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COUNTRY GARDEN HOLDINGS COMPANY LIMITED **碧桂園控股有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2007)

ISSUE OF US\$600,000,000 4.75% SENIOR NOTES DUE 2022

Reference is made to the announcement of the Company dated 18 July 2017 in relation to the Notes Issue.

On 18 July 2017, the Company, the Subsidiary Guarantors and the Subsidiary Guarantor Pledgors entered into the Purchase Agreement with the Initial Purchasers in relation to the issue of US\$600,000,000 4.75% senior notes due 2022.

The estimated net proceeds of the Notes Issue, after deducting the underwriting discount and other estimated expenses payable by the Group in connection with the Notes Issue, will be approximately US\$590.8 million, which the Company intends to use solely for refinancing early redemption of the 2019 Notes and for general working capital purposes.

Approval in-principle has been received for the listing and quotation of the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed in this announcement. Approval in-principle for the listing and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors, their associated companies or the Notes. The Notes will not be designated for trading in the Financial Industry Regulatory Authority Inc.'s PORTAL market.

Reference is made to the announcement of the Company dated 18 July 2017 in relation to the Notes Issue.

The Board is pleased to announce that on 18 July 2017, the Company, the Subsidiary Guarantors and the Subsidiary Guarantor Pledgors entered into the Purchase Agreement with the Initial Purchasers in connection with the issue of US\$600,000,000 4.75% senior notes due 2022.

THE PURCHASE AGREEMENT

Parties to the Purchase Agreement

- (a) the Company as the issuer;
- (b) the Subsidiary Guarantors who will guarantee the Company's obligations under the Notes;
- (c) the Subsidiary Guarantor Pledgors who will pledge the capital stock of other Subsidiary Guarantors held by them to secure the obligations under their respective Subsidiary Guarantees; and
- (d) the Initial Purchasers.

Goldman Sachs (Asia) L.L.C., and Deutsche Bank are the joint global coordinators and Goldman Sachs (Asia) L.L.C., Deutsche Bank, China Silk Road International Capital Limited, Bank of China, HSBC, CICC HK Securities and China Merchants Securities (HK) are the joint lead managers and joint bookrunners of the Notes Issue. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of Goldman Sachs (Asia) L.L.C., Deutsche Bank, China Silk Road International Capital Limited, Bank of China, HSBC, CICC HK Securities and China Merchants Securities (HK) is an independent third party and not a connected person of the Company and its connected persons.

The Notes have not been and will not be registered under the U.S. Securities Act. The Notes will only be offered outside of the United States to non-U.S. persons in compliance with Regulation S under the U.S. Securities Act. The Notes will not be offered to the public in Hong Kong or be placed to any connected persons of the Company.

Principal terms of the Notes

Issuer:	the Company
Aggregated principal amount:	US\$600,000,000
Offer price:	99.451% of the principal amount of the Notes and accrued interest, if any
Settlement date:	25 July 2017
Interest rate:	4.75% per annum, payable semi-annually in arrears on 25 January and 25 July of each year, commencing on 25 January 2018
Maturity:	25 July 2022
Subsidiary Guarantees:	guarantees will be provided by the Subsidiary Guarantors

The Notes are general obligations of the Company and guaranteed by the Subsidiary Guarantors on a senior basis. The Notes are senior in right of payment to any existing and future obligations of the Company expressly subordinated in right of payment to the Notes and rank at least *pari passu* in right of payment with all other unsecured, unsubordinated indebtedness of the Company (subject to any priority rights of such unsubordinated indebtedness pursuant to applicable law). The Notes are also effectively subordinated to (i) the other secured obligations of the Company and the Subsidiary Guarantors, to the extent of the value of the assets (other than the collateral created under the Notes) serving as a security therefor; and (ii) all existing and future obligations of the subsidiaries of the Company other than the Subsidiary Guarantors.

