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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\$650,000,000 4.75% SENIOR NOTES DUE 2023**

Reference is made to the announcement of the Company dated 20 September 2016 in relation to the Notes Issue.

On 20 September 2016, 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\$650,000,000 4.75% senior notes due 2023.

The estimated net proceeds of the Notes Issue, after deduction of underwriting discount and other estimated expenses in connection with the Notes Issue, will amount to approximately US\$633.3 million, which the Company intends to use for refinancing certain of the Group's existing indebtedness 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 statements made or opinions expressed in this announcement. 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, the Company's 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 20 September 2016 in respect of the Notes Issue.

The Board is pleased to announce that on 20 September 2016, 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\$650,000,000 4.75% senior notes due 2023.

## **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 and J.P. Morgan are the joint global coordinators and BNP Paribas, BOC International, Goldman Sachs, HSBC and J.P. Morgan 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 BNP Paribas, BOC International, Goldman Sachs, HSBC and J.P. Morgan 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\$650,000,000
Offer price:	98.539% of the principal amount of the Notes and accrued interest, if any
Settlement date:	28 September 2016
Interest rate:	4.75% per annum, payable semi-annually in arrears on 28 March and 28 September of each year, commencing on 28 March, 2017

Maturity: 28 September 2023

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 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 defaults under the Notes include, among other things:

- (i) default in the payment of principal;
- (ii) default in the payment of interest;
- (iii) defaults in the performance of or breaches of any other covenant or agreement in the Indenture or under the Notes;
- (iv) 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;
- (v) 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;
- (vi) involuntary bankruptcy or insolvency proceedings against the Company or any restricted subsidiary;
- (vii) voluntary bankruptcy or insolvency proceedings commenced by the Company or any restricted subsidiary; and
- (viii) default by the Company or any Subsidiary Guarantor Pledgor in the performance of any of its obligations under the security provided in relation to the Notes.

## Redemption

At any time and from time to time on or after 28 September 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 month period beginning on 28 September of each of the years indicated below:

<b>Period</b>	<b>Redemption price</b>
2020	102.3750%
2021	101.1875%
2022 and thereafter	100.0000%

At any time prior to 28 September 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 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 28 September 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, 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 deduction of underwriting discount and other estimated expenses in connection with the Notes Issue, will amount to approximately US\$633.3 million, which the Company intends to use for refinancing certain of the Group's existing indebtedness 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 statements made or opinions expressed in this announcement. 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, the Company's 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 received a rating of Ba1 by Moody's Investors Services and BB+ by Fitch Ratings.

## **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 suburban areas of first-tier cities, and in the newly urbanized town centers of second- and third-tier cities in the PRC. The Group has expanded its operations into Malaysia and Australia in 2011 and 2013, respectively.

## DEFINITIONS

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

“BNP Paribas”	BNP Paribas;
“BOC International”	BOCI Asia Limited;
“Board”	the board of Directors;
“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;
“Directors”	the directors of the Company;
“Goldman Sachs”	Goldman Sachs (Asia) L.L.C.;
“Group/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”	BNP Paribas, BOC International, Goldman Sachs, HSBC and J.P. Morgan;
“J.P. Morgan”	J.P. Morgan Securities plc;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Notes”	the US\$650,000,000 4.75% senior notes due 2023 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 20 September 2016 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**  
**WU Jianbin**  
*Executive Director*

Foshan, Guangdong Province, the PRC, 21 September 2016

*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), Mr. ZHU Rongbin (Associate President), Mr. WU Jianbin (Chief Financial Officer), Ms. YANG Ziying, Mr. SU Rubo, Mr. OU Xueming, Mr. YANG Zhicheng, Mr. XIE Shutai, Mr. SONG Jun, Mr. LIANG Guokun and Mr. SU Baiyuan. The independent non-executive Directors are Mr. LAI Ming, Joseph, Mr. SHEK Lai Him, Abraham, Mr. TONG Wui Tung, Ronald, Mr. HUANG Hongyan, Ms. HUANG Xiao, Mr. MEI Wenjue and Mr. YEUNG Kwok On.*