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瑞安房地產
SHUI ON LAND

Shui On Land Limited
瑞安房地產有限公司*

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 272)

**US\$178,980,000 8.700% SENIOR NOTES DUE 2018 AND
US\$87,020,000 9.750% SENIOR NOTES DUE 2020 OF
SHUI ON DEVELOPMENT (HOLDING) LIMITED
TO BE GUARANTEED BY THE COMPANY**

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and Part XIVA of the SFO.

Reference is made to the announcements of the Company dated 14 April 2014, 23 April 2014 and 29 April 2014 in relation to the proposed offering of the New Notes by the Issuer to be guaranteed by the Company.

The Board is pleased to announce that on 30 April 2014, Hong Kong time, the Company and the Issuer entered into a Purchase Agreement with Standard Chartered Bank and UBS in connection with the issue by the Issuer of an aggregate principal amount of US\$178,980,000 8.700% Senior Notes due 2018 and US\$87,020,000 9.750% Senior Notes due 2020.

The Group intends to use the net proceeds from the New Notes to (i) pay the cash portion of the consideration payable under the US\$ Notes Exchange Offer and the RMB Notes Exchange and Tender Offer (including without limitation, any premium, accrued interests or fractional amounts); (ii) pay any other consideration or expenses in connection with the US\$ Notes Exchange Offer and the RMB Notes Exchange and Tender Offer; and (iii) if there is any remainder, repay existing indebtedness with near term maturities and fund the capital expenditures related to the Group's real estate or equipment. The Group may adjust the plans in response to changing market conditions and thus reallocate the use of the proceeds.

Approval in-principle has been received for the listing of the New Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Admission of the New Notes to the official list of the SGX-ST is not to be taken as an indication of the merits of the Company, the Issuer or the New Notes. No listing of the New Notes has been, or will be, sought in Hong Kong.

INTRODUCTION

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and Part XIVA of the SFO.

Reference is made to the announcements of the Company dated 14 April 2014, 23 April 2014 and 29 April 2014 in relation to the proposed offering of senior notes by the Issuer to be guaranteed by the Company.

The Board is pleased to announce that on 30 April 2014, Hong Kong time, the Company and the Issuer entered into a Purchase Agreement with Standard Chartered Bank and UBS in connection with the issue by the Issuer of an aggregate principal amount of US\$178,980,000 8.700% Senior Notes due 2018 and an aggregate principal amount of US\$87,020,000 9.750% Senior Notes due 2020.

THE PURCHASE AGREEMENT

Date

30 April 2014

Parties to the Purchase Agreement

- (a) Shui On Development (Holding) Limited as the issuer of the New Notes;
- (b) the Company as the guarantor of the Issuer's obligations under the New Notes and the Indentures; and
- (c) Standard Chartered Bank and UBS as the initial purchasers of the New Notes.

Standard Chartered Bank and UBS, as the joint lead managers and joint bookrunners, are managing the offer and sale of the New Notes.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Standard Chartered Bank and UBS are independent third parties and are not connected persons of the Company.

The New Notes and the Parent Guarantee have not been, and will not be, registered under the U.S. Securities Act. The New Notes will only be offered by Standard Chartered Bank and UBS outside the United States in compliance with Regulation S under the U.S. Securities Act and will not be offered to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act). None of the New Notes will be offered to the public in Hong Kong nor will the New Notes be initially placed to any connected persons of the Company except in accordance with the terms of the US\$ Notes Exchange Offer and the RMB Notes Exchange and Tender Offer.

Principal terms of the Notes

New Notes Offered

Subject to certain conditions to completion, the Issuer will issue the New 2018 Notes in an aggregate principal amount of US\$178,980,000 and the New 2020 Notes in an aggregate principal amount of US\$87,020,000. The New 2018 Notes will mature on 19 May 2018 and the New 2020 Notes will mature on 19 May 2020, unless earlier redeemed pursuant to the terms of the New Notes.

Offer Price

The offer price of the New 2018 Notes will be 100% of the principal amount of the New 2018 Notes. The offer price of the New 2020 Notes will be 100% of the principal amount of the New 2020 Notes.

Interest

The New 2018 Notes will bear interest at a rate of 8.700% per annum, payable semi-annually in arrears on 19 May and 19 November of each year, commencing 19 November 2014. The New 2020 Notes will bear interest at a rate of 9.750% per annum, payable semi-annually in arrears on 19 May and 19 November of each year, commencing 19 November 2014.

