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POWERLONG

宝龙

POWERLONG REAL ESTATE HOLDINGS LIMITED

寶龍地產控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1238)

**PROPOSED ADDITIONAL ISSUE OF SENIOR NOTES DUE 2020 (TO
BE CONSOLIDATED AND FORM A SINGLE SERIES WITH THE
US\$300,000,000 5.95% SENIOR NOTES DUE 2020)**

Reference is made to the Announcements in respect of the Existing Notes.

The Company proposes to conduct a further international offering of US\$-denominated senior notes on the same terms and conditions as the Existing Notes, save for the issue date and the offer price.

Details of the Proposed New Notes Issue, including the aggregate principal amount and the offer price for the New Notes, will be determined through a book building exercise to be conducted by Bank of America Merrill Lynch, Credit Suisse, Guotai Junan International, HSBC and UBS, the joint lead managers and the joint bookrunners of the Proposed New Notes Issue. Upon finalising the terms of the New Notes, it is expected that Bank of America Merrill Lynch, Credit Suisse, Guotai Junan International, HSBC, UBS, the Company, the Subsidiary Guarantors and the JV Subsidiary Guarantors will enter into the Purchase Agreement.

The Company intends to use the proceeds of the New Notes mainly to refinance existing indebtedness.

The Existing Notes are listed on the SGX-ST. Application will be made for the listing and quotation of the New Notes on the SGX-ST. Approval in-principle for the listing and quotation of any New Notes on the SGX-ST is not to be taken as an indication of the merits of the Company or the New Notes. SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed in this announcement. No listing of the New Notes has been sought in Hong Kong.

As no binding agreement in relation to the Proposed New Notes Issue has been entered into as at the date of this announcement, the Proposed New Notes Issue may or may not materialise. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company.

A further announcement in respect of the Proposed New Notes Issue will be made by the Company should the Purchase Agreement be signed.

THE PROPOSED NEW NOTES ISSUE

Introduction

Reference is made to the Announcements in respect of the Existing Notes.

The Company proposes to conduct a further international offering of US\$-denominated senior notes on the same terms and conditions as the Existing Notes, save for the issue date and the offer price.

Details of the Proposed New Notes Issue, including the aggregate principal amount and the offer price for the New Notes, will be determined through a book building exercise to be conducted by Bank of America Merrill Lynch, Credit Suisse, Guotai Junan International, HSBC and UBS, as the joint managers and the joint bookrunners of the Proposed New Notes Issue. Bank of America Merrill Lynch, Credit Suisse, Guotai Junan International, HSBC and UBS are each an independent third party and not a connected person of the Company.

The completion of the Proposed New Notes Issue is subject to market conditions and investors' interest. Upon finalising the terms of the New Notes, it is expected that Bank of America Merrill Lynch, Credit Suisse, Guotai Junan International, HSBC, UBS, the Company, the Subsidiary Guarantors and the JV Subsidiary Guarantors will enter into the Purchase Agreement. The Company will make a further announcement in respect of the Proposed New Notes Issue upon the signing of the Purchase Agreement.

The New Notes have not been, and will not be registered, under the Securities Act or any state securities laws and, unless so registered, may not be offered or sold within the United States and may only be offered, sold or delivered outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. Accordingly, the New Notes are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S. None of the New Notes will be offered to the public in Hong Kong.

Reasons for the Proposed New Notes Issue

The Company intends to use the proceeds of the New Notes mainly to refinance existing indebtedness.

Listing

The Existing Notes are listed on the SGX-ST. Application will be made for the listing and quotation of the New Notes on the SGX-ST. Approval in-principle for the listing and quotation of any New Notes on the SGX-ST is not to be taken as an indication of the merits of the Company or the New Notes. SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed in this announcement. No listing of the New Notes has been sought in Hong Kong.

GENERAL

As no binding agreement in relation to the Proposed New Notes Issue has been entered into as at the date of this announcement, the Proposed New Notes Issue may or may not materialise. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company.

A further announcement in respect of the Proposed New Notes Issue will be made by the Company should the Purchase Agreement be signed.

DEFINITIONS

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

“Announcements”	the announcements of the Company dated 12 July 2017, 13 July 2017 and 28 July 2017 in respect of the issue of the Existing Notes
“Bank of America Merrill Lynch”	Merrill Lynch (Asia Pacific) Limited
“Board”	the board of Directors
“China” or “PRC”	the People’s Republic of China, excluding Hong Kong, Macao Special Administrative Region of the People’s Republic of China and Taiwan for the purpose of this announcement
“Company”	Powerlong Real Estate Holdings 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
“connected person”	has the meaning ascribed to it under the Listing Rules
“Credit Suisse”	Credit Suisse (Hong Kong) Limited
“Directors”	the directors of the Company
“Existing Notes”	US\$300 million 5.95% senior notes due 2020 issued by the Company on 19 July 2017 and 2 August 2017
“Group”, “we”, “our” and “us”	the Company and its subsidiaries
“Guotai Junan International”	Guotai Junan Securities (Hong Kong) Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HSBC”	The Hongkong and Shanghai Banking Corporation Limited
“JV Subsidiary Guarantees”	limited recourse guarantees given by the JV Subsidiary Guarantors on the New Notes
“JV Subsidiary Guarantors”	Subsidiary Guarantors that provide JV Subsidiary Guarantees
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“New Notes”	the US\$-denominated 5.95% senior notes due 2020 to be issued by the Company subject to the terms and conditions of the Purchase Agreement (to be consolidated and form a single series with the Existing Notes)
“Proposed New Notes Issue”	the proposed issue of the New Notes by the Company
“Purchase Agreement”	the purchase agreement proposed to be entered into among the Company, the Subsidiary Guarantors, the JV Subsidiary Guarantors, Bank of America Merrill Lynch, Credit Suisse, Guotai Junan International, HSBC and UBS in relation to the Proposed New Notes Issue
“Securities Act”	the United States Securities Act of 1933, as amended
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary Guarantors”	the subsidiaries of the Company which guarantee the New Notes
“UBS”	UBS AG Hong Kong Branch
“United States”	the United States of America
“US\$”	United States dollar(s)
“%”	per cent.

By Order of the Board
Powerlong Real Estate Holdings Limited
Hoi Kin Hong
Chairman

Hong Kong, 8 August 2018

As at the date of this announcement, the executive Directors are Mr. Hoi Kin Hong, Mr. Hoi Wa Fong, Mr. Xiao Qing Ping, Ms. Shih Sze Ni and Mr. Zhang Hong Feng; the non-executive Director is Ms. Hoi Wa Fan; and the independent non-executive Directors are Dr. Ngai Wai Fung, Dr. Mei Jian Ping and Dr. Ding Zu Yu.