

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement does not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States or any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. The securities referred to herein will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”), and may not be offered or sold in the United States except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act. Any public offering of securities to be made in the United States will be made by means of a prospectus. Such prospectus will contain detailed information about the company making the offer and its management and financial statements. The Company does not intend to make any public offering of securities in the United States.



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)

CONSENT SOLICITATION IN RESPECT OF

(i) 11.25% senior notes due 2018

(ii) 9.50% senior notes due 2016

Powerlong Real Estate Holdings Limited (the “**Company**”) today announced:

- a solicitation of consents (the “**2018 Notes Consent Solicitation**”) to a proposed amendment (the “**2018 Notes Proposal**”) to the indenture, dated as of January 25, 2013 (as supplemented or amended to the date hereof, the “**2018 Notes Indenture**”), by and between the Company, the Subsidiary Guarantors (as defined therein) and Citibank, N.A., London Branch, as trustee, governing its 11.25% senior notes due 2018 (ISIN: XS0875844960, Common Code: 087584496) (the “**2018 Notes**”); and
- a solicitation of consents (the “**2016 Notes Consent Solicitation**”, together with the 2018 Notes Consent Solicitation, the “**Consent Solicitation**”) to a proposed amendment (the “**2016 Notes Proposal**”, together with the 2018 Notes Proposal, the “**Proposals**”) to the indenture, dated as of May 27, 2013 (as supplemented or amended to the date hereof, the “**2016 Notes Indenture**”, together with the 2018 Notes Indenture, the “**Indentures**”),

by and between the Company, the Subsidiary Guarantors (as defined therein) and Citicorp International Limited, as trustee, governing its 9.50% senior notes due 2016 (Common Code: 093560566, CMU Instrument No.: CILHFN13008) (the “**2016 Notes**”, together with the 2018 Notes, the “**Notes**”).

On September 18, 2014, the Company issued RMB1,500,000,000 10.75% senior notes due 2017 (the “**2017 Notes**”) and expect to use the proceeds from issuance of the 2017 Notes to refinance existing indebtedness. The principal purpose of the Consent Solicitation and the Proposals is to obtain the requisite consents to amend the Indentures to bring them into conformity with the terms of the 2017 Notes. The Company proposes to amend the covenant entitled “Limitation on Restricted Payments” in the Indentures.

The record date for the Consent Solicitation is (i) 5:00 p.m. Central European time with respect to the 2018 Notes and (ii) 6:00 p.m. Hong Kong time with respect to the 2016 Notes, on November 17, 2014. The Consent Solicitation will expire at (i) 5:00 p.m. Central European time, on December 2, 2014 with respect to the 2018 Notes and (ii) 5:00 p.m. Hong Kong time, on December 9, 2014 with respect to the 2016 Notes unless extended or terminated by the Company.

With respect to the Notes, the Company is offering (i) to the holders of record of the 2018 Notes as of the record date (the “**2018 Notes Holders**”), a consent fee of US\$3.00 for each US\$1,000 in principal amount of the 2018 Notes (the “**2018 Notes Consent Fee**”) and (ii) to the holders of record of the 2016 Notes as of the record date (the “**2016 Notes Holders**”, together with the 2018 Notes Holders, the “**Holders**” and each a “**Holder**”), a consent fee of RMB30 for each RMB10,000 in principal amount of the 2016 Notes (the “**2016 Notes Consent Fee**”, together with the 2018 Notes Consent Fee, the “**Consent Fee**”), in respect of which any Holder has validly delivered (and not validly revoked) a consent on or prior to the relevant expiration date of the Consent Solicitation as described above. The Company’s obligation to accept consents and pay the consent fee is conditioned on, among other things, there being validly delivered consents (and not validly revoked) from the Holders of not less than a majority in aggregate principal amount of the outstanding each of the Notes.

For a detailed statement of the terms and conditions of the Consent Solicitation and the Proposals, Holders of the 2018 Notes should refer to the consent solicitation statement dated November 18, 2014 (the “**2018 Notes Consent Solicitation Statement**”) and Holders of the 2016 Notes should refer to the consent solicitation statement dated November 18, 2014 (the “**2016 Notes Consent Solicitation Statement**”, together with the 2018 Notes Consent Solicitation, the “**Consent Solicitation Statements**”). The 2018 Notes Consent Solicitation Statement will be distributed to the 2018 Notes Holders by Citibank, N.A., London Branch, the information and tabulation agent for the 2018 Notes Consent Solicitation and the 2016 Notes Consent Solicitation Statement will be distributed to the 2016 Notes Holders by Citicorp International Limited, the information and tabulation agent for the 2016 Notes Consent Solicitation. The Company has engaged Credit Suisse Securities (Europe) Limited to act as solicitation agent for the Consent Solicitation. Questions from Holders of Notes regarding the Consent Solicitation or requests for additional copies of the relevant Consent Solicitation Statement, the consent form in relation to the 2016 Notes Consent Solicitation or other related documents should be directed to the solicitation agent for the Consent Solicitation, being

Credit Suisse Securities (Europe) Limited, at One Cabot Square, London E14 4QJ, United Kingdom (telephone: +44(0)20 7883 8763, email: liability.management@credit-suisse.com and attention: Liability Management Desk).

This announcement is not a solicitation of consent with respect to any of the Notes. The Consent Solicitation is being made solely by the Consent Solicitation Statements, which set forth a detailed description of the terms of the Consent Solicitation with respect to the relevant Notes.

The distribution of this announcement in certain jurisdictions may be restricted by law. Persons into whose possession this press release comes are required to inform themselves about, and to observe, any such restrictions.

ABOUT THE COMPANY

The Company is a leading property developer in China specializing in the development and operation of high-quality, large-scale, integrated retail and residential complexes. The Company's existing property projects are generally located in prime positions close to the city center of fast-growing cities in Shanghai Municipality, Jiangsu Province, Zhejiang Province, Fujian Province, Shandong Province, Henan Province, Anhui Province, Tianjin Municipality and Chongqing Municipality. The Company intends to focus their expansion in property development operations in cities in China that the Company believes has high growth potential.

FORWARD-LOOKING INFORMATION

Forward-looking statements in this announcement, including those statements relating to the Consent Solicitation, such as the scheduled expiration date and payment of the Consent Fee, are based on current expectations. These statements are not guarantees of future events or results. Future events and results involve some risks, uncertainties and assumptions that are difficult to predict. Actual events and results could vary materially from the description contained herein due to many factors including changes in the market and price for the of Notes; changes in the business and financial condition of the Company and its subsidiaries; changes in the debt markets in general; and the occurrence of events specified in the Consent Solicitation that would trigger a condition permitting termination or amendment of the Consent Solicitation.

By Order of the Board
Powerlong Real Estate Holdings Limited
Hoi Kin Hong
Chairman

Hong Kong, November 18, 2014

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. Guo Jun; the non-executive Director is Ms. Hoi Wa Fan; and the independent non-executive Directors are Dr. Ngai Wai Fung and Dr. Mei Jian Ping.