

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.

SUNac 融創中國
SUNAC CHINA HOLDINGS LIMITED
融創中國控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 01918)

DISCLOSEABLE TRANSACTION
PROVISION OF GUARANTEE FOR A JOINT VENTURE

Shanghai Yalong Project is a joint development project by the Group and Xinhua Zhongbao. As at the date of this announcement, each of Shanghai Haoxuan, a non-wholly owned subsidiary of the Company, and Xinhua Zhongbao holds 50% equity interests in the Project Company. On 15 November 2023, the Project Company, a joint venture of the Company, as borrower, and Shanghai Haolong, as lender, entered into the Loan Agreement, pursuant to which Shanghai Haolong will provide a loan in an aggregate amount of not exceeding RMB3,480,000,000 to the Project Company for a term of not more than 3 years, of which the last 1 year will be a grace period (subject to the written consent of Shanghai Haolong), for the development and construction of Shanghai Yalong Project.

On 21 November 2023, Sunac Real Estate, a wholly-owned subsidiary of the Company, entered into the Loan Guarantee Agreement in relation to the Loan Agreement with Shanghai Haolong, pursuant to which Sunac Real Estate agreed to provide a joint liability guarantee for the corresponding principal amount of not exceeding RMB1,740,000,000 to the Project Company for a term of three years from the maturity date of the indebtedness under the Loan Agreement.

IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the Guarantee exceeds 5% but is less than 25%, the transaction under the Guarantee constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

Shanghai Yalong Project is a joint development project by the Group and Xinhua Zhongbao. As at the date of this announcement, each of Shanghai Haoxuan, a non-wholly owned subsidiary of the Company, and Xinhua Zhongbao holds 50% equity interests in the Project Company. On 15 November 2023, the Project Company, a joint venture of the Company, as borrower, and Shanghai Haolong, as lender, entered into the Loan Agreement, pursuant to which Shanghai Haolong will provide a loan in an aggregate amount of not exceeding RMB3,480,000,000 to the Project Company for a term of not more than 3 years, of which the last 1 year will be a grace period (subject to the written consent of Shanghai Haolong), for the development and construction of Shanghai Yalong Project.

On 21 November 2023, Sunac Real Estate, a wholly-owned subsidiary of the Company, entered into the Loan Guarantee Agreement in relation to the Loan Agreement with Shanghai Haolong, pursuant to which Sunac Real Estate agreed to provide a joint liability guarantee for the corresponding principal amount of not exceeding RMB1,740,000,000 to the Project Company for a term of three years from the maturity date of the indebtedness under the Loan Agreement.

THE LOAN GUARANTEE AGREEMENT

Date: 21 November 2023

Parties: (1) Sunac Real Estate (as guarantor); and
(2) Shanghai Haolong (as lender)

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, Shanghai Haolong and its ultimate beneficial owners are third parties independent from the Company and its connected persons.

Guarantee: Sunac Real Estate agreed to provide a joint liability guarantee to the Project Company for the loan with the principal amount of not more than RMB1,740,000,000, in accordance with the 50% shareholding in the Project Company held by Shanghai Haoxuan, together with corresponding interest, default interest, compound interest, liquidated damages and compensation, as well as necessary and reasonable expenses and all other related expenses incurred in realising the security right and creditor's rights.

Term of the Guarantee: The term of the Guarantee is of three years from the maturity date of the indebtedness under the Loan Agreement.

Purpose of the loans: The construction payment, demolition and relocation payment, land deed tax and operating expenses payable by the Project Company in respect of Shanghai Yalong Project or for such other purposes as may be approved by Shanghai Haolong in writing.

REASONS FOR AND BENEFITS OF PROVISION OF THE GUARANTEE

Shanghai Yalong Project is located at Lot 508-514, the east of Zhaofang Nong, south of Fangbang Middle Road, west of Songxue Street and north of Fuxing East Road, Huangpu District, Shanghai, with a site area of approximately 96,000 square meters, gross floor area of approximately 430,000 square meters, and gross residential saleable area of approximately 228,000 square meters, which is jointly developed by Shanghai Haoxuan, an indirect non-wholly owned subsidiary of the Group, and Xihu Zhongbao. The loan will provide funding support for the development and construction of the project. The provision of the Guarantee by the Group to the Project Company in respect of the loan will be beneficial to support the resumption of the normal development and construction of the project.