Ranking of the New Notes

The New Notes are general obligations of the Issuer and are guaranteed by the Company on a senior basis. The New Notes are: (1) senior in right of payment to any existing and future obligations of the Issuer expressly subordinated in right of payment to the New Notes; (2) ranked at least *pari passu* in right of payment with all other unsecured, unsubordinated indebtedness of the Issuer (subject to any priority rights of such unsubordinated indebtedness pursuant to applicable law); (3) guaranteed by the Company on a senior basis, subject to certain limitations; (4) effectively subordinated to the secured obligations (if any) of the Issuer and the Company, to the extent of the value of the assets serving as security therefor; and (5) effectively subordinated to all existing and future obligations of the subsidiaries of the Company other than the Issuer.

Ranking of the Parent Guarantee

The Company will guarantee the due and punctual payment of the principal of, premium, if any, and interest on, and all other amounts payable under, the New Notes. The Company is a holding company and the New Notes will be effectively subordinated to all indebtedness and other liabilities of the subsidiaries of the Company other than the Issuer.

The Parent Guarantee is: (1) a general obligation of the Company; (2) effectively subordinated to secured obligations of the Company to the extent of the value of the assets serving as security therefor; (3) senior in right of payment to all future obligations of the Company expressly subordinated in right of payment to the Parent Guarantee; and (4) ranked at least *pari passu* with all other unsecured, unsubordinated indebtedness of the Company (subject to any priority rights of such unsubordinated indebtedness pursuant to applicable law).

Events of Default

The events of default under the New Notes include, among others: (1) default in the payment of principal of (or premium, if any, on) such series of New Notes when the same becomes due and payable at maturity, upon acceleration, redemption or

otherwise; (2) default in the payment of interest on such series of New Notes when the same becomes due and payable, and such default continues for a period of 30 consecutive days; (3) default in the performance or breach of certain covenants under such series of New Notes; (4) the Company, the Issuer or any restricted subsidiary defaults in the performance of or breaches any other covenant or agreement in the Indenture or under such series of New Notes (other than a default specified in (1), (2) or (3) above) and such default or breach continues for a period of 30 consecutive days after written notice by the trustee of such series of New Notes or holders of 25% or more in aggregate principal amount of such series of New Notes; (5) default by the Company, the Issuer or any restricted subsidiary in the repayment of indebtedness having, in the aggregate, an outstanding principal amount of US\$10.0 million or more; (6) one or more final judgments or orders for the payment of money are rendered against the Company, the Issuer or any restricted subsidiary and are not paid or discharged, and there is a period of 60 consecutive days following entry of the final judgment or order that causes the aggregate amount for all such final judgments or orders outstanding and not paid or discharged to exceed US\$10.0 million; (7) an involuntary bankruptcy or insolvency proceeding is commenced against the Company, the Issuer or any restricted subsidiary and such involuntary bankruptcy or insolvency proceeding remains undismissed and unstayed for a period of 60 consecutive days; (8) a voluntary bankruptcy or insolvency proceeding is commenced by or consented to by the Company, the Issuer or any restricted subsidiary; and (9) the Company denies or disaffirms its obligations under its Parent Guarantee or, except as permitted by the Indenture, the Parent Guarantee is determined to be unenforceable or invalid or for any reason ceases to be in full force and effect.

If an event of default (other than an event of default specified in (7) and (8) above) occurs and is continuing under the Indenture, the trustee of such series of New Notes may, and shall upon the request of the holders of at least 25% in aggregate principal amount of such series of New Notes then outstanding, by written notice to the Issuer, declare the principal of, premium, if any, and accrued and unpaid interest on such series of New Notes to be immediately due and payable. Upon a declaration of acceleration, such principal of, premium, if any, and accrued and unpaid interest shall be immediately due and payable. If an event of default specified in (7) and (8) above occurs with respect to the Company, the Issuer or any restricted subsidiary, the principal of, premium, if any, and accrued and unpaid interest on the New Notes then outstanding shall automatically become and be immediately due and payable without any declaration or other act on the part of the trustee of such series of New Notes or any holder of such series of New Notes or any other person.

