

NOT FOR DISTRIBUTION IN THE UNITED STATES

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 is for information purposes only and does not constitute an invitation or a solicitation of an offer to acquire, purchase or subscribe for securities or an invitation to enter into an agreement to do any such things, nor is it calculated to invite any offer to acquire, purchase or subscribe for any securities.

This announcement is not an offer of securities for sale or the solicitation of an offer to buy securities in the United States or in any country or jurisdiction in which any such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such country or jurisdiction. No securities may be offered or sold in the United States absent registration or an exemption from registration. Public offerings of securities in the United States must be made by means of a prospectus that may be obtained from the company making the offer and that contains detailed information about such company and its management and financial statements. The Company has not registered and does not intend to register any of the Notes in the United States.



恒盛地產
GLORIOUS PROPERTY

Glorious Property Holdings Limited

恒盛地產控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00845)

ISSUANCE OF US\$250 MILLION 13.25% SENIOR NOTES DUE 2018

On 25 February 2013 (after trading hours), the Company and the Subsidiary Guarantors entered into the Subscription Agreement with the Managers in connection with the issue of US\$250 million 13.25% senior notes due 2018.

The estimated net proceeds of the Notes Issue, after deduction of underwriting commissions and other estimated expenses, will amount to approximately US\$244.5 million. The Company intends to use the net proceeds for refinancing existing debt and for general corporate purposes. The Company may adjust its acquisition and development plans in response to changing market conditions and circumstances and, thus, may reallocate the use of proceeds from the Notes Issue.

The Company will seek a listing of the Notes on the Stock Exchange. A confirmation of the eligibility for the listing of the Notes has been received from the Stock Exchange. Admission of the Notes to the Stock Exchange is not to be taken as an indication of the merits of the Company or the Notes.

As the conditions precedent to completion of the Subscription Agreement may or may not be satisfied and the Subscription Agreement may be terminated upon the occurrence of certain events, shareholders of the Company and prospective investors are advised to exercise caution when dealing in the securities of the Company.

Reference is made to the announcement of the Company dated 20 February 2013 in respect of the proposed Notes Issue. The Board is pleased to announce that on 25 February 2013 (after trading hours), the Company, together with the Subsidiary Guarantors, entered into the Subscription Agreement with the Managers (and/or their representatives) in connection with the issue of the Notes in the aggregate principal amount of US\$250 million.

THE SUBSCRIPTION AGREEMENT

Parties

- (a) the Company as the issuer;
- (b) certain subsidiaries of the Company as the Subsidiary Guarantors of the Company's obligations under the Notes; and
- (c) the Managers (and/or their representatives).

Deutsche Bank, Haitong International, ICBC International Capital, J.P. Morgan, The Royal Bank of Scotland and UBS are the Joint Bookrunners and Deutsche Bank, Haitong International, ICBC International Securities, J.P. Morgan, The Royal Bank of Scotland and UBS are the Joint Lead Managers in respect of the offer and sale of the Notes. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Joint Bookrunners and the Joint Lead Managers is an independent third party and not a connected person of the Company.

The Notes will be offered by the Managers outside the United States only in compliance with Regulation S under the Securities Act. None of the Notes will be offered to the public in Hong Kong and none of the Notes will be placed to any connected persons of the Company.

Principal terms of the Notes

Notes Offered

The Company will issue the Notes in the aggregate principal amount of US\$250 million which will mature on 4 March 2018, unless earlier redeemed pursuant to the terms thereof.

Offer Price

The offer price of the Notes will be 100% of the principal amount of the Notes.

Interest

The Notes will bear interest at a rate of 13.25% per annum, payable semi-annually in arrears on 4 March and 4 September of each year, beginning 4 September 2013.

Ranking of the Notes

The Notes are general obligations of the Company and senior in right of payment to any existing and future obligations of the Company expressly subordinated in right of payment to the Notes.

The Notes will (i) rank at least pari passu in right of payment with the 2015 Notes and all other unsecured, unsubordinated indebtedness of the Company (subject to any priority rights of such unsubordinated indebtedness pursuant to applicable law); (ii) be guaranteed by the Subsidiary Guarantors and the JV Subsidiary Guarantors (if any) on a senior basis, subject to certain limitations; (iii) be effectively subordinated to any other secured obligations of the Company, the Subsidiary Guarantors and the JV Subsidiary Guarantors, if any (other than permitted pari passu secured indebtedness), to the extent of the assets serving as security therefor; and (iv) effectively subordinated to all existing and future obligations of the non-guarantor subsidiaries.