The Directors are of the view that the Loan Guarantee Agreement was entered into on normal commercial terms, and its terms and conditions are fair and reasonable, and are in the interests of the Company and its shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the Guarantee exceeds 5% but is less than 25%, the transaction under the Guarantee constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

INFORMATION ON THE COMPANY AND THE PARTIES

The Company

The Company is a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the Main Board of the Stock Exchange. With the brand philosophy of “passion for perfection”, the Group is committed to providing wonderful living environment and services for Chinese families through high-quality products and services and integration of high-quality resources. With a focus on its core business of real estate, the Group implements its strategic layout in real estate development, property management, ice & snow operation management, cultural tourism, culture and other business segments. After 20 years of development, the Group has become a leading enterprise in China’s real estate industry, a leading ice & snow industry operator and a leading cultural tourism industry operator and property owner in China, with nationwide leading capabilities in comprehensive urban development and integrated industrial operation.

Sunac Real Estate

Sunac Real Estate is a company incorporated under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of the Company principally engaged in real estate development business.

Project Company

The Project Company is a company incorporated under the laws of the PRC with limited liability and is principally engaged in the development and construction of Shanghai Yalong Project. As at the date of this announcement, the Project Company is indirectly held as to 50% by each of Xinhua Zhongbao (an Independent Third Party) and Shanghai Haoxuan (an indirect non-wholly owned subsidiary of the Company), respectively, and is a joint venture of the Company.

Lender

Shanghai Haolong is a limited partnership incorporated under the laws of the PRC and is mainly engaged in business management and other services. Huarong Capital Management Co., Ltd. (“**Huarong Capital**”) is the executive partner of Shanghai Haolong, and China Huarong Asset Management Co., Ltd. (“**China Huarong**”) is the limited partner. Huarong Capital is a subsidiary of China Huarong (whose shares are listed on the Main Board of the Stock Exchange, Stock Code: 2799).

DEFINITIONS

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

“Board”	the board of Directors of the Company
“Company”	Sunac China Holdings Limited, a 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 (Stock Code: 01918)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Directors”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Guarantee”	the joint liability guarantee provided by Sunac Real Estate to the Project Company pursuant to the Loan Guarantee Agreement for the loan with the principal amount of not more than RMB1,740,000,000, in accordance with the 50% shareholding in the Project Company held by Shanghai Haoxuan, together with corresponding interest, default interest, compound interest, liquidated damages and deferred payment, as well as necessary and reasonable expenses and all other related expenses incurred in realizing the security right and creditor’s rights
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Third Party(ies)”	to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, person(s) not being connected person(s) of the Company under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Agreement”	the loan agreement entered into between the Project Company and Shanghai Haolong on 15 November 2023 in relation to the provision of a loan in an amount not exceeding RMB3,480,000,000 by Shanghai Haolong to the Project Company with a term of not more than 3 years for the development and construction of Shanghai Yalong Project
“Loan Guarantee Agreement”	the loan guarantee agreement entered into between Sunac Real Estate and Shanghai Haolong on 21 November 2023 in relation to the Guarantee
“Project Company”	上海亞龍古城房地產開發有限公司 (Shanghai Yalong Ancient City Real Estate Development Co., Ltd.*), a company incorporated in the PRC with limited liability and is indirectly held as to 50% by each of Xihu Zhongbao and Shanghai Haoxuan (an indirect non-wholly owned subsidiary of the Company), respectively, and is a joint venture of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai Haolong”	Shanghai Haolong Enterprise Management Partnership (Limited Partnership), a limited partnership incorporated under the laws of the PRC
“Shanghai Haoxuan”	上海顯軒企業管理有限公司 (Shanghai Haoxuan Enterprise Management Co., Ltd.*), a company incorporated in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company
“Shanghai Yalong Project”	a real estate development project of the Project Company located at Lot 508-514, the east of Zhaofang Nong, south of Fangbang Middle Road, west of Songxue Street and north of Fuxing East Road, Huangpu District, Shanghai
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Sunac Real Estate”	融創房地產集團有限公司 (Sunac Real Estate Group Co., Ltd.*), a company incorporated under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Xinhu Zhongbao”	新湖中寶股份有限公司 (Xinhu Zhongbao Co., Ltd.*), a company incorporated in the PRC with limited liability, the shares of which are listed on the main board of Shanghai Stock Exchange (Stock Code: 600208)
“%”	per cent

By order of the Board
Sunac China Holdings Limited
SUN Hongbin
Chairman

Hong Kong, 21 November 2023

As at the date of this announcement, the executive Directors of the Company are Mr. SUN Hongbin, Mr. WANG Mengde, Mr. JING Hong, Mr. TIAN Qiang, Mr. HUANG Shuping and Mr. SUN Kevin Zheyi; the non-executive Director of the Company is Mr. LAM Wai Hon; and the independent non-executive Directors of the Company are Mr. POON Chiu Kwok, Mr. ZHU Jia, Mr. MA Lishan and Mr. YUAN Zhigang.

* *For identification purpose only*