Covenants

The New Notes, the Indenture and the Parent Guarantee will limit the Issuer's and the Company's ability and the ability of their restricted subsidiaries to, among other things:

- (a) incur additional indebtedness and issue disqualified or preferred stock;
- (b) declare dividends on capital stock or purchase or redeem capital stock;
- (c) make investments or other specified restricted payments;
- (d) issue or sell capital stock of their restricted subsidiaries;
- (e) guarantee indebtedness;
- (f) enter into transactions with shareholders or affiliates;
- (g) create liens;
- (h) enter into sale and leaseback transactions;
- (i) sell assets;
- (j) enter into agreements that restrict their restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- (k) effect a consolidation or merger; and
- (l) engage in different business activities.

These covenants are subject to a number of important qualifications and exceptions.

Optional Redemption for New 2018 Notes

At any time prior to the maturity date of the New 2018 Notes, the Issuer may at its option redeem the New 2018 Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the New 2018 Notes redeemed plus the applicable premium (as set forth in the Indenture) as of, and accrued and unpaid interest, if any, to (but not including), the redemption date.

At any time and from time to time prior to the maturity date of the New 2018 Notes, the Issuer may redeem up to 35% of the aggregate principal amount of the New 2018 Notes with the net cash proceeds of one or more sales of common stock of the Company in an Equity Offering at a redemption price of 108.700% of the principal amount of the New 2018 Notes, plus accrued and unpaid interest, if any, to (but not

including) the redemption date; *provided* that at least 65% of the aggregate principal amount of the New 2018 Notes issued on the Original Issue Date remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related Equity Offering.

The optional redemption provisions are subject to the terms and conditions of the Indenture.

Optional Redemption for New 2020 Notes

At any time and from time to time on or after 19 May 2017, the Issuer may at its option redeem the New 2020 Notes, in whole or in part, at a redemption price equal to the percentage of the principal amount of the New 2020 Notes set forth below plus accrued and unpaid interest, if any, to (but not including) the redemption date if redeemed during the twelve month period beginning on 19 May of each of the years indicated below.

| Period | Redemption Price |
|---------------------|-------------------------|
| 2017 | 104.875% |
| 2018 | 102.438% |
| 2019 and thereafter | 101.219% |

At any time prior to 19 May 2017, the Issuer may at its option redeem the New 2020 Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the New 2020 Notes redeemed plus the applicable premium (as set forth in the Indenture) as of, and accrued and unpaid interest, if any, to (but not including), the redemption date.

At any time and from time to time prior to 19 May 2017, the Issuer may redeem up to 35% of the aggregate principal amount of the New 2020 Notes with the net cash proceeds of one or more sales of common stock of the Company in an Equity Offering at a redemption price of 109.750% of the principal amount of the New 2020 Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date; *provided* that at least 65% of the aggregate principal amount of the New 2020 Notes issued on the Original Issue Date remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related Equity Offering.

The optional redemption provisions are subject to the terms and conditions of the Indenture.

PROPOSED USE OF PROCEEDS

The Group intends to use the net proceeds from the New Notes to (i) pay the cash portion of the consideration payable under the US\$ Notes Exchange Offer and the RMB Notes Exchange and Tender Offer (including without limitation, any premium, accrued interests or fractional amounts); (ii) pay any other consideration or expenses in connection with the US\$ Notes Exchange Offer and the RMB Notes Exchange and Tender Offer; and (iii) if there is any remainder, repay existing indebtedness with near term maturities and fund the capital expenditures related to the Group's real estate or equipment. The Group may adjust the plans in response to changing market conditions and thus reallocate the use of the proceeds.

GENERAL

The Group is one of the leading property developers in the PRC. The Group engages principally in the development, sale, leasing, management and long-term ownership of high-quality residential, office, retail, entertainment and cultural properties in the PRC. Specifically, the Group focuses on master planning and development of large-scale, mixed use city-core integrated property projects, typically in cooperation with the relevant local governmental authorities.

LISTING

Approval in-principle has been received for the listing of the New Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Admission of the New Notes to the official list of the SGX-ST is not to be taken as an indication of the merits of the Company, the Issuer or the New Notes. No listing of the New Notes has been, or will be, sought in Hong Kong.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

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| “Board” | the board of Directors |
| “Company” | Shui On Land Limited, a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the main board of the Hong Kong Stock Exchange |

