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SHIMAO PROPERTY HOLDINGS LIMITED

世茂房地產控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 813)

**ISSUE OF ADDITIONAL US\$400,000,000 SENIOR NOTES DUE 2022
(TO BE CONSOLIDATED AND FORM A SINGLE SERIES WITH THE
US\$600,000,000 4.75% SENIOR NOTES DUE 2022 ISSUED ON 3 JULY 2017)**

On 4 December 2017, the Company and the Subsidiary Guarantors entered into the Purchase Agreement with China International Capital Corporation, HSBC, Morgan Stanley, CMB International, Deutsche Bank, Standard Chartered Bank and SPDB International.

Subject to certain conditions to completion, the Company will issue the Additional Notes in the principal amount of US\$400 million, to be consolidated and form a single series with the Original Notes.

The offering price of the Additional Notes will be 99.491204% of the principal amount of the Additional Notes plus accrued interest from and including 3 July 2017 to (but excluding) 11 December 2017.

The estimated net proceeds from the issue of the Additional Notes, including accrued interest from and including 3 July 2017 to (but excluding) 11 December 2017, after deducting estimated expenses payable in connection with the issue of the Additional Notes, will be approximately US\$402 million.

The Company intends to use the net proceeds of the issue of the Additional Notes outside the PRC to refinance the Group's certain existing indebtedness and for business development and other general corporate purposes. The Company may adjust the foregoing plans in response to changing market conditions and thus, reallocate the use of proceeds.

The Original Notes are listed on the SGX-ST. The Company will procure that the Additional Notes will also be listed on the SGX-ST upon issue. Approval in-principle has been received for the listing and quotation of the Additional Notes on the official list of the SGX-ST.

No listing of the Additional Notes will be sought in Hong Kong.

Introduction

Reference is made to the announcement (the “**Announcement**”) of the Company dated 4 December 2017 in relation to the proposed issue of the Additional Notes. Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

The Purchase Agreement

On 4 December 2017, the Company and the Subsidiary Guarantors entered into the Purchase Agreement with China International Capital Corporation, HSBC, Morgan Stanley, CMB International, Deutsche Bank, Standard Chartered Bank and SPDB International.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of China International Capital Corporation, HSBC, Morgan Stanley, CMB International, Deutsche Bank, Standard Chartered Bank and SPDB International is an independent third party and not a connected person of the Company.

Principal terms of the Additional Notes

The principal terms of the Additional Notes are identical to the terms of the Original Notes, other than the date of the first interest payment, certain temporary securities law transfer restrictions and the following:

Notes Offered

Subject to certain conditions to completion, the Company will issue the Additional Notes in the principal amount of US\$400 million, to be consolidated and form a single series with the Original Notes. The Additional Notes will mature on 3 July 2022, unless earlier redeemed in accordance with the terms thereof.

Offering Price

The offering price of the Additional Notes will be 99.491204% of the principal amount of the Additional Notes plus accrued interest from and including 3 July 2017 to (but excluding) 11 December 2017.

The Additional Notes will only be offered or sold in offshore transactions to non-U.S. persons in accordance with Regulation S under the Securities Act, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. None of the Additional Notes will be offered to the public in Hong Kong.

Reasons for the issue of the Additional Notes

The estimated net proceeds from the issue of the Additional Notes, including accrued interest from and including 3 July 2017 to (but excluding) 11 December 2017, after deducting estimated expenses payable in connection with the issue of the Additional Notes, will be approximately US\$402 million.

The Company intends to use the net proceeds of the issue of the Additional Notes outside the PRC to refinance the Group's certain existing indebtedness and for business development and other general corporate purposes. The Company may adjust the foregoing plans in response to changing market conditions and thus, reallocate the use of proceeds.

Listing

The Original Notes are listed on the SGX-ST. The Company will procure that the Additional Notes will also be listed on the SGX-ST upon issue. Approval in-principle has been received for the listing and quotation of the Additional Notes on the official list of the SGX-ST.

Approval in-principle for the listing and quotation of the Additional Notes on the SGX-ST are not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors or the Additional Notes.

No listing of the Additional Notes will be sought in Hong Kong.

On behalf of the Board
Shimao Property Holdings Limited
Hui Wing Mau
Chairman

Hong Kong, 5 December 2017

As at the date of this announcement, the Board comprises four Executive Directors, namely, Mr. Hui Wing Mau (Chairman), Mr. Hui Sai Tan, Jason (Vice Chairman), Ms. Tang Fei and Mr. Liao Lujiang; one Non-executive Director, namely, Mr. Liu Sai Fei; and three Independent Non-executive Directors, namely, Ms. Kan Lai Kuen, Alice, Mr. Lu Hong Bing and Mr. Lam Ching Kam.