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**GREENTOWN CHINA HOLDINGS LIMITED**

**綠城中國控股有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 03900)**

**Issue of Unlisted US\$400,000,000 5.50% Senior Perpetual Capital  
Securities Callable 2019**

The Board is pleased to announce that on 31 March 2016, the Company, the Issuer, the Placing Agents, CCCI and certain financial institutions, as subscribers, entered into the Subscription Agreement, in connection with the Securities Issue in the aggregate principal amount of US\$400 million.

The Company estimates that the net proceeds from the Securities Issue, after deducting the placement fee and other estimated fees and expenses payable by the Issuer and the Guarantor in connection with the Securities Issue, will be approximately US\$397 million. The Company intends to use the net proceeds of the Securities Issue for refinancing existing indebtedness of the Guarantor Group.

\* For identification purposes only

The Securities will be guaranteed by the Company and will have the benefit of the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking to be provided by CCCG.

It is expected that completion of the Securities Issue will take place on the Closing Date.

**As the conditions precedent to completion of the Subscription Agreement may or may not be satisfied and the Subscription Agreement may be terminated upon the occurrence of certain events, shareholders of the Company and prospective investors are advised to exercise caution when dealing in the securities of the Company.**

## **INTRODUCTION**

The Board is pleased to announce that on 31 March 2016, the Company, the Issuer, the Placing Agents, CCCI and certain financial institutions, as subscribers, entered into the Subscription Agreement, in connection with the Securities Issue in the aggregate principal amount of US\$400 million.

It is expected that completion of the Securities Issue will take place on the Closing Date.

## **SUBSCRIPTION AGREEMENT**

Date: 31 March 2016

### **Parties to the Subscription Agreement**

- (a) the Issuer;
- (b) the Company as guarantor;
- (c) the Placing Agents;
- (d) CCCI as counter party under each Financial Contract; and
- (e) certain financial institutions, as subscribers.

The Placing Agents have agreed to use commercially reasonable efforts to facilitate the process of subscription of all of the Securities by the subscribers, at a subscription price of the Issue Price, subject to, and in accordance with the terms of the Subscription Agreement. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, each of the Placing Agents and the subscribers is an independent third party and not a connected person of the Company.

The Securities and the Guarantee have not been and will not be registered under the U.S. Securities Act, and may not be offered, sold or delivered within the United States. Accordingly, the Securities are being offered and sold only outside of the United States in offshore transactions in reliance on Regulation S. None of the Securities will be offered to the public in Hong Kong. The Securities will also not be listed for trading on the Stock Exchange or any other stock exchange.

### **Conditions to the Obligations of the Subscribers**

The obligations of the subscribers to subscribe and pay for the Securities are conditional upon, among other things:

- (a) the Issuer obtaining the NDRC Pre-Issue Registration in accordance with the NDRC Circular, and delivering a certified copy of the NDRC Pre-Issue Registration to each of the Placing Agents, the subscribers and (as applicable) CCCI;
- (b) the execution of a Financial Contract between each subscriber and CCCI; and
- (c) confirmation from Moody's Investors Service, Inc. that the Securities shall be rated at least Ba3.

### **PRINCIPAL TERMS OF THE SECURITIES**

#### **Securities Issue**

Subject to certain conditions to completion, the Company will issue the Securities in the aggregate principal amount of US\$400 million.

#### **Issue Price**

The Issue Price of the Securities will be 100% of the principal amount of the Securities.

#### **Distributions**

Subject to the terms and conditions of the Securities, the Securities confer a right to receive distributions (each a "**Distribution**") from the Issue Date at the applicable Distribution Rate (as defined below). Distributions shall be payable on the Securities semi-annually in arrear on each Distribution Payment Date in United States dollars.

## **Distribution rate**

The rate of distribution (“**Distribution Rate**”) applicable to the Securities shall be:

- (i) in respect of the period from, and including, the Issue Date to, but excluding, the First Call Date, the Initial Distribution Rate; and
- (ii) in respect of the periods (A) from, and including, the First Call Date to, but excluding, the immediately following Reset Date and (B) from, and including, each Reset Date falling after the First Call Date to, but excluding, the immediately following Reset Date, the Treasury Rate (as defined in the terms and conditions of the Securities) with respect to the relevant Reset Date plus the Initial Spread plus 5.00%,

provided, in each case, that in the event of the occurrence of a change of control triggering event, if the Issuer does not elect to redeem the Securities within 30 days of a change of control triggering event in accordance with the terms and conditions of the Securities, then the prevailing Distribution Rate applicable to the Securities shall be increased by 5.00% per annum with effect from the next Distribution Payment Date (or, if the relevant event occurs on or after the date which is two business days prior to the next Distribution Payment Date, the next following Distribution Payment Date).

