled to 100% of the proceeds from the future sales of the residential units to be developed on the Project Land, which will be beneficial to the Group.

Having regard to recent market activities in the property market within the Yangtze River Delta region and the market value of comparable residential and commercial development in the Yangtze River Delta region, the Group anticipates that the value of the properties within the region will continue to rise in the future. Based on the foregoing, even though the consideration payable by the Group to the Seller under the Acquisition is higher than the consideration received by the Group from the Seller under the Disposal, the Group believes that the Acquisition will benefit the Group by providing an excellent opportunity for the Group to further strengthen its income stream through potential appreciation in value of the Project Land.

The Directors (including the independent non-executive Directors) consider the Acquisition to be within the ordinary and usual course of business of the Group, and that the Acquisition and the transactions contemplated under Agreement have been made on normal commercial terms and were arrived at after arm's length negotiation. The Directors (including the independent non-executive Directors) believe that the terms of the Agreement, including the consideration for the Acquisition, are fair and reasonable and that the Acquisition is in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As at least one of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition is more than 5% but all of the applicable percentage ratios are less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

As the Seller holds 43.24% of the total issued share capital of the Target immediately before the Closing, the Seller is a substantial shareholder of the Target and a connected person of the Company at the subsidiary level as at the date of this announcement. The Acquisition therefore constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. The Board has approved the Acquisition. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Directors have any material interest in the Acquisition and as such no Directors have abstained from voting on the resolutions of the Board approving the Acquisition. All independent non-executive Directors have confirmed that the Acquisition and the terms of the Agreement, including the consideration for the Acquisition, are fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole. Accordingly, the Acquisition is only subject to the notification and announcement requirements, and is exempted from the circular, independent financial advice and shareholders' approval requirements by virtue of Rule 14A.101 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the following meanings, unless the context requires otherwise:

“Acquisition”	the acquisition of 43.24% equity interests in the Target, which in turn indirectly wholly owns Wuxi Jingrui, by Natural Apex pursuant to the Agreement
“Agreement”	the share purchase agreement dated 5 December 2016 entered into between Natural Apex (as the buyer) and the Seller pursuant to which Natural Apex agreed to purchase the Sale Shares from the Seller
“Board”	the board of Directors
“BVI”	the British Virgin Islands
“China” or “PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region and Taiwan area
“Closing”	the consummation of the transactions contemplated under the Agreement in accordance with the terms therein
“Company”	Jingrui Holdings Limited (景瑞控股有限公司*), a company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Disposal”	the sale of 43.24% of the total issued share capital of the Target by Natural Apex to the Seller for a consideration of US\$32 million (equivalent to approximately RMB217.6 million) in April 2014 as disclosed in the announcement of the Company dated 22 April 2014
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
“Natural Apex”	Natural Apex Limited, a business company established in the BVI and a wholly owned subsidiary of the Company
“Project Land”	the land number XDG-2013-51 comprising the zone portions situated at Xidong Road West and Xingyue Road South, Business District of Xidong New City, Xishan District, Wuxi, Jiangsu, PRC (中國江蘇省無錫市錫山區錫東新城商務區錫東大道西、興越路南)
“RMB”	Renminbi, the lawful currency of the PRC

“Sale Shares”	21,620 fully paid shares of the Target, representing 43.24% of the total issued share capital of the Target
“Seller”	Robinson RE Company, Limited, a company established in Hong Kong with limited liability on 24 October 2013, the legal and beneficial owner of the Sale Shares as at the date of this announcement
“Shareholder(s)”	the holder(s) of the share(s) of the Company
“Shimmery Amber”	Shimmery Amber International Limited (亮珀國際有限公司), a company established in Hong Kong and a direct wholly owned subsidiary of the Target
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target”	Modern Jump Limited, a business company established in the BVI, a direct non-wholly owned subsidiary of the Company prior to the Acquisition
“Target Group”	collectively, the Target, Shimmery Amber and Wuxi Jingrui
“US\$”	United States dollar, the lawful currency of the United States
“Wuxi Jingrui”	Wuxi Jingrui Real Estate Co., Ltd.* (無錫景瑞置業有限公司), a limited liability company established under the laws of the PRC and an indirect wholly owned subsidiary of the Target
“%”	per cent.

For the purpose of this announcement, the exchange rate of US\$1.00 to RMB6.89 has been used for currency translation, where applicable. Such exchange rate is for illustration purposes only and do not constitute representations that any amount in United States dollar or RMB has been, could have been or may be converted at such rates.

The Chinese name of the entities incorporated in the PRC is the official name and the English name is the translation for identification purpose only.

By Order of the Board
Jingrui Holdings Limited
Yan Hao Chen Xin Ge
Co-chairmen

Hong Kong, 5 December 2016

As at the date of this announcement, the Board of Directors of the Company comprises Yan Hao, Chen Xin Ge, Yang Tie Jun and Xu Chao Hui, as executive Directors; Han Jiong, Qian Shi Zheng and Lo Wing Yan William, as independent non-executive Directors.

* *For identification purpose only*