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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 USD400,000,000
GUARANTEED SENIOR PERPETUAL CAPITAL SECURITIES**

Reference is made to the announcement of the Company dated January 25, 2019 in respect of the Senior Perpetual Capital Securities Issue. The Board is pleased to announce that on January 25, 2019, the Issuer, the Company, Credit Suisse, HSBC and Guotai Junan entered into the Subscription Agreement in connection with the Senior Perpetual Capital Securities Issue in the aggregate principal amount of USD400,000,000. The Senior Perpetual Capital Securities will be guaranteed by the Company and will have the benefit of the Keepwell Deed and the Deed of Undertaking to be provided by CCCG.

The Company estimates that the net proceeds from the Senior Perpetual Capital Securities Issue, after deducting the subscription discounts and commissions and other estimated expenses, will be approximately USD395.9 million. The Company intends to use the net proceeds of the Senior Perpetual Capital Securities Issue to refinance existing indebtedness of the Group and for general working capital purposes. The Company may adjust the foregoing stated use of proceeds in response to changing market conditions and certain other circumstances and reallocate the use of proceeds.

* For identification purposes only

The Company will seek a listing of the Senior Perpetual Capital Securities on the Stock Exchange. A confirmation of the eligibility for the listing of the Senior Perpetual Capital Securities has been received from the Stock Exchange. Admission of the Senior Perpetual Capital Securities to the Stock Exchange is not to be taken as an indication of the merits of the Company or the Senior Perpetual Capital Securities.

It is expected that completion of the Senior Perpetual Capital Securities Issue will take place on February 8, 2019.

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.

Reference is made to the announcement of the Company dated January 25, 2019 in respect of the Senior Perpetual Capital Securities Issue. The Board is pleased to announce that on January 25, 2019, the Issuer and the Company entered into the Subscription Agreement with Credit Suisse, HSBC and Guotai Junan in connection with the Senior Perpetual Capital Securities Issue in the aggregate principal amount of USD400,000,000. The Senior Perpetual Capital Securities will be guaranteed by the Company and will have the benefit of the Keepwell Deed and the Deed of Undertaking to be provided by CCCG.

SUBSCRIPTION AGREEMENT

Date: January 25, 2019

Parties to the Subscription Agreement

- (a) the Issuer;
- (b) the Company as guarantor; and
- (c) Credit Suisse, HSBC and Guotai Junan.

Credit Suisse and HSBC are the joint global coordinators, joint lead managers and joint bookrunners while Guotai Junan is the joint bookrunner in respect of the offer and sale of the Senior Perpetual Capital Securities. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the above mentioned parties is a third party independent of the Company and its connected persons.

The Senior Perpetual Capital Securities have not been and will not be registered under the Securities Act, and may not be offered, sold or delivered within the United States. Accordingly, the Senior Perpetual Capital Securities are being offered and sold only outside of the United States in offshore transactions in reliance on Regulation S under the Securities Act. None of the Senior Perpetual Capital Securities will be offered to the public in Hong Kong and none of the Senior Perpetual Capital Securities will be placed with any connected persons of the Company.

PRINCIPAL TERMS OF THE SENIOR PERPETUAL CAPITAL SECURITIES

Securities Offered

Subject to certain conditions to completion, the Company will issue the Senior Perpetual Capital Securities in the aggregate principal amount of USD400,000,000.

Offering Price

The offering price of the Senior Perpetual Capital Securities will be 100% of the principal amount of the Senior Perpetual Capital Securities.

Distributions

Subject to the terms and conditions of the Senior Perpetual Capital Securities, the Senior Perpetual Capital 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 Senior Perpetual Capital 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 Senior Perpetual Capital Securities shall be:

- (i) in respect of the period from, and including, the Issue Date to, but excluding, the First Reset Date, the Initial Distribution Rate; and
- (ii) in respect of the periods (A) from, and including, the First Reset Date to, but excluding, the immediately following Reset Date and (B) from, and including, each Reset Date falling after the First Reset Date to, but excluding, the immediately following Reset Date, the Relevant Reset Distribution Rate,

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 Senior Perpetual Capital Securities within 30 days of a Change of Control Triggering Event in accordance with the terms and conditions of the Senior Perpetual Capital Securities, then the prevailing Distribution Rate applicable to the Senior Perpetual Capital Securities shall be increased by 5.00 per cent. 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 Senior Perpetual Capital Securities

The Senior Perpetual Capital 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 Senior Perpetual Capital Securities in accordance with the terms and conditions of the Senior Perpetual Capital Securities and the trustee (which notice will be irrevocable), redeem in whole, but not in part, the Senior Perpetual Capital Securities:

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

On expiry of any such notice period referred to above, the Issuer shall be bound to redeem the Senior Perpetual Capital 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).

Purchase

The Company or any of its subsidiaries may at any time and from time to time purchase the Senior Perpetual Capital Securities at any price in the open market or otherwise.

Expected issue date

February 8, 2019

THE KEEPWELL DEED AND DEED OF UNDERTAKING

Pursuant to the terms of the Keepwell Deed, CCCG will undertake with the Issuer, the Company and the Trustee that (i) the CCCG Permitted Holders (as defined in the Keepwell Deed) shall be the beneficial owners of no less than 25.0% of the total voting power of the Voting Stock (as defined in the Keepwell Deed) of the Company and (ii) it shall maintain the Company as its sole listed real estate overseas platform at all times.