## **Status of the Securities**

The Securities constitute direct, unsecured, unconditional and unsubordinated obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves and at least *pari passu* with all other present and future unsecured, unconditional and unsubordinated obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

## **Status of the Guarantee**

The Guarantee constitutes a direct, unsecured, unconditional and unsubordinated obligation of the Company which ranks at least *pari passu* with all other present and future unsecured, unconditional and unsubordinated obligations of the Company, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

## **Redemption at the option of the Issuer**

The Issuer may at its option, on giving not less than 30 nor more than 60 days' notice to the holders of the Securities in accordance with the terms and conditions of the Securities and the Trustee (which notice will be irrevocable), redeem in whole, but not in part, the Securities:

- (i) on the First Call Date; or
  - (ii) on any Distribution Payment Date after the First Call Date,
- (each, a “**Call Date**”).

On expiry of any such notice period referred to above, the Issuer shall be bound to redeem the Securities on the relevant Call Date at their principal amount together with any Distribution accrued to the date fixed for redemption (including any arrears of distribution and any additional distribution amount).

## **THE KEEPWELL DEED AND THE DEED OF EQUITY INTEREST PURCHASE UNDERTAKING**

Under the Keepwell Deed, CCCG will undertake with the Issuer, Company and the Trustee that it shall, among other things, directly or indirectly, beneficially own and hold no less than 25% of the Capital Stock of the Company and maintain the Company as its sole listed real estate overseas platform at all times. CCCG intends to assist the Issuer and the Company in meeting their respective obligations under the Securities, the Guarantee and the Trust Deed. Pursuant to the terms of the Deed of Equity Interest Purchase Undertaking, CCCG agrees to, upon receiving a written obligation notice from the Trustee, (i) purchase, either by itself or through one of its PRC incorporated subsidiaries, certain equity interests of the Issuer or the Company; (ii) invest, either by itself or through one of its PRC incorporated subsidiaries, in the Issuer or the Company; or (iii) execute a loan agreement with the Issuer or the Company and pay to Issuer or the Company a certain amount. The equity interests comprise the interests held by the Issuer or the Company in the registered capital of a PRC incorporated subsidiary of the Issuer or the Company held by the Issuer or the Company as jointly selected by the Company and CCCG. Neither the Keepwell Deed nor the Deed of Equity Interest Purchase Undertaking constitutes a direct or indirect guarantee of the Securities by CCCG. The obligations of the parties under the Keepwell Deed and the Deed of Equity Interest Purchase Undertaking are subject to governmental approvals.

CCCG is the single largest shareholder of the Company. As at the date of this announcement, CCCG and its subsidiaries held 624,851,793 shares of the Company, representing 28.899% of the total issued share capital of the Company. In conducting its property development business, CCCG does not engage in any actual operations itself and essentially operates through CCCC, an entity under its control, as an integrated operational model. CCCC's H shares are listed on the Stock Exchange and CCCC's A shares are listed on the Shanghai Stock Exchange. As at the date of this announcement, CCCG held approximately 63.84% equity interests in CCCC. CCCI is a direct wholly owned subsidiary of CCCC incorporated under the laws of Hong Kong with limited liability. Each of CCCC and CCCI is an associate (as defined in the Listing Rules) of CCCG.

## PROPOSED USE OF PROCEEDS

The estimated net proceeds from the Securities Issue, after deducting the placement fee and other estimated fees and expenses payable by the Issuer and the Guarantor in connection with the Securities Issue, will be approximately US\$397 million. The Company intends to use the net proceeds of the Securities Issue for refinancing existing indebtedness of the Guarantor Group.

## INFORMATION OF THE COMPANY

The Company is one of the leading property developers in the PRC. The Company engages principally in the development, sale, leasing, management and long-term ownership of high-quality real estate properties and offers a wide range of high quality housing such as villas, flat mansions, low-rise apartments and high-rise apartments, urban complexes, integrated communities, as well as hotels and commercial property.

