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**廣州富力地產股份有限公司**  
**GUANGZHOU R&F PROPERTIES CO., LTD.\***

*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*  
**(Stock code: 2777)**

## **PROPOSED ISSUE OF DOMESTIC MEDIUM TERM NOTES IN THE PRC**

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

The Board proposes to issue the Domestic Medium Term Notes in the PRC with an aggregate principal amount of not more than RMB7.0 billion and proposes to convene the 2nd EGM to approve the proposal.

A circular containing details of the proposed issue of the Domestic Medium Term Notes and the notice to Shareholders convening the 2nd EGM will be dispatched to Shareholders as soon as practicable.

**In addition to the approval by the Shareholders at the 2nd EGM, the proposed issue of Domestic Medium Term Notes is also subject to the registration with the NAFMI and market conditions. Accordingly, the proposed issue of the Domestic Medium Term Notes may or may not materialize. Shareholders and the public are reminded to exercise caution when dealing in the securities of the Company.**

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## **THE PROPOSED ISSUE OF DOMESTIC MEDIUM TERM NOTES IN THE PRC**

### **1. Background**

In anticipation of the approval to be granted by the regulatory authorities in the PRC with respect to the issue of medium term notes in the inter-bank market by listed properties enterprises, the Company intends to apply for registration with the NAFMI pursuant to the requirements of the Company Law of the PRC and the Administrative Rules on Debt

Financing Instruments of Non-financial Enterprises on the Inter-bank Bond Market for the issuance of the Domestic Medium Term Notes. The proceeds raised will be used for the development of ordinary commodity housing projects, which are supported by the policy of the State, to replenish the working capital of the Company, and to repay the bank loans for welfare housing projects and ordinary commodity housing projects.

Pursuant to Article 87 of the Articles of Association, the issuance of the Domestic Medium Term Notes is subject to the approval of the Shareholders by way of a special resolution and the registration of the issue with the NAFMI

## **2. Particulars of the Domestic Medium Term Notes**

Details of the Domestic Medium Term Notes to be issued are as follows:-

- (i) Issuer : the Company;
- (ii) Place of issue : the PRC;
- (iii) Size of issue : Not exceeding RMB7.0 billion;
- (iv) Maturity : 3 to 10 years;
- (v) Use of proceeds : To be used for the development of ordinary commodity housing projects, to replenish working capital of the Company, and to repay the bank loans for welfare housing projects and ordinary commodity housing project;
- (vi) Method of issue : To be underwritten by registered financial institution(s) in the PRC engaged by the Company;
- (vii) Target investors : Investors of the inter-bank bond market in the PRC (save for any investors who are prohibited by the laws and regulations from investing in such instruments).

## **3. Granting of authority to the Board to deal with matters relating to the issue of the Domestic Medium Term Notes**

To ensure the proper issue of the Domestic Medium Term Notes, it is proposed that a special resolution be passed by the Shareholders generally and unconditionally at the 2nd EGM to authorize the Board to handle all matters relating to the proposed issue of the Domestic Medium Term Notes, including but not limited to the following:

- (i) implement a specific plan for the issue of the Domestic Medium Term Notes according to market conditions, including but not limited to the timing of issue, issue size, issue price, maturity, whether to issue the Domestic Medium Term Notes in tranches and their respective size and maturity, interest rate and method of determination, conditions for redemption or repurchase, rating arrangement, guarantees, the terms for the issue and trading of the Domestic Medium Term Notes, other terms of the Domestic Medium Term Notes, and all other matters relating to the issue of the Domestic Medium Term Notes;
- (ii) determine the final use of the proceeds in accordance with the needs of the Company;
- (iii) decide and appoint intermediaries for the proposed issue of the Domestic Medium Term Notes;
- (iv) apply to the relevant PRC regulatory authorities for the issue of the Domestic Medium Term Notes and make appropriate adjustments to the plan for the issue and terms of the Domestic Medium Term Notes in accordance with the feedback (if any) from the relevant PRC regulatory authorities;
- (v) deal with any matters relating to the issue of the Domestic Medium Term Notes, make application for the necessary approval and registration with the competent authority, to execute necessary legal document in respect of the issue of the Domestic Medium Term Notes and to deal with matters relating to the registration and listing of the Domestic Medium Term Notes for the Company and to make appropriate disclosure;
- (vi) approve, confirm and ratify the actions and steps taken by the Board with respect to the issue of the Domestic Medium Term Notes; and
- (vii) take all necessary actions to determine and make arrangements for all matters relating to the proposed issue and listing of the Domestic Medium Term Notes, including exercising the discretion to delay or temporarily suspend the issue of the Domestic Medium Term Notes, should such event of force majeure or other situations make the issue of the Domestic Medium Term Notes difficult or would not be beneficial to the Company even if it could be issued.

