

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **Sunshine 100 China Holdings Ltd**

**陽光100中國控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2608)**

### **VOLUNTARY ANNOUNCEMENT SUBSCRIPTION FOR UNITS IN THE TRUST**

Reference is made to the announcements of Sunshine 100 China Holdings Ltd (the “**Company**”) dated 14 December 2017 and 19 January 2018 (the “**Announcements**”). Unless otherwise specified, capitalized terms in this announcement shall have the same meanings as those defined in the Announcements.

#### **BACKGROUND**

On 14 December 2017, Sunshine 100 Real Estate Group Co., Ltd. (the “**Investor**”), a wholly-owned subsidiary of the Group, entered into the Subscription Agreement and the Trust Agreement with the Trustee, pursuant to which the Investor subscribed for 786,700,000 units of Class X trust units in the Trust for RMB786,700,000 as the sole Investor in the Trust. The Investor had subscribed for 786,700,000 Class X trust units for RMB786,700,000 pursuant to the Subscription Agreement. The Trust held 89.1089% of the equity interest in the Target Company.

#### **DISPUTE BETWEEN THE SHAREHOLDERS AND THE TARGET COMPANY**

On 24 January 2018, the Trustee filed a writ against the Target Company, Napa Property, and Shaan’xi Jinyuan. The Investor was not a party to the lawsuit. The Trustee, Shaan’xi Jinyuan, Napa Property and the Target Company shall collectively be referred to as the “**Parties**”. The Trustee sued Shaan’xi Jinyuan, Napa Property and the Target Company for the debts caused by their failure to fulfill the obligations under certain agreements between the Parties (the “**Dispute**”). As at 31 March 2018, the debts, including the principal and other payments, amounted to a total sum of approximately RMB874,704,183 (the “**Debts**”).

## **SETTLEMENT AGREEMENT BETWEEN THE SHAREHOLDERS AND THE TARGET COMPANY**

On 29 June 2018, the Parties entered into a settlement agreement in relation to, among other things, settlement of the Debts and the transfer of the remaining equity interest in the Target Company held by Shaan'xi Jinyuan and Napa Property to the Trustee or its designated party (the "**Equity Transfer**") (the "**Settlement Agreement**").

The key terms of the Settlement Agreement are set out below:

- (a) After completion of the following procedures and the issuing of the civil mediation agreement by Higher People's Court of Beijing of the People's Republic of China (the "**Beijing Higher People's Court**"), the Trustee will apply to the Beijing Higher People's Court for release of the seized 5.3366% equity interest in the Target Company held by Shaan'xi Jinyuan:
  - (i) Shaan'xi Jinyuan agrees to fully cooperate in the registration of all of its equity interest in the Target Company under the name of the Trustee or its designated party and agrees to sign and seal (where applicable) on the equity transfer agreement and other documents in relation to the filing of change of the legal representative, directors and supervisors provided by the Trustee.
  - (ii) Shaan'xi Jinyuan agrees to hand over the seal for sales contract and sales materials of the Target Company to the Trustee or its designated party.
  - (iii) Shaan'xi Jinyuan agrees to withdraw and cancel all claims in relation to the Target Company within three working days upon signing of the Settlement Agreement.

- (b) After completion of the following procedures by Napa Property and the issuing of the civil mediation agreement by the Beijing Higher People's Court, the Trustee will apply to the Beijing Higher People's Court for release of the seized 5.5545% equity interest in the Target Company held by Napa Property:
- (i) Napa Property agrees to fully cooperate in the registration of all of its equity interest in the Target Company under the name of the Trustee or its designated party and agrees to sign and seal (where applicable) on the equity transfer agreement and other documents in relation to the filing of change of directors and supervisors provided by the Trustee.
  - (ii) After the execution of the Settlement Agreement, the Parties agree to terminate the management of the Target Company and Xi'an Napa Xigu – Jiyuan Project by Napa Property and the management of the Target Company and Xi'an Napa Xigu – Jiyuan Project will be transferred to the Trustee or its designated party.
  - (iii) Napa Property agrees to hand over all materials and items of the Target Company to the Trustee or its designated party.
- (c) The Parties shall submit all the materials needed for the registration of the Equity Transfer at the Administration for Industry and Commerce where the Target Company is registered within five working days after the Beijing Higher People's Court releases the seized equity interest in the Target Company held by Shaan'xi Jinyuan and Napa Property. The Parties shall register the 5.3366% equity interest in the Target Company held by Shaan'xi Jinyuan and the 5.5545% equity interest in the Target Company held by Napa Property under the name of the Trustee or its designated party and complete the relevant procedures in relation to change of the legal representative, directors, supervisors and other senior management of the Target Company.
- (d) If any party breaches the Settlement Agreement, it shall pay liquidated damages in the amount of RMB20 million to the non-breaching parties.

## **DISTRIBUTION OF TRUST ASSETS**

The Beijing Higher People's Court issued a written civil mediation agreement in relation to the Dispute on 17 July 2018, and the Parties have confirmed and agreed to execute the civil mediation agreement.

On 19 July 2018, the Trustee gave a written notice to the Investor pursuant to the Subscription Agreement and the Trust Agreement, notifying the Investor that it will distribute all equity interest in the Target Company to the Investor on 19 July 2018 (the "**Equity Interest Distribution**") and register the relevant equity interest under the name of the Investor in the following manner:

- (a) An aggregate of 10.8911% equity interest in the Target Company held by Shaan'xi Jinyuan and Napa Property shall be registered under the name of the Investor.
- (b) 89.1089% equity interest in the Target Company held by the Trustee shall be registered under the name of the Investor.

Upon completion of the Equity Interest Distribution on 19 July 2018, the Target Company became a wholly-owned subsidiary of the Company and its financial results will be consolidated into the Investor's financial statements.

On 19 July 2018, upon completion of the above Equity Interest Distribution, the Trust holds the principal and other payments of creditor's rights in a total amount of approximately RMB779,455,350. The Trustee will liquidate the Trust by distributing to the Investor creditor's rights, currencies and other trust assets (other than equity interest) of the Target Company pursuant to the Subscription Agreement, which is expected to be completed before 30 September 2018.

By Order of the Board  
**Sunshine 100 China Holdings Ltd**  
**Yi Xiaodi**  
*Chairman and Executive Director*

Beijing, the PRC  
19 July 2018

*As at the date of this announcement, the executive directors of the Company are Mr. Yi Xiaodi and Mr. Fan Xiaochong, the non-executive directors of the Company are Ms. Fan Xiaohua and Mr. Wang Gongquan, and the independent non-executive directors of the Company are Mr. Gu Yunchang, Mr. Ng Fook Ai, Victor and Mr. Wang Bo.*