Pursuant to the terms of the Deed of 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 (as specified in the Deed of Undertaking) held by the Issuer or the Company; (ii) invest, either by itself or through one of its PRC incorporated subsidiaries, a certain amount as more specifically formulated in the Deed of Undertaking, in the Issuer or the Company; or (iii) execute a loan agreement with the Issuer or the Company and lend to the Issuer or the Company a certain amount as more specifically formulated in the Deed of Undertaking, in each case in accordance with and subject to the terms of the Deed of Undertaking.

Neither the Keepwell Deed nor the Deed of Undertaking constitutes a direct or indirect guarantee of the Senior Perpetual Capital Securities by CCCG.

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.

PROPOSED USE OF PROCEEDS

The estimated net proceeds from the Senior Perpetual Capital Securities Issue, after deducting the subscription discounts and commissions and other estimated expenses, will be approximately USD395.9 million. The Company intends to use the net proceeds of the Senior Perpetual Capital Securities Issue to refinance existing indebtedness of the Group and for general working capital purposes. The Company may adjust the foregoing stated use of proceeds in response to changing market conditions and certain other circumstances and reallocate the use of proceeds.

GENERAL

Information of the Company

The Company is a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the main board of the Stock Exchange. It is one of the leading property developers in the PRC with business operations in various major PRC cities and is primarily engaged in developing quality properties targeting mainly middle and high income residents in the PRC.

Listing

The Company will seek a listing of the Senior Perpetual Capital Securities on the Stock Exchange. A confirmation of the eligibility for the listing of the Senior Perpetual Capital Securities has been received from the Stock Exchange. Admission of the Senior Perpetual Capital Securities to the Stock Exchange is not to be taken as an indication of the merits of the Company or the Senior Perpetual Capital Securities.

DEFINITIONS

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

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| “Board” | the board of Directors |
| “CCCG” | China Communication Construction Group (Limited) (中國交通建設集團有限公司) |
| “Company” | Greentown China Holdings Limited (Stock code: 03900), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange |

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| “connected person” | has the meaning ascribed to it under the Listing Rules |
| “Change of Control Triggering Event” | the occurrence of both a Change of Control (as defined in the Term and Conditions of the Senior Perpetual Capital Securities) and, provided that the Company is rated by at least one rating agency, a Rating Decline (as defined in the Term and Conditions of the Senior Perpetual Capital Securities) |
| “Credit Suisse” | Credit Suisse (Hong Kong) Limited, one of the joint global coordinators, joint lead managers and joint bookrunners in respect of the Senior Perpetual Capital Securities Issue |
| “Deed of 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 February 8, 2019 in connection with the Senior Perpetual Capital Securities |
| “Directors” | the directors of the Company |
| “Distribution Payment Date” | February 8 and August 8 in each year, starting on (and including) August 8, 2019 |
| “First Reset Date” | February 8, 2022, or, if such day is not a business day, the next following business day |
| “Group” | the Company and its subsidiaries from time to time |
| “Guarantee” | the guarantee provided by the Company in respect of the Senior Perpetual Capital Securities |
| “Guotai Junan” | Guotai Junan Securities (Hong Kong) Limited, one of the joint bookrunner in respect of the Senior Perpetual Capital Securities Issue |
| “HSBC” | The Hongkong and Shanghai Banking Corporation Limited, one of the joint global coordinators, joint lead managers and joint bookrunners in respect of the Senior Perpetual Capital Securities Issue |
| “Initial Distribution Rate” | 8.125 per cent per annum |
| “Initial Spread” | 5.578 per cent |
| “Issue Date” | February 8, 2019 |
| “Issuer” | Champion Sincerity Holdings Limited (冠誠控股有限公司), a wholly owned subsidiary of the Company |
| “Keepwell Deed” | the keepwell deed to be entered into by the Issuer, the Company, CCCG and the Trustee on or about February 8, 2019 in connection with the Senior Perpetual Capital Securities |

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| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “PRC” | the People’s Republic of China, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan for the purpose of this announcement |
| “Relevant Reset Distribution Rate” | means the Treasury Rate (as defined in the Terms and Conditions of the Senior Perpetual Capital Securities) with respect to the relevant Reset Date plus the Initial Spread plus 5.00 per cent per annum |
| “Reset Date” | each of the First Reset Date and each day falling every three calendar years after the First Reset Date |
| “Securities Act” | the United States Securities Act of 1933, as amended |
| “Senior Perpetual Capital Securities” | the senior perpetual capital securities in the aggregate principal amount of USD400,000,000 to be issued by the Issuer and guaranteed by the Company |
| “Senior Perpetual Capital Securities Issue” | the issue of the Senior Perpetual Capital Securities by the Issuer, which will be guaranteed by the Company |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Subscription Agreement” | the agreement dated January 25, 2019 entered into among Credit Suisse, HSBC, Guotai Junan, the Company and the Issuer, in relation to the Senior Perpetual Capital Securities Issue |
| “Trustee” | DB Trustees (Hong Kong) Limited, as trustee of the Senior Perpetual Capital Securities |
| “USD” | United States dollars |

By order of the Board
Greentown China Holdings Limited
Fung Ching, Simon
Company Secretary

Hangzhou, the PRC
January 26, 2019

As at the date of this announcement, the Board comprises six executive directors, namely Mr Song Weiping, Mr Liu Wensheng, Mr Zhang Yadong, Mr Li Qingan, Mr Li Yongqian and Mr Li Jun, and four independent non-executive directors, namely Mr Jia Shenghua, Mr Ke Huanzhang, Mr Sze Tsai Ping, Michael and Mr Hui Wan Fai.