The authority granted to the Board to deal with the above matters will take effect from the date of the passing of the resolution with regard to the issue of the Domestic Medium Term Notes at the 2nd EGM until all the authorized matters in relation to the issue of the Domestic Medium Term Notes have been completed.

#### **4. Reasons for the Proposed Issue of the Domestic Medium Term Notes**

The proposed issue of the Domestic Medium Term Notes by the Company is to broaden the source of financing and the Company intends to use the proceeds from the issue of the Domestic Medium Term Notes to improve the debt structure of the Company, reduce finance costs, facilitate sustainable and steady development of the Company and support the strategic development and financing needs of the Company in the coming years.

## EXTRAORDINARY GENERAL MEETING

The 2nd EGM will be convened to approve the special resolution regarding the proposed issue of the Domestic Medium Term Notes.

A circular containing details of the proposed issue of the Domestic Medium Term Notes and the notice to Shareholders convening the 2nd EGM will be despatched to Shareholders as soon as practicable.

In addition to the approval by the Shareholders at the 2nd EGM, the proposed issue of Domestic Medium Term Notes is also subject to the registration with the NAFMI and market conditions. Accordingly, the proposed issue of the Domestic Medium Term Notes may or may not materialize. **Shareholders and the public are reminded to exercise caution when dealing in the securities of the Company.**

## DEFINITIONS

In this announcement, unless otherwise defined, the following terms shall have the following meanings:

“2nd EGM”	the second extraordinary general meeting of the Company for 2014 to be held at 11:00 a.m. on Thursday, 23 October 2014 at the Conference Room, 54/F, R&F Center, No.10 Huaxia Road, Pearl River New Town, Guangzhou, the PRC;
“Articles of Association”	the articles of association of the Company;
“Board”	the Board of Directors of the Company;
“Company”	Guangzhou R&F Properties Co., Ltd. (廣州富力地產股份有限公司), a joint stock company incorporated in the People’s Republic of China with limited liability and listed on the Stock Exchange;
“Director(s)”	director(s) of the Company;
“Domestic Medium Term Notes”	medium term notes to be issued by the Company in the PRC and will be registered with NAFMI pursuant to the requirements of the Administrative Rules on Debt Financing Instruments of Non-financial Enterprises on the Inter-bank Bond Market (《銀行間債券市場非金融企業債務融資工具管理辦法》);
“Domestic Share(s)”	ordinary shares in the capital of the Company, with a nominal value of RMB0.25 each, which are subscribed

for and credited as fully paid up in Renminbi;

“H Share(s)”	ordinary shares in the capital of the Company listed on the Stock Exchange, with a nominal value of RMB0.25 each, which are subscribed for and traded in Hong Kong dollars;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“NAFMI”	the National Association of Financial Markets Institutional Investors;
“PRC”	the People’s Republic of China;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shareholders”	shareholders (both Domestic Shares and H Shares) of the Company;
“Shares”	shares (both Domestic Shares and H Shares) of the Company; and
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.

By Order of the Board  
**Guangzhou R&F Properties Co., Ltd.**  
**Li Sze Lim**  
*Chairman*

19 September 2014, Hong Kong

*As at the date of this announcement, the executive Directors are Mr. Li Sze Lim, Mr. Zhang Li, Mr. Zhou Yaonan and Mr. Lu Jing; the non-executive Directors are Ms. Zhang Lin and Ms. Li Helen; and the independent non-executive Directors are Mr. Huang Kaiwen, Mr. Lai Ming Joseph and Mr. Zheng Ercheng.*

*\* For identification purpose only*