**As the conditions precedent to completion of the Subscription Agreement may or may not be satisfied and the Subscription Agreement may be terminated upon the occurrence of certain events, shareholders of the Company and prospective investors are advised 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:

“Board”	the board of Directors
“Capital Stock”	with respect to any Person, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) in the equity of such Person
“CCCC”	China Communications Construction Company Limited, a joint stock company incorporated in the PRC with limited liability, the H shares of which are listed on the Stock Exchange under stock code 1800 and the A shares of which are listed on the Shanghai Stock Exchange under stock code 601800
“CCCI”	CCCC International Holding Limited, a wholly owned subsidiary of CCCC
“CCCG”	China Communications Construction Group (Limited) (中國交通建設集團有限公司), a state-owned enterprise established under the laws of the PRC and the controlling shareholder of CCCC

“Closing Date”	15 April 2016 or such other date not later than 29 April 2016 as may be agreed by the parties to the Subscription Agreement and in accordance with the terms of the Subscription Agreement
“Company”	Greentown China Holdings Limited, a company incorporated under the laws of the Cayman Islands
“Deed of Equity Interest Purchase Undertaking”	the deed of equity interest purchase, investment and liquidity support undertaking to be entered into by the Issuer, the Company, CCCG and the Trustee on or about the Closing Date in connection with the Securities
“Directors”	directors of the Company
“Distribution Payment Date”	the date falling six months after the Closing Date, and the anniversary of the Closing Date and the date falling six months thereafter in each year
“Financial Contract”	the arrangement between each subscriber and CCCI under which (i) CCCI shall post an agreed amount of collateral to each subscriber upfront in order to obtain leverage on the Securities; and (ii) each subscriber shall transfer to CCCI the full economic exposure to the Securities, subject to the terms to be agreed between each subscriber and CCCI
“First Call Date”	the third anniversary of the Closing Date, or, if such day is not a business day, the next following business day
“Guarantee”	the guarantee provided by the Company in respect of the Securities
“Guarantor Group”	the Company together with its subsidiaries
“HKSE”	The Stock Exchange of Hong Kong Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Initial Distribution Rate”	5.50% per annum
“Initial Spread”	4.602%
“Issue Date”	the Closing Date
“Issue Price”	100% of the aggregate principal amount of the Securities
“Issuer”	Apex Top Group Limited (頂峰集團有限公司), a wholly owned subsidiary of the Company

“Joint Global Coordinators”	Credit Suisse Securities (Europe) Limited and The Hongkong and Shanghai Banking Corporation Limited
“Keepwell Deed”	the keepwell deed to be entered into by the Issuer, the Company, CCCG and the Trustee on or about the Closing Date in connection with the Securities
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“NDRC”	the National Development and Reform Commission of the PRC or its local counterparts
“NDRC Circular”	Circular on Promoting the Reform of the Administrative System on the Issuance by Enterprises of Foreign Debt Filings and Registrations (國家發展改革委關於推進企業發行外債備案登記制管理改革的通知 (發改外資[2015] 2044號)) issued by the NDRC and which came into effect on 14 September 2015
“NDRC Pre-Issue Registration”	Enterprise Overseas Debt Issuance Registration Certificate (企業發行外債備案登記證明) with respect to the Securities issued by the NDRC
“Person”	any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of state (in each case whether or not being a separate legal entity)
“Placing Agents”	the Joint Global Coordinators and UBS AG Hong Kong Branch
“PRC”	the People’s Republic of China excluding, for the purpose of this announcement, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Regulation S”	Regulation S under the U.S. Securities Act
“Reset Date”	each of the First Call Date and each day falling every three calendar years after the First Call Date
“Securities”	the senior perpetual capital securities in the aggregate principal amount of US\$400 million to be issued by the Issuer
“Securities Issue”	the issue of the Securities by the Issuer
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subscription Agreement”	the agreement dated 31 March 2016 entered into among the Issuer, the Company, the Placing Agents, CCCI and certain financial institutions, as subscribers, in relation to the proposed Securities Issue
“Trustee”	DB Trustees (Hong Kong) Limited as trustee of the Securities
“U.S.” or “United States”	the United States of America, its territories and possessions and all areas subject to its jurisdiction
“US\$”	United States dollar, the lawful currency of the United States
“U.S. Securities Act”	United States Securities Act of 1933, as amended
“Voting Stock”	with respect to any Person, Capital Stock of any class or kind ordinarily having the power to vote for the election of directors, managers or other voting members of the governing body of such Person
“%”	per cent.

By order of the Board  
**Greentown China Holdings Limited**

**Fung Ching, Simon**  
*Company Secretary*

Hangzhou, the PRC

31 March 2016

*As at the date of this announcement, the Board comprises seven executive directors, namely Mr Song Weiping, Mr Liu Wensheng, Mr Sun Guoqiang, Mr Shou Bainian, Mr Cao Zhounan, Mr Li Qingan, and Mr Li Yongqian, and four independent non-executive directors, namely Mr Jia Shenghua, Mr Ke Huanzhang, Mr Sze Tsai Ping, Michael and Mr Hui Wan Fai.*