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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)

**ISSUANCE OF ADDITIONAL US\$250,000,000 5.95% 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.

On 8 August 2018, the Company, the Subsidiary Guarantors and the JV Subsidiary Guarantors entered into the Purchase Agreement with Bank of America Merrill Lynch, Credit Suisse, Guotai Junan International, HSBC and UBS in connection with the New Notes Issue.

The estimated net proceeds of the New Notes Issue, after deduction of the underwriting discounts and commissions and other estimated expenses payable in connection with the offer of the New Notes, will amount to approximately US\$234,500,000 and the Company intends to use the net proceeds mainly to refinance existing indebtedness.

The Existing Notes are listed on the SGX-ST. Application has been made for the listing and quotation of the New Notes on the SGX-ST. Approval in-principle for the listing and quotation of the 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.

THE PURCHASE AGREEMENT

Date: 8 August 2018

Parties to the Purchase Agreement

- (a) the Company as the issuer;
- (b) the Subsidiary Guarantors;
- (c) the JV Subsidiary Guarantors;
- (d) Bank of America Merrill Lynch;
- (e) Credit Suisse;
- (f) Guotai Junan International;
- (g) HSBC; and
- (h) UBS.

Bank of America Merrill Lynch, Credit Suisse, Guotai Junan International, HSBC and UBS are 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 enquiry, 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 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 and none of the New Notes will be placed with any connected persons of the Company.

Principal terms of the New Notes

The principal terms of the New Notes are the same as the terms of the Existing Notes as set forth in the announcement of the Company dated 13 July 2017, other than the following:

Notes Offered

Subject to certain conditions to completion, the Company will issue the New Notes in the aggregate principal amount of US\$250,000,000 which will mature on 19 July 2020, unless earlier redeemed pursuant to the terms thereof.

Offering Price

The offering price of the New Notes will be 94.702% of the principal amount of the New Notes, plus accrued interest from (and including) 19 July 2018 to (but excluding) 15 August 2018.

Reasons for the New Notes Issue

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

Listing

The Existing Notes are listed on the SGX-ST. Application has been made for the listing and quotation of the New Notes on the SGX-ST. Approval in-principle for the listing and quotation of the 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.

The New Notes Issue is subject to completion. Investors and shareholders of the Company are reminded to exercise caution when dealing in the securities of the Company.

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 and 8 August 2018 in respect of the New Notes Issue
“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 additional 5.95% senior notes due 2020 in the aggregate principal amount of US\$250,000,000 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)
“New Notes Issue”	the issue of the New Notes by the Company
“Purchase Agreement”	the purchase agreement dated 8 August 2018 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 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
“subsidiaries”	has the meaning ascribed to it under the Listing Rules
“Subsidiary Guarantees”	the guarantees provided by the Subsidiary Guarantors in respect of the New Notes
“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, 9 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.