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| “connected person(s)” | has the meaning ascribed to it under the Listing Rules |
| “Director(s)” | director(s) of the Company |
| “Equity Offering” | any private placement or public offering of common stock of the Company; provided that the aggregate gross cash proceeds received by the Company from such offering shall be no less than US\$20 million |
| “Group” | the Company and its subsidiaries from time to time |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Hong Kong Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Indenture(s)” | either or both of the written agreements to be entered into between the Company as guarantor, Shui On Development (Holding) Limited as issuer of the New Notes and DB Trustees (Hong Kong) Limited as trustee of the New Notes, pursuant to which the New Notes will be issued |
| “Issuer” | Shui On Development (Holding) Limited, a company incorporated in the Cayman Islands with limited liability, and a wholly-owned subsidiary of the Company |
| “Listing Rules” | The Rules Governing the Listing of Securities on the Hong Kong Stock Exchange |
| “New 2018 Notes” | the US\$178,980,000 8.700% Senior Notes due 2018 to be issued by the Issuer |
| “New 2020 Notes” | the US\$87,020,000 9.750% Senior Notes due 2020 to be issued by the Issuer |
| “New Notes” | either or both of the New 2018 Notes and New 2020 Notes |
| “Notes Issue” | the issue of New Notes by the Issuer and guaranteed by the Company |
| “Original Issue Date” | the date on which the New Notes are originally issued under the New Notes |

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| “Parent Guarantee” | the guarantee to be given by the Company on the Issuer’s obligations under the New Notes |
| “PRC” | the People’s Republic of China excluding, for the purpose of this announcement, Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan |
| “Purchase Agreement” | the agreement dated 30 April 2014 entered into between the Company, the Issuer, Standard Chartered Bank and UBS in relation to the Notes Issue |
| “Regulation S” | Regulation S under the U.S. Securities Act |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “RMB Notes” | RMB3,500,000,000 in aggregate principal amount of US\$ settled 7.625% Senior Notes due 2015 (Common Code 058417629; ISIN Number XS0584176290) issued by the Issuer and listed on the SGX-ST |
| “RMB Notes Exchange Offer” | the offer made by the Issuer to exchange the RMB Notes upon the terms and subject to the conditions set out in the RMB Notes Exchange and Tender Offer Memorandum |
| “RMB Notes Exchange and Tender Offer” | collectively, the RMB Notes Exchange Offer and RMB Notes Tender Offer |
| “RMB Notes Exchange and Tender Offer Memorandum” | the exchange and tender offer memorandum dated 14 April 2014 in relation to the RMB Notes Exchange and Tender Offer |
| “RMB Notes Tender Offer” | the offer made by the Issuer to purchase the RMB Notes upon the terms and subject to the conditions set out in the RMB Notes Exchange and Tender Offer Memorandum |
| “SFO” | Securities and Futures Ordinance Cap. 571 of the laws of Hong Kong |
| “SGX-ST” | the Singapore Exchange Securities Trading Limited |
| “Standard Chartered Bank” | Standard Chartered Bank, one of the initial purchasers and joint bookrunners in respect of the offer and sale of the New Notes |

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| “UBS” | UBS AG, Hong Kong Branch, one of the initial purchasers and joint bookrunners in respect of the offer and sale of the New Notes |
| “U.S.” or “United States” | the United States of America, its territories and possessions and all areas subject to its jurisdiction |
| “US\$” or “U.S. dollars” | United States dollar, the lawful currency of the United States |
| “US\$ Notes” | US\$875,000,000 in aggregate principal amount of 9.75% Senior Notes due 2015 (Common Code 074530583; ISIN Number XS0745305838) issued by the Issuer and listed on the SGX-ST |
| “US\$ Notes Exchange Offer” | the offer made by the Issuer upon the terms and subject to the conditions set forth in the US\$ Notes Exchange Offer Memorandum |
| “US\$ Notes Exchange Offer Memorandum” | the exchange offer memorandum dated 14 April 2014 in relation to the US\$ Notes Exchange Offer |
| “U.S. Securities Act” | United States Securities Act of 1933, as amended |
| “%” | per cent. |

By order of the Board
Shui On Land Limited
Vincent H. S. LO
Chairman

Hong Kong, 30 April 2014

As at the date of this announcement, the executive Directors are Mr. Vincent H. S. LO (Chairman), Mr. Daniel Y. K. WAN and Mr. Philip K. T. WONG; the non-executive Director is Mr. Frankie Y. L. WONG; and the independent non-executive Directors are Sir John R. H. BOND, Dr. William K. L. FUNG, Professor Gary C. BIDDLE, Dr. Roger L. McCARTHY and Mr. David J. SHAW.

* *For identification purpose only*