

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.

This announcement is for information only and is not an offer to sell or the solicitation of an offer to buy securities and neither this announcement nor anything herein forms the basis for any contract or commitment whatsoever. This announcement is not an offer of securities for sale in the United States or to any U.S. person. Neither this announcement nor any copy hereof may be taken into or distributed in the United States or to any U.S. person. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, any U.S. person absent registration or an exemption from registration. Any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from the Company and will contain detailed information about the Company and management, as well as financial statements. The Company does not intend to register any of the securities in the United States.

The communication of this announcement and any other document or materials relating to the issue of the Notes offered hereby is not being made, and such documents and/or materials have not been approved, by an authorized person for the purposes of section 21 of the United Kingdom's Financial Services and Markets Act 2000, as amended. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those persons in the United Kingdom who have professional experience in matters relating to investments and who fall within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Financial Promotion Order")), or who fall within Article 49(2)(a) to (d) of the Financial Promotion Order, or who are any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order (all such persons together being referred to as "Relevant Persons"). In the United Kingdom, the Notes offered hereby are only available to, and any investment or investment activity to which this announcement relates will be engaged in only with, Relevant Persons. Any person in the United Kingdom that is not a Relevant Person should not act or rely on this announcement or any of its contents.



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)

**(1) ISSUE OF US\$550 MILLION 7.125% SENIOR NOTES DUE 2022
AND
(2) ISSUE OF ADDITIONAL US\$450 MILLION 8.000%
SENIOR NOTES DUE 2024**

Reference are made to the announcements of the Company dated 20 September 2018 and 17 January 2019 in respect of the Original Notes and the proposed Notes Issue, respectively.

On 17 January 2019, the Company, the Subsidiary Guarantors and the Subsidiary Guarantor Pledgors entered into the Purchase Agreements with the Initial Purchasers in connection with the Notes Issues.

The Company intends to use the net proceeds of the Notes Issues mainly for refinancing existing offshore indebtedness.

No PRIIPs key information document (KID) has been prepared as the Notes are not available to retail investors in the EEA.

Applications have been made 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, any other subsidiary or associated company of the Company, the Notes or the Subsidiary Guarantees.

Reference are made to the announcements of the Company dated 20 September 2018 and 17 January 2019 in respect of the Original Notes and the proposed Notes Issue, respectively.

The Board is pleased to announce that on 17 January 2019, the Company, the Subsidiary Guarantors and the Subsidiary Guarantor Pledgors entered into the Purchase Agreements with the Initial Purchasers in connection with the Notes Issues.

Details of the Purchase Agreements and the Notes Issues are set forth below.

NEW NOTES PURCHASE AGREEMENT

Date

17 January 2019

Parties to the New Notes Purchase Agreement

- (a) the Company as the issuer;
- (b) the Subsidiary Guarantors who will guarantee the Company's obligations under the New 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.

UBS and Goldman Sachs are the joint global coordinators, and together with HSBC and J.P. Morgan, the joint lead managers and joint bookrunners in respect of the offer and sale of the New Notes. They are also the Initial Purchasers of the New Notes. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of UBS, 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 New Notes have not been and will not be registered under the U.S. Securities Act. The New Notes will only be offered outside of the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act. The New Notes will not be offered to the public in Hong Kong.

No PRIIPs key information document (KID) has been prepared as the New Notes are not available to retail investors in the EEA.

Principal terms of the New Notes

New Notes Offered

Subject to certain conditions to completion, the Company will issue the New Notes in the aggregate principal amount of US\$550 million which will mature on 25 April 2022, unless earlier redeemed pursuant to the terms thereof.

Offering Price

The offering price of the New Notes will be 100% of the principal amount thereof.

Interest

The New Notes will bear interest from and including 25 January 2019 at the rate of 7.125% per annum, payable semi-annually in arrears on 25 January and 25 July of each year, commencing 25 July 2019 (provided that the final scheduled interest payment date will be on 25 April 2022).

Ranking of the New Notes

The New Notes are general obligations of the Company and guaranteed by the Subsidiary Guarantors on a senior basis. The New Notes are senior in right of payment to any existing and future obligations of the Company expressly subordinated in right of payment to the New 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 New 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 New 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 New Notes, the Indentures 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 New 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 Indentures, 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 Indentures;
- (iv) defaults in the performance or breach of any covenant or agreement in the Indentures or under the New 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 New Notes or, except as permitted by the Indentures, 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 Indentures, 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 Indentures 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 New Notes (subject to any permitted liens and the intercreditor agreement).

Optional Redemption

The New Notes may be redeemed in the following circumstances:

- (1) At any time and from time to time on or after 25 January 2021, the Company may redeem the New Notes, in whole or in part, at a redemption price equal to 103.5625% of the principal amount plus accrued and unpaid interest to (but not including) the redemption date.
- (2) At any time prior to 25 January 2021, the Company may at its option redeem the New Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the New 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.