Events of Default

The events of default under the Notes are:

- (a) default in the payment of principal of (or premium, if any, on) the Notes when the same becomes due and payable, upon acceleration, redemption or otherwise;
- (b) default in the payment of interest on any Note when the same becomes due and payable, and such default continues for a period of 30 days;
- (c) default in the performance or breach of the certain covenants described in the Conditions, the failure by the Company to make or consummate an offer to purchase the Notes from holders of the Notes in a manner prescribed by the terms of the Conditions or the failure by the Company to create, or cause its restricted subsidiaries to create, a lien on the Shared Collateral;

- (d) the Company or any restricted subsidiary defaults in the performance of or breaches any other covenant or agreement in the Trust Deed or under the Notes (other than a default specified in clause (a), (b) or (c) above) and such default or breach continues for a period of 30 consecutive days after written notice by the trustee of the Notes or the holders of 25% or more in aggregate principal amount of the Notes;
- (e) there occurs with respect to any indebtedness of the Company or any restricted subsidiary, having an outstanding principal amount of US\$7.5 million (or the dollar equivalent thereof) or more in the aggregate for all such indebtedness of all such persons, whether such indebtedness now exists or shall hereafter be created, (i) an event of default that has caused the holder thereof to declare such indebtedness to be due and payable prior to its stated maturity and/or (ii) the failure to make a principal payment when due;
- (f) one or more final judgments or orders for the payment of money are rendered against the Company or any of its restricted subsidiaries and are not paid or discharged, and there is a period of 60 consecutive days following entry of the final judgment or order that causes the aggregate amount for all such final judgments or orders outstanding and not paid or discharged against all such persons to exceed US\$7.5 million (or the dollar equivalent thereof) during which a stay of enforcement, by reason of a pending appeal or otherwise, is not in effect;
- (g) an involuntary case or other proceeding is commenced against the Company or any restricted subsidiary with respect to it or its debts under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect seeking the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Company or any restricted subsidiary or for any substantial part of the property and assets of the Company or any restricted subsidiary and such involuntary case or other proceeding remains undismissed and unstayed for a period of 60 consecutive days; or an order for relief is entered against the Company or any restricted subsidiary under any applicable bankruptcy, insolvency or other similar law as now or hereafter in effect;
- (h) the Company or any restricted subsidiary (i) commences a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consents to the entry of an order for relief in an involuntary case under any such law, (ii) consents to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Company or any restricted subsidiary or for all or substantially all of the property and assets of the Company or any restricted subsidiary or (iii) effects any general assignment for the benefit of creditors;
- (i) any Subsidiary Guarantor or JV Subsidiary Guarantor denies or disaffirms its obligations under its Subsidiary Guarantee or JV Subsidiary Guarantee or, except as permitted by the Trust Deed, any Subsidiary Guarantee or JV Subsidiary Guarantee is determined to be unenforceable or invalid or shall for any reason cease to be in full force and effect;

- (j) any default by the Company or any Subsidiary Guarantor Pledgor in the performance of any of its obligations under the security documents under the Notes, which adversely affects the enforceability, validity, perfection or priority of the applicable lien on the Shared Collateral or which adversely affects the condition or value of the Shared Collateral, taken as a whole, in any material respect; or
- (k) the Company or any Subsidiary Guarantor Pledgor denies or disaffirms its obligations under any security documents under the Notes or, other than in accordance with the Trust Deed and such security documents, any security document ceases to be or is not in full force and effect or the trustee of the Notes ceases to have an effective lien on the Shared Collateral (subject to any permitted liens).

If an event of default (other than an event of default specified in (g) and (h) above) occurs and is continuing, the trustee of the Notes (at its sole discretion) may and if so requested by the holders of at least 25% in aggregate principal amount of the Notes then outstanding or if directed by an extraordinary resolution shall, by written notice to the Company, declare the principal of, premium, if any, and accrued and unpaid interest on the Notes to be immediately due and payable. Upon a declaration of acceleration, such principal of, premium, if any, and accrued and unpaid interest shall be immediately due and payable. If an event of default specified in clause (g) or (h) above occurs with respect to the Company or any restricted subsidiary, the principal of, premium, if any, and accrued and unpaid interest on the Notes then outstanding shall automatically become and be immediately due and payable without any declaration or other act on the part of the trustee or any holder of the Notes.

Covenants

The Notes, the Trust Deed, the Subsidiary Guarantees and the JV Subsidiary Guarantees (if any) will limit the Company's ability and the ability of its restricted subsidiaries to, among other things:

- (a) incur or guarantee additional indebtedness or issue disqualified or preferred stock;
- (b) declare dividends on its capital stock or purchase or redeem capital stock;
- (c) make investments or other specified restricted payments;
- (d) issue or sell capital stock of restricted subsidiaries;
- (e) guarantee indebtedness of the Company or any restricted subsidiaries;
- (f) sell assets;
- (g) create liens;
- (h) enter into sale and leaseback transactions;

- (i) enter into agreements that restrict the ability of the restricted subsidiaries to pay dividends, transfer assets or make intercompany loans;
- (j) enter into transactions with shareholders or affiliates; and
- (k) