

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)

**DISCLOSEABLE AND CONNECTED TRANSACTION
RE-TRANSFER OF 49% EQUITY INTEREST IN HUNAN FULLSUN**

As disclosed in the Previous Publications, the Loan in the principal amount of not more than RMB500 million was provided by Daye Trust to Hunan Fullsun under the Financing Arrangement for financing the future development of the Project and the Financing Arrangement involved, among others, the transfer of 49% equity interest in Hunan Fullsun to Daye Trust by way of security as collateral for the repayment of the Loan.

THE RE-TRANSFER

The Board announces that following the fulfilment of the repayment obligations by Hunan Fullsun in respect of the Loan, all collateral and security given in favour of Daye Trust in relation to the Loan were discharged and released on 9 April 2021 in accordance with terms of the Financing Arrangement, including, among others, the re-transfer of the 49% equity interest in Hunan Fullsun by Daye Trust to Chengrun at nil monetary consideration.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios in respect of the Re-transfer exceeds 5% but all such ratios are less than 25%, the Re-transfer constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

As Daye Trust was immediately before the Re-transfer a connected person of the Company at the subsidiary level and (i) the Board has approved the Re-transfer; and (ii) the independent non-executive Directors have confirmed that the Re-transfer is fair and reasonable, on normal commercial terms and in the interests of the Company and its shareholders as a whole, the Re-transfer constitutes a connected transaction for the Company which is subject to the reporting and announcement requirements, but is exempted from the circular, independent financial advice and independent shareholders' approval requirements under Rule 14A.101 of the Listing Rules.

Reference is made to the circular of Fullsun International Holdings Group Co., Limited (the “**Company**”) dated 27 October 2017 and the announcements of the Company dated 1 December 2017 and 20 December 2018 (the “**2018 Announcement**”) respectively (the “**Previous Publications**”) in relation to, among others, the Financing Arrangement. Capitalised terms used in this announcement shall have the same meanings as defined in the 2018 Announcement.

As disclosed in the Previous Publications, the Loan in the principal amount of not more than RMB500 million was provided by Daye Trust to Hunan Fullsun under the Financing Arrangement for financing the future development of the Project (as defined below) and the Financing Arrangement involved, among others, the transfer of 49% equity interest in Hunan Fullsun to Daye Trust by way of security as collateral for the repayment of the Loan.

THE RE-TRANSFER

The Board announces that following the fulfilment of the repayment obligations by Hunan Fullsun in respect of the Loan, all collateral and security given in favour of Daye Trust in relation to the Loan were discharged and released on 9 April 2021 in accordance with terms of the Financing Arrangement, including, among others, the re-transfer (the “**Re-transfer**”) of the 49% equity interest in Hunan Fullsun by Daye Trust to Chengrun (Fujian) Commercial Management Co., Ltd.* (成潤(福建)商業管理有限公司) (“**Chengrun**”), an indirect wholly-owned subsidiary of the Company, at nil monetary consideration.

Upon and as a result of the Re-transfer, 51% and 49% equity interest in Hunan Fullsun is held by Hunan Fullsun Group Co., Ltd.* (湖南福晟集團有限公司) (“**Hunan Fullsun Group**”), an indirect wholly-owned subsidiary of the Company, and Chengrun respectively.

Information on Hunan Fullsun and the Project

Hunan Fullsun was established in the PRC in 2009 and is principally engaged in property development in Hunan Province, the PRC. Immediately before the Re-transfer, Hunan Fullsun Group and Daye Trust were the registered owners of 51% and 49%, respectively, of the equity interest in Hunan Fullsun. Immediately after the Re-transfer and as at the date of this announcement, Hunan Fullsun Group and Chengrun are the registered owners of 51% and 49%, respectively, of the equity interest in Hunan Fullsun. The registered capital of Hunan Fullsun is RMB400,806,500.

As at the date of this announcement, the principal assets of Hunan Fullsun is the project (the “**Project**”) namely, Qianlong Royal Family, which is a property project located at No. 1 Xinglian Road, Xingang Town, Kaifu District, Changsha City, Hunan Province, the PRC. The Project is planned for development of a residential complex with planned construction area of approximately 169,000 square metres. The Project has been launched for sales since 2016. As at 31 December 2020, the remaining gross floor area available for sale of the Project was approximately 65,000 square metres.

Set out below is the financial information of Hunan Fullsun extracted from its unaudited management accounts for the year ended 31 December 2019 and 2020:

	2019 <i>Approximately</i> <i>RMB'000</i>	2020 <i>Approximately</i> <i>RMB'000</i>
Net profit/(loss) before taxation	116,589	(47,136)
Net profit/(loss) after taxation	74,179	(43,714)

As at 31 December 2020, the unaudited net assets of Hunan Fullsun amounted to approximately RMB450,917,000.

Information on Daye Trust

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, Daye Trust is a company established under the laws of the PRC and its principal business is to provide financial and related services to customers and its business is regulated by the China Banking Regulatory Commission.

Reasons for and benefits of the Re-transfer

The Company is an investment holding company and the Group is principally engaged in the development and sale of residential and commercial properties in the PRC including Hong Kong. Chengrun was established in the PRC and is principally engaged in property investment.

Given that the Re-transfer is essentially the release of the 49% equity interest in Hunan Fullsun which was transferred to Daye Trust as collateral for the repayment of the Loan, the Directors (including the independent non-executive Directors) consider that the Re-Transfer is fair and reasonable, are on normal commercial terms or better but not in the ordinary and usual course of business of the Group and are in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios in respect of the Re-transfer exceeds 5% but all such ratios are less than 25%, the Re-transfer constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

As Daye Trust was a connected person of the Company at the subsidiary level immediately before the Re-transfer and (i) the Board has approved the Re-transfer; and (ii) the independent non-executive Directors have confirmed that the Re-transfer is fair and reasonable, on normal commercial terms and in the interests of the Company and its shareholders as a whole, the Re-transfer constitutes a connected transaction for the Company which is subject to the reporting and announcement requirements, but is exempted from the circular, independent financial advice and independent shareholders' approval requirements under Rule 14A.101 of the Listing Rules.

No Director is considered to have material interest in the Re-transfer and therefore no Director was required to abstain from voting at the Board meeting approving the Re-transfer.

** for identification purpose only*

By Order of the Board
Fullsun International Holdings Group Co., Limited
Pan Haoran
Executive Director and Chief Executive Officer

Hong Kong, 9 April 2021

As at the date of this announcement, the board of directors of the Company comprises three executive directors, namely Mr. Pan Haoran, Mr. Li Jinrong and Mr. Tang Kwok Hung and three independent non-executive directors, namely Mr. Kong Tat Yee, Mr. Wong Chun Hung and Mr. Yau Pak Yue.