Covenants

The Notes, the Indenture and the guarantees to be provided by the Subsidiary Guarantors will limit the Company's ability and the ability of its restricted subsidiaries to, among other things:

- (a) incur or guarantee additional indebtedness and issue disqualified or preferred stock;
- (b) declare dividends on its capital stock or purchase or redeem capital stock;
- (c) make investments or other specified restricted payments;
- (d) issue or sell capital stock of restricted subsidiaries;
- (e) guarantee indebtedness of restricted subsidiaries;
- (f) sell assets;
- (g) create liens;
- (h) enter into sale and leaseback transactions;
- (i) enter into agreements that restrict the restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- (j) enter into transactions with shareholders or affiliates; and
- (k) effect a consolidation or merger.

Events of default

The events of default under the Notes include, among other things:

- (i) default in the payment of principal;
- (ii) default in the payment of interest;
- (iii) default in the performance or breach of the provisions of certain covenants, the failure by the Company to make or consummate an offer to purchase in the manner described in the Indenture, or the failure by the Company to create, or cause its restricted subsidiaries to create, a first priority lien on the collateral (subject to any permitted liens and the intercreditor agreement) under the Indenture;

- (iv) defaults in the performance or breach of any covenant or agreement in the Indenture or under the Notes (other than a default specified in (i), (ii) or (iii) above);
- (v) there occurs with respect to any indebtedness of the Company or any restricted subsidiary having an outstanding principal amount of US\$20,000,000 or more in the aggregate for all such indebtedness (a) an event of default that has caused the holder of such indebtedness to declare such indebtedness to be due and payable prior to its stated maturity and/or (b) the failure to make a principal payment when due;
- (vi) one or more final judgments or orders for the payment of money are rendered against the Company or any of its restricted subsidiaries and are not paid or discharged;
- (vii) involuntary bankruptcy or insolvency proceedings commenced against the Company or any significant restricted subsidiary;
- (viii) voluntary bankruptcy or insolvency proceedings commenced by the Company or any significant restricted subsidiary;
- (ix) any Subsidiary Guarantor denying or disaffirming its obligations under its guarantee securing the obligations of the Notes or, except as permitted by the Indenture, any such guarantee is determined to be unenforceable or invalid or shall for any reason cease to be in full force and effect;
- (x) default by the Company or any Subsidiary Guarantor Pledgor in the performance of any of its obligations under such relevant security documents or the Indenture, which adversely affects the enforceability, validity, perfection or priority of the applicable lien on the collateral or which adversely affects the condition or value of the collateral, taken as a whole, in any material respect; and
- (xi) the Company or any Subsidiary Guarantor Pledgor denying or disaffirming its obligations under any relevant security document or, other than in accordance with the Indenture and such relevant security documents, any such relevant security document ceasing to be or is not in full force and effect or the intercreditor/collateral agent or the trustee, as the case may be, ceasing to have a first priority security interest in the collateral given under the Notes (subject to any permitted liens and the intercreditor agreement).

Redemption

At any time and from time to time on or after 25 July 2020, the Company may redeem the Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest to (but not including) the redemption date if redeemed during the twelve months period beginning on 25 July of each of the years indicated below:

Period	Redemption price
2020	102.375%
2021	101.188%

At any time prior to 25 July 2020, the Company may at its option redeem the Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Notes redeemed plus the applicable premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date. The Company will give not less than 30 days' nor more than 60 days' notice of any redemption.

At any time and from time to time prior to 25 July 2020, the Company may redeem up to 35% of the aggregate principal amount of the Notes with the proceeds from sales of certain kinds of the Company's capital stock at a redemption price of 104.75% of the principal amount of the Notes redeemed, plus accrued and unpaid interest, if any, to (but not including) the redemption date, provided that at least 65% of the aggregate principal amount of the Notes originally issued remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related sale of the Company's capital stock and subject to certain conditions.

Proposed use of proceeds

The estimated net proceeds of the Notes Issue, after deducting the underwriting discount and other estimated expenses payable by the Group in connection with the Notes Issue, will be approximately US\$590.8 million, which the Company intends to use solely for refinancing early redemption of the 2019 Notes and for general working capital purposes.

Listing

Approval in-principle has been received for the listing and quotation of the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed in this announcement. Approval in-principle for the listing and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors, their associated companies or the Notes.

The Notes will not be designated for trading in the Financial Industry Regulatory Authority Inc.'s PORTAL market.

Ratings

The Notes have been provisionally rated Ba1 by Moody's and BB+ by Fitch.

ABOUT COUNTRY GARDEN

The Group is one of the leading integrated property developers in the PRC, with substantially all of the Group's assets and operations based in the PRC. The Group's primary business is the development of large-scale residential community projects and the sale of various types of properties, including townhouses, apartment buildings, parking spaces and retail shops. As an integrated property developer, the Group's lines of business also include construction, installation, fitting and decoration as well as property management. Ancillary to the Group's projects, the Group also develops and manages hotels within some of the Group's projects to enhance their potential for value appreciation. The residential home projects of the Group are generally located in the suburban areas of first-tier cities, and in the newly urbanised town centres of second- and third-tier cities in the PRC. The Group has expanded its operations into Malaysia and Australia in December 2011 and October 2013, respectively. During the first quarter of 2017, the Group started construction of its first project in Indonesia.

DEFINITIONS

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

“2019 Notes”	the 7.875% senior notes due 2019 issued on 27 May 2014 in the aggregate principal amount of US\$550,000,000;
“Bank of China”	Bank of China (Hong Kong) Limited and BOCI Asia Limited;
“Board”	the board of Directors;
“China Merchants Securities (HK)”	China Merchants Securities (HK) Co., Limited;
“CICC HK Securities”	China International Capital Corporation Hong Kong Securities Limited;
“Company”	Country Garden Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 2007);
“connected person”	has the meaning ascribed to it under the Listing Rules;
“Deutsche Bank”	Deutsche Bank AG, Hong Kong Branch;
“Directors”	the directors of the Company;
“Fitch”	Fitch Ratings Inc. and its successors;
“Group” or “Country Garden”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“HSBC”	The Hongkong and Shanghai Banking Corporation Limited;
“Indenture”	the indenture to govern the Notes;
“Initial Purchasers”	Goldman Sachs (Asia) L.L.C., Deutsche Bank, China Silk Road International Capital Limited, Bank of China, HSBC, CICC HK Securities and China Merchants Securities (HK);

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Moody’s”	Moody’s Investors Service, Inc. and its successors;
“Notes”	the US\$600,000,000 4.75% senior notes due 2022 to be issued by the Company;
“Notes Issue”	the issue of the Notes by the Company;
“PRC”	the People’s Republic of China, excluding Hong Kong, Macau Special Administrative Region and Taiwan for the purpose of this announcement;
“Purchase Agreement”	the agreement dated 18 July 2017 entered into between, among others, the Company, the Subsidiary Guarantors, the Subsidiary Guarantor Pledgors and the Initial Purchasers in relation to the Notes Issue;
“SGX-ST”	Singapore Exchange Securities Trading Limited;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary Guarantees”	guarantees to be provided by the Subsidiary Guarantors;
“Subsidiary Guarantors”	certain existing subsidiaries of the Group providing guarantees for the Notes;
“Subsidiary Guarantor Pledgors”	each a Subsidiary Guarantor that will pledge the capital stock of other Subsidiary Guarantors held by it to secure the obligations of such Subsidiary Guarantor under its Subsidiary Guarantee;
“US\$”	United States dollar, the lawful currency of the United States of America;
“U.S. Securities Act”	the United States Securities Act of 1933, as amended; and
“%”	per cent.

By order of the Board
Country Garden Holdings Company Limited
MO Bin
President and Executive Director

Foshan, Guangdong Province, the PRC, 19 July 2017

As of the date of this announcement, the executive Directors are Mr. YEUNG Kwok Keung (Chairman), Ms. YANG Huiyan (Vice Chairman), Mr. MO Bin (President), Ms. YANG Ziyang, Mr. YANG Zhicheng, Mr. XIE Shutai, Mr. SONG Jun, Mr. LIANG Guokun and Mr. SU Baiyuan. The non-executive Director is Mr. CHEN Chong. The independent non-executive Directors are Mr. LAI Ming, Joseph, Mr. SHEK Lai Him, Abraham, Mr. TONG Wui Tung, Mr. HUANG Hongyan, Mr. MEI Wenjue and Mr. YEUNG Kwok On.