

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.



FULLSUN INTERNATIONAL HOLDINGS GROUP CO., LIMITED

福晟國際控股集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00627)

CONTINUING CONNECTED TRANSACTIONS SUPPLEMENTAL AGREEMENTS

Reference is made to the Previous Announcement relating to, among others, the Financing Arrangement with Sichuan Trust.

The Board announces that on 26 September 2018, Fuzhou Kangan, Sichuan Trust and Hunan Deruida entered into the Supplemental Agreements to the Loan Assignment, whereby certain terms of the Financing Arrangement were amended as mentioned below in this announcement.

THE SUPPLEMENTAL AGREEMENTS

The principal amendments to the Financing Arrangement effected by the Supplemental Agreements are as follows:

1. the Preferred Class Units are sub-divided into (a) 150,000,000 Preferred Class Units A and (b) 750,000,000 Preferred Class Units B;
2. the term of the Preferred Class Units A is revised from 24 months to 12 months, while the term of the Preferred Class Units B remains to be 24 months. As a result, the term of the part of the Loan to be assigned which corresponds to the Preferred Class Units A and is coterminous with that of the Preferred Class Units A will end at the expiry of the aforesaid 12 months period; and
3. as at the date of the Supplemental Agreements, a total of 137,200,000 Preferred Class Units B in the first tranche of the Preferred Class Units have already been successfully subscribed. The annualised interest rate of the part of the Loan assigned which corresponds to such Preferred Class Units B remains to be 12.1% per annum. The annualised interest rate in respect of the remaining RMB762,800,000 of the Loan which corresponds to the remaining 762,800,000 Preferred Class Units (the “**Remaining Units**”) is adjusted from 12.1% to 13.2% per annum.

REASONS FOR ENTERING INTO OF THE SUPPLEMENTAL AGREEMENTS

Hunan Deruida is principally engaged in the development of the Project in Hunan Province, the PRC. The Group intends to obtain source of funds through the Financing Arrangement entered into among Fuzhou Kangan, Sichuan Trust and Hunan Deruida on 3 August 2018. The Financing Arrangement includes, among others, the implementation in the form of the Unit Trust where the subscription proceeds from the issue of the Preferred Class Units will be injected into Hunan Deruida as capital reserve of Hunan Deruida by stages as and when each tranche of the Preferred Class Units is issued.

In order to attract more potential investors to subscribe for the Preferred Class Units, after negotiation with Sichuan Trust, the management of the Group finds it appropriate to revise the term of the Preferred Class Units A as mentioned above and to increase the interest rate of the part of the Loan which corresponds to the Remaining Units (i.e. return to subscribers for the Remaining Units) after considering the treasury management for the development of the Project, the prevailing commercial practices and the prevailing market conditions.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Financing Arrangement (as amended by the Supplemental Agreements) are fair and reasonable and the transactions contemplated thereunder are on normal commercial terms and in the interests of the Company and its shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As Sichuan Trust has become a connected person of the Company at the subsidiary level upon completion of the Transfer and (i) the Board has approved the Financing Arrangement (as amended by the Supplemental Agreements) and the transactions contemplated thereunder; and (ii) the independent non-executive Directors have confirmed that the terms of the Financing Arrangement (as amended by the Supplemental Agreements) are fair and reasonable and the transactions contemplated thereunder and on normal commercial terms and in the interests of the Company and its shareholders as a whole, the Financing Arrangement (as amended by the Supplemental Agreements) and the transactions contemplated thereunder are subject to the reporting and announcement requirements, but are exempted from the circular, independent financial advice and independent shareholders' approval requirements under Rule 14A.101 of the Listing Rules.

DEFINITIONS

In this announcement, capitalised terms used have the same meaning as defined in the Previous Announcement and the following expressions have the meanings set out below, unless the context requires otherwise.

- “Loan Assignment” the loan transfer agreement dated 26 September 2018 entered into between Fuzhou Kangan, Sichuan Trust and Hunan Deruida in relation to, among others, the assignment from the Loan from Fuzhou Kangan to Sichuan Trust and the injection of the subscription proceeds from the issue of the Preferred Class Units into Hunan Deruida
- “Previous Announcement” the announcement of the Company dated 21 August 2018 in relation to, among others, the Financing Arrangement
- “Supplemental Agreements” the two supplemental agreements dated 26 September 2018 to the Loan Assignment, and entered into between Fuzhou Kangan, Sichuan Trust and Hunan Deruida

By Order of the Board
Fullsun International Holdings Group Co., Limited
Pan Weiming
Chairman

Hong Kong, 26 September 2018

As at the date of this announcement, the Board comprises eight executive Directors, namely Mr. Pan Weiming, Mr. Pan Jungang, Ms. Chen Weihong, Mr. Li Jinrong, Mr. Tang Kwok Hung, Ms. Wu Jihong, Mr. Wu Yang and Mr. Tong Wentao and four independent non-executive Directors, namely Mr. Yuen Chee Lap, Carl, Mr. Yang Xiaoping, Dr. Cheung Wai Bun, Charles J.P. and Dr. Tse Hiu Tung Sheldon.