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China Logistics Property Holdings Co., Ltd

中國物流資產控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1589)

**ISSUANCE OF ADDITIONAL US\$100 MILLION 8% SENIOR
NOTES DUE 2020 (TO BE CONSOLIDATED AND FORM
A SINGLE SERIES WITH THE US\$200,000,000 8%
SENIOR NOTES DUE 2020)**

Reference is made to the Announcements.

On 15 December 2017, the Company and the Subsidiary Guarantors entered into the Purchase Agreement with Haitong International and CCB International in connection with the Additional Notes Issue.

The estimated gross proceeds of the Additional Notes Issue, including accrued interest from and including 8 August 2017 to (but excluding) 28 December 2017, before deducting the underwriting discount and commissions and other estimated expenses payable in connection with the Additional Notes Issue, will amount to approximately US\$103.1 million, and the Company intends to use the net proceeds of the Additional Notes Issue for repaying existing offshore indebtedness and general corporate purposes. The Company may adjust its plans in response to changing market conditions and, thus, reallocate the use of the net proceeds.

The Existing Notes are listed on the Stock Exchange. The Company will procure that the Additional Notes will also be listed on the Stock Exchange upon issue. Admission of the Additional Notes to the Stock Exchange is not to be taken as an indication of the merits of the Company or the Additional Notes.

Reference is made to the Announcements. Unless otherwise defined, terms defined in this announcement shall have the same meanings as defined in the Announcements.

The Board is pleased to announce that on 15 December 2017, the Company and the Subsidiary Guarantors entered into the Purchase Agreement with Haitong International and CCB International in connection with the Additional Notes Issue.

THE PURCHASE AGREEMENT

Date: 15 December 2017

Parties to the Purchase Agreement

- (a) the Company as the issuer;
- (b) the Subsidiary Guarantors;
- (c) Haitong International; and
- (d) CCB International.

Haitong International and CCB International are the joint global coordinators, joint bookrunners and joint lead managers in respect of the offer and sale of the Additional Notes. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of Haitong International and CCB International is an independent third party and not a connected person of the Company.

The Additional Notes will only be offered outside the United States in offshore transactions in compliance with Regulation S under the Securities Act. None of the Additional Notes will be offered to the public in Hong Kong.

Principal terms of the Additional Notes

The principal terms of the Additional Notes are the same as the terms of the Existing Notes as set forth in the announcement of the Company dated 2 August 2017, other than with respect to the following:

Notes Offered

Subject to certain conditions to completion, the Company will issue the Additional Notes in the aggregate principal amount of US\$100 million, to be consolidated and form a single series with the Existing Notes. The Additional Notes will mature on 8 August 2020, unless earlier redeemed in accordance with the terms thereof.

Offering Price

The offering price of the Additional Notes will be 99.986% of the principal amount of the Additional Notes plus accrued interest from and including 8 August 2017 to (but excluding) 28 December 2017.

Interest

The Additional Notes will bear interest at a rate of 8% per annum, payable semi-annually in arrear on 8 February and 8 August of each year, commencing on 8 February 2018.

Use of Proceeds for the Additional Notes Issue

The estimated gross proceeds of the Additional Notes Issue, including accrued interest from and including 8 August 2017 to (but excluding) 28 December 2017, before deducting the underwriting discount and commissions and other estimated expenses payable in connection with the Additional Notes Issue, will amount to approximately US\$103.1 million, and the Company intends to use the net proceeds of the Additional Notes Issue for repaying existing offshore indebtedness and general corporate purposes. The Company may adjust its plans in response to changing market conditions and, thus, reallocate the use of the net proceeds.

Listing

The Existing Notes are listed on the Stock Exchange. The Company will procure that the Additional Notes will also be listed on the Stock Exchange upon issue. Admission of the Additional Notes to the Stock Exchange is not to be taken as an indication of the merits of the Company or the Additional Notes.

DEFINITIONS

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

“Announcements”	the announcements of the Company dated 25 July 2017, 2 August 2017, 12 September 2017 and 13 September 2017 in respect of the issue of the Existing Notes and 15 December 2017 in respect of the Additional Notes Issue
“Existing Notes”	US\$200 million 8% senior notes due 2020 issued by the Company on 8 August 2017 and on 14 September 2017
“Purchase Agreement”	the purchase agreement dated 15 December 2017 entered into among the Company, the Subsidiary Guarantors, Haitong International and CCB International in relation to the Additional Notes Issue

By order of the Board
China Logistics Property Holdings Co., Ltd
Li Shifa
Chairman

Hong Kong, 17 December 2017

As at the date of this announcement, Mr. Li Shifa, Mr. Pan Naiyue, Mr. Zhang Long, Mr. Wu Guolin, Ms. Li Huiyang, Mr. Chen Runfu, Mr. Cheuk Shun Wah and Ms. Shi Lianghua are the executive directors; Mr. Wang Yeyi and Ms. Li Qing are the non-executive directors; and Mr. Guo Jingbin, Mr. Fung Ching Simon, Mr. Wang Tianye, Mr. Leung Chi Ching Frederick and Mr. Chen Yaomin are the independent non-executive directors.