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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\$150,000,000 6.25%
SENIOR NOTES DUE 2024
(TO BE CONSOLIDATED AND FORM A SINGLE SERIES
WITH THE US\$200,000,000 6.25% SENIOR NOTES DUE 2024)**

Reference is made to the Announcement. The Board is pleased to announce that on September 23, 2020, the Company, the Subsidiary Guarantors and the JV Subsidiary Guarantors entered into the Purchase Agreement with BofA Securities, Credit Suisse, Guotai Junan International, Haitong International, J.P. Morgan, UBS, Huatai International, The Bank of East Asia, Limited, Central Wealth Securities Investment Limited in connection with the New Notes Issue.

The estimated gross proceeds of the New Notes will be approximately US\$153.1 million. The Company intends to use the proceeds of the New Notes to refinance the Company's existing medium to long term indebtedness which will become due within one year.

The Existing Notes are listed on the SGX-ST. Approval in-principle has been received for the listing and quotation 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 in this announcement. Approval in-principle for the listing and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Company or the New Notes.

THE NOTES ISSUE

The Purchase Agreement

Date: September 23, 2020

Parties to the Purchase Agreement

- (a) the Company;
- (b) the Subsidiary Guarantors;
- (c) the JV Subsidiary Guarantors;
- (d) BofA Securities;
- (e) Credit Suisse;
- (f) Guotai Junan International;
- (g) Haitong International;
- (h) J.P. Morgan;
- (i) UBS;
- (j) Huatai International;
- (k) The Bank of East Asia, Limited;
- (l) Central Wealth Securities Investment Limited.

BofA Securities, Credit Suisse, Guotai Junan International, Haitong International, J.P. Morgan, UBS, Huatai International, The Bank of East Asia, Limited and Central Wealth Securities Investment Limited 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.

The New Notes will be offered to professional investors only. The New Notes are being offered and sold only outside the United States in compliance with Regulation S under the Securities Act. None of the New Notes will be offered to the public in Hong Kong.

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, 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\$150,000,000 which will mature on August 10, 2024, unless earlier redeemed in accordance with the terms thereof.

Subscription price

The subscription price of the New Notes will be 101.185% of the principal amount of the New Notes, plus accrued interest from (and including) August 10, 2020 to (but excluding) September 29, 2020.

Reasons for the issue of the New Notes

The Company intends to use the net proceeds of the New Notes to refinance its existing medium to long term offshore indebtedness, which will become due within one year.

Listing

The Existing Notes are listed on the SGX-ST. Approval in-principle has been received for the listing and quotation 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 in this announcement. Approval in-principle for the listing and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Company or the New Notes.

The issue of the New Notes 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 forth below unless the context requires otherwise:

“Announcement”	the announcement of the Company dated August 3, 2020 in relation to the issue of the Existing Notes;
“Board”	the board of Directors;
“BofA Securities”	Merrill Lynch (Asia Pacific) Limited;
“Credit Suisse”	Credit Suisse (Hong Kong) Limited;

“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 Hong Kong Stock Exchange;
“Directors”	the directors of the Company;
“Existing Notes”	US\$200,000,000 6.25% senior notes due 2024 issued by the Company on August 10, 2020;
“Guotai Junan International”	Guotai Junan Securities (Hong Kong) Limited;
“Haitong International”	Haitong International Securities Company Limited;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Huatai International”	Huatai Financial Holdings (Hong Kong) Limited;
“J.P. Morgan”	J.P. Morgan Securities plc;
“JV Subsidiary Guarantees”	limited recourse guarantees given by the JV Subsidiary Guarantors on the New Notes;
“JV Subsidiary Guarantors”	certain subsidiaries of the Company that on the issue date of the Notes will provide a JV Subsidiary Guarantee for the New Notes;
“New Notes”	the additional 6.25% senior notes due 2024 in the aggregate principal amount of US\$150,000,000 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;
“PRC”	the People’s Republic of China, excluding Hong Kong, Macao Special Administrative Region of the PRC and Taiwan for the purposes of this announcement;
“Purchase Agreement”	the agreement dated September 23, 2020 entered into between, the Company, the Subsidiary Guarantors, the JV Subsidiary Guarantors, BofA Securities, Credit Suisse, Guotai Junan International, Haitong International, J.P. Morgan, UBS, Huatai International, The Bank of East Asia, Limited, Central Wealth Securities Investment Limited in relation to the offer and sale of the New Notes;

“Securities Act”	the United States Securities Act of 1933, as amended;
“SGX-ST”	Singapore Exchange Securities Trading Limited;
“Subsidiary Guarantors”	certain subsidiaries of the Company that on the issue date of the New Notes will provide guarantees to secure the Company’s obligations under the New Notes;
“UBS”	UBS AG Hong Kong Branch, (UBS AG is incorporated in Switzerland with limited liability);
“United States”	the United States of America, its territories and possessions and all areas subject to its jurisdiction;
“US\$”	United States dollars, the lawful currency of the United States; and
“%”	per cent.

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

Hong Kong, September 23, 2020

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 Cecilia 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.