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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\$500,000,000 4.2% SENIOR NOTES DUE 2026  
AND US\$500,000,000 4.8% SENIOR NOTES DUE 2030**

## **THE NOTES ISSUE**

Reference is made to the announcement of the Company dated 28 July 2020 in relation to the proposed Notes Issue.

On 28 July 2020, the Company, the Subsidiary Guarantors and the Subsidiary Guarantor Pledgors entered into the Purchase Agreement with the Initial Purchasers in connection with the Notes Issue in the aggregate of:

- (a) US\$500,000,000 4.2% of the 2026 Notes; and
- (b) US\$500,000,000 4.8% of the 2030 Notes.

The Company intends to use the net proceeds of the Notes Issue for refinancing existing medium to long term offshore indebtedness, which will become due within one year.

Application will be made by the Company 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 is made to the announcement of the Company dated 28 July 2020 in relation to the proposed Notes Issue.

The Board is pleased to announce that on 28 July 2020, the Company, the Subsidiary Guarantors and the Subsidiary Guarantor Pledgors entered into the Purchase Agreement with the Initial Purchasers in connection with the Notes Issue.

## **THE NOTES ISSUE**

### **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.

Morgan Stanley, J.P. Morgan, Goldman Sachs (Asia) L.L.C., UBS, Standard Chartered Bank and CLSA are joint global coordinators, joint lead managers and joint bookrunners in respect of the Notes Issue. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of Morgan Stanley, J.P. Morgan, Goldman Sachs (Asia) L.L.C., UBS, Standard Chartered Bank and CLSA is a third party independent 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 in offshore transactions in compliance with Regulation S under the U.S. Securities Act. The Notes will not be offered to the public in Hong Kong.

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

## **Principal terms of the Notes**

### ***Offering Price***

The offering price of each series of the Notes is set out as follows:

- (a) 100% of the principal amount with respect to the 2026 Notes; and
- (b) 100% of the principal amount with respect to the 2030 Notes.

### ***Interest and Interest Payment Dates***

The 2026 Notes will bear interest from and including 6 August 2020 at the rate of 4.2% per annum, payable semi-annually in arrears on 6 February and 6 August each year, beginning on 6 February 2021. The 2030 Notes will bear interest from and including 6 August 2020 at the rate of 4.8% per annum, payable semi-annually in arrears on 6 February and 6 August each year, beginning on 6 February 2021.

### ***Ranking of the Notes***

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 Indentures and the Subsidiary Guarantees 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 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 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 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 Notes (subject to any permitted liens and the intercreditor agreement).

### ***Optional Redemption***

#### *2026 Notes*

At any time and from time to time on or after 6 February 2024, the Company may redeem the 2026 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 6 February of each of the years indicated below:

<b>Period</b>	<b>Redemption price</b>
2024	102.1%
2025 and thereafter	101.05%

At any time prior to 6 February 2024, the Company may at its option redeem the 2026 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2026 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 6 February 2024, the Company may redeem up to 35% of the aggregate principal amount of the 2026 Notes with the proceeds from sales of certain kinds of the Company's capital stock at a redemption price of 104.2% of the principal amount of the 2026 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 2026 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.

### *2030 Notes*

At any time and from time to time on or after 6 August 2025, the Company may redeem the 2030 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 6 August of each of the years indicated below:

<b>Period</b>	<b>Redemption price</b>
2025	102.4%
2026	101.2%
2027	100.6%
2028 and thereafter	100%

At any time prior to 6 August 2025, the Company may at its option redeem the 2030 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2030 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 6 August 2025, the Company may redeem up to 35% of the aggregate principal amount of the 2030 Notes with the proceeds from sales of certain kinds of the Company's capital stock at a redemption price of 104.8% of the principal amount of the 2030 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 2030 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 Company intends to use the net proceeds of the Notes Issue for refinancing existing medium to long term offshore indebtedness, which will become due within one year.

## **Listing**

Application will be made by the Company 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 Company is one of the PRC's largest residential property developers that capitalizes on urbanization. With centralized management and standardization, the Group runs the businesses of property development, construction, interior decoration, property investment, and the development and management of hotels. The Group offers a broad range of products to cater for diverse demands, namely residential projects such as townhouses, condominiums, car parks and retail shop spaces. The Group also develops and manages hotels at some of its property projects with the aim of enhancing the properties' marketability. The Group's other businesses are robotics and modern agriculture.

## **DEFINITIONS**

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

“2026 Notes”	the US\$500,000,000 4.2% senior notes due 2026 to be issued by the Company
“2030 Notes”	the US\$500,000,000 4.8% senior notes due 2030 to be issued by the Company
“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“CLSA”	CLSA Limited
“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 (Asia) L.L.C.”	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
“Indentures”	the indentures to govern each of the Notes
“Initial Purchasers”	Morgan Stanley, J.P. Morgan, Goldman Sachs (Asia) L.L.C., UBS, Standard Chartered Bank and CLSA
“J.P. Morgan”	J.P. Morgan Securities plc
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Morgan Stanley”	Morgan Stanley & Co. International plc
“Notes”	the 2026 Notes and the 2030 Notes
“Notes Issue”	the issue of the Notes by the Company
“PRC”	the People’s Republic of China, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan for the purpose of this announcement
“PRIIPs”	Packaged retail and insurance-based investment products (2002/92/EC)
“Purchase Agreement”	the agreement dated 28 July 2020 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
“Standard Chartered Bank”	Standard Chartered Bank
“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 (UBS AG is incorporated in Switzerland with limited liability)
“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, 29 July 2020

*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 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. TO Yau Kwok.*