- (3) At any time and from time to time prior to 25 January 2021, the Company may redeem up to 35% of the aggregate principal amount of the New Notes with the proceeds from sales of certain kinds of the Company's capital stock at a redemption price of 107.125% of the principal amount of the New 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 New 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.

ADDITIONAL NOTES PURCHASE AGREEMENT

Date

17 January 2019

Parties to the Additional Notes Purchase Agreement

- (a) the Company as the issuer;
- (b) the Subsidiary Guarantors who will guarantee the Company's obligations under the Additional 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.

UBS and Goldman Sachs are the joint global coordinators, and together with HSBC and J.P. Morgan, the joint lead managers and joint bookrunners in respect of the offer and sale of the Additional Notes. They are also the Initial Purchasers of the Additional Notes. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of UBS, 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 Additional Notes have not been and will not be registered under the U.S. Securities Act. The Additional Notes will only be offered outside of the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act. The Additional Notes will not be offered to the public in Hong Kong.

No PRIIPs key information document (KID) has been prepared as the Additional Notes are not available to retail investors in the EEA.

Principal terms of the Additional Notes

Additional Notes Offered

Subject to certain conditions to completion, the Company will issue the Additional Notes in the aggregate principal amount of US\$450 million which will mature on 27 January 2024, unless earlier redeemed pursuant to the terms thereof.

Offering Price

The offering price of the Additional Notes will be 98.985% of the principal amount of the Additional Notes plus accrued interest from (and including) 27 September 2018 to (but excluding) 25 January 2019.

Interest

The Additional Notes will bear interest from and including 27 September 2018 at the rate of 8.000% per annum, payable semi-annually in arrears on 27 March and 27 September of each year, commencing 27 March 2019 (provided that the final interest payment date will be on 27 January 2024).

PROPOSED USE OF PROCEEDS OF THE NEW NOTES ISSUE AND THE ADDITIONAL NOTES ISSUE

The Company intends to use the net proceeds of the Notes Issues mainly for refinancing existing offshore indebtedness.

LISTING

Applications have been made 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, any other subsidiary or associated company of the Company, the Notes or the Subsidiary Guarantees.

ABOUT COUNTRY GARDEN

The Group is PRC's leading largest residential property developer focusing on urbanization. The Group runs a centralized and standardized business model that comprises property development, construction, decoration, property investment, as well as hotel development and management. Country Garden offers a broad range of products to cater for diverse market demands. Its various products include residential projects such as townhouses, condos, as well as car-parks and retail shops. The Group also develops and manages hotels within some of its projects to enhance the potential for property value appreciation. The Group operates independent hotels as well.

DEFINITIONS

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

“Additional Notes”	the additional 8.000% senior notes due 2024 in the aggregate principal amount of US\$450 million to be issued by the Company (to be consolidated and form a single series with the Original Notes)
“Additional Notes Issue”	the issue of Additional Notes by the Company
“Additional Notes Purchase Agreement”	the agreement dated 17 January 2019 between, among others, the Company and the Initial Purchasers, in relation to the Additional Notes Issue
“Board”	the board of Directors
“Company”	Country Garden Holdings Company Limited, an exempted 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
“EEA”	European Economic Area
“Goldman Sachs”	Goldman Sachs (Asia) L.L.C.
“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
“Indentures”	the indentures to govern the New Notes
“Initial Purchasers”	UBS, 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

“New Notes”	the 7.125% senior notes due 2022 in the aggregate principal amount of US\$550 million to be issued by the Company
“New Notes Issue”	the issue of the New Notes by the Company
“New Notes Purchase Agreement”	the agreement dated 17 January 2019 entered into between, among others, the Company and the Initial Purchasers, in relation to the New Notes Issue
“Notes”	the Additional Notes and the New Notes
“Notes Issues”	the Additional Notes Issue and the New Notes Issue
“Original Notes”	the US\$550 million 8.000% senior notes due 2024 issued by the Company on 27 September 2018
“PRC”	the People’s Republic of China, excluding Hong Kong, Macau Special Administrative Region and Taiwan for the purpose of this announcement
“PRIIPs”	Packaged retail and insurance-based investment products (2002/92/EC)
“Purchase Agreements”	the Additional Notes Purchase Agreement and the New Notes Purchase Agreement
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary Guarantee(s)”	guarantee(s) to be provided by the Subsidiary Guarantors
“Subsidiary Guarantor(s)”	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
“UBS”	UBS AG Hong Kong Branch
“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

“%”

per cent.

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

Foshan, Guangdong Province, the PRC, 18 January 2019

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