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SHIMAO PROPERTY HOLDINGS LIMITED

世茂房地產控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 813)

ISSUANCE OF US\$300 MILLION 8.375% SENIOR NOTES DUE 2022 (TO BE CONSOLIDATED AND FORM A SINGLE SERIES WITH THE US\$800 MILLION 8.375% SENIOR NOTES DUE 2022 ISSUED ON 10 FEBRUARY 2015)

Reference is made to the announcements of the Company dated 4 February 2015 and 10 March 2015 in relation to the Original Notes and Additional Notes.

The Board is pleased to announce that on 10 March 2015, the Company together with the Subsidiary Guarantors, entered into the Purchase Agreement with HSBC, Standard Chartered Bank, Goldman Sachs, and UBS in connection with the issue of US\$300 million 8.375% senior notes due 2022 to be consolidated and form a single series with the Original Notes.

The Additional Notes will have the same terms and conditions as the Original Notes, save for the issue date and the issue price.

The estimated net proceeds from the Additional Notes Issue, after deduction of the underwriting discounts and commissions and other estimated expenses payable in connection with the Additional Notes Issue, will amount to approximately US\$301.8 million and the Company intends to use the proceeds of the Additional Notes to finance the Group's existing and new property development projects (including land premium and construction costs) and for other general corporate purposes to enhance its liquidity position. The Company may adjust the foregoing plans in response to changing market conditions and thus, reallocate the use of proceeds.

Approval in-principle has been received for the listing and quotation of the Additional Notes on the SGX-ST. Admission of the Additional Notes to the Official List of, and quotation of the Additional Notes on, the SGX-ST is not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors or the Additional Notes.

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The Additional Notes will have the same terms and conditions as the Original Notes, save for the issue date and the issue price.

THE PURCHASE AGREEMENT

Date: 10 March 2015

Parties to the Purchase Agreement

- (a) the Company as the issuer;
- (b) the Subsidiary Guarantors;
- (c) HSBC;
- (d) Standard Chartered Bank;

- (e) Goldman Sachs; and
- (f) UBS.

HSBC, Standard Chartered Bank, Goldman Sachs and UBS are the joint global coordinators, joint bookrunners and the joint lead managers in respect of the offer and sale of the Additional Notes.

HSBC, Standard Chartered Bank, Goldman Sachs and UBS are also the initial purchasers of the Additional Notes.

The Additional Notes will only be offered and sold by the initial purchasers of the Additional Notes to non-U.S. persons (as defined in Regulation S) outside the United States, in compliance with Regulation S. None of the Additional Notes will be offered to the public in Hong Kong.

PRINCIPAL TERMS OF THE ADDITIONAL NOTES

Additional Notes Offered

Subject to certain conditions to completion, the Company will issue the Additional Notes in the aggregate principal amount of US\$300 million which will mature on 10 February 2022, unless earlier redeemed pursuant to the terms thereof and which shall, upon issuance, constitute a further issuance of, and be consolidated and form a single series with the Original Notes.

The Additional Notes will have the same terms and conditions as those of the Original Notes, save for the issue date and the issue price. Accordingly, for other key terms of the Additional Notes, including ranking, events of default, covenants and optional redemption, of the Additional Notes, please refer to the announcement of the Company dated 4 February 2015 in respect of the issuance of the Original Notes.

Offering price

The offering price of the Additional Notes will be 101.723% of the principal amount of the Additional Notes, plus accrued interest from (and including) 10 February 2015 to (but excluding) 17 March 2015.

Interest

The Additional Notes will bear interest from 10 February 2015 at a rate of 8.375% per annum, payable semi-annually in arrears on 10 February and 10 August of each year, commencing 10 August 2015.

Reasons for the Additional Notes Issue

The Group is a large-scale developer and owner of high-quality real estate projects in China. The Group specializes in developing mid- to high-end residential, retail and office properties for sale and prime and well-located hotel, retail and office properties for long term investment. The Group has a track record of successfully bringing to market real estate projects in Shanghai, Beijing, Hangzhou, Suzhou, Nanjing, Fuzhou and other fast-growing cities in China. The Group believes that this track record, together with the strong recognition of its “Shimao” brand name, positions it well as it continues to develop and market its real estate projects in cities throughout China. In 2014, the Group expanded into the Hong Kong real estate market through land acquisition. The Group aims to continue to grow as a leading property developer and investor with a strong presence in China’s key cities and economic regions as well as Hong Kong by continuing to enhance its “Shimao” brand name, create and develop innovative and market-leading properties, pursue property diversification and increase its proportion of investment properties and hotels to achieve a balanced revenue profile and expand its business operations and land bank in a disciplined manner.

The estimated net proceeds from the Additional Notes Issue, after deduction of the underwriting discounts and commissions and other estimated expenses payable in connection with the Additional Notes Issue, will amount to approximately US\$301.8 million and the Company intends to use the proceeds of the Additional Notes to finance the Group’s existing and new property development projects (including land premium and construction costs) and for other general corporate purposes to enhance its liquidity position. The Company may adjust the foregoing plans in response to changing market conditions and thus, reallocate the use of proceeds.

Listing

Approval in-principle has been received for the listing and quotation of the Additional Notes on the SGX-ST. Admission of the Additional Notes to the Official List of, and quotation of the Additional Notes on, the SGX-ST is not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors or the Additional Notes. No listing of the Additional Notes has been sought in Hong Kong.

DEFINITIONS

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

“Additional Notes”	the 8.375% guaranteed senior notes due 2022 in the aggregate principal amount of US\$300 million to be issued by the Company and to be consolidated and form a single series with the Original Notes
“Additional Notes Issue”	the issue of the Additional Notes by the Company
“Board”	the board of Directors
“China” or “PRC”	the People’s Republic of China, excluding Hong Kong, Macau Special Administrative Region and Taiwan for the purpose of this announcement
“Company”	Shimao Property Holdings Limited, an exempted company incorporated with limited liability in the Cayman Islands, the securities of which are listed on the main board of the Stock Exchange
“Directors”	the directors of the Company
“Goldman Sachs”	Goldman Sachs (Asia) L.L.C., one of the joint global coordinators, joint lead managers and joint bookrunners in respect of the Additional Notes Issue
“Group”, “we”, “our” and “us”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HSBC”	The Hongkong and Shanghai Banking Corporation Limited, one of the joint global coordinators, joint lead managers and joint bookrunners in respect of the Additional Notes Issue

“Original Notes”	the 8.375% guaranteed senior notes due 2022 in the aggregate principal amount of US\$800 million issued by the Company on 10 February 2015
“Purchase Agreement”	the agreement dated 10 March 2015 entered into between, among others, the Company, the Subsidiary Guarantors, HSBC, Standard Chartered Bank, Goldman Sachs, and UBS in relation to the Additional Notes Issue
“Regulation S”	Regulation S under the Securities Act
“Securities Act”	the United States Securities Act of 1933, as amended
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Standard Chartered Bank”	Standard Chartered Bank, one of the joint global coordinators, joint lead managers and joint bookrunners in respect of the Additional Notes Issue
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary Guarantors”	the subsidiaries of the Company which guarantee the Additional Notes
“UBS”	UBS AG, Hong Kong Branch, one of the joint global coordinators, joint lead managers and joint bookrunners in respect of the Additional Notes Issue
“United States”	the United States of America
“US\$”	United States dollar(s)

“%”

per cent

On behalf of the Board
Shimao Property Holdings Limited
Hui Wing Mau
Chairman

Hong Kong, 11 March 2015

As at the date of this announcement, the Board comprises five executive directors, namely, Mr. Hui Wing Mau (Chairman), Mr. Hui Sai Tan, Jason (Vice Chairman), Mr. Xu Younong, Ms. Tang Fei and Mr. Liao Lujiang; one non-executive director, namely, Mr. Liu Sai Fei; and three independent non-executive directors, namely, Ms. Kan Lai Kuen, Alice, Mr. Lu Hong Bing and Mr. Lam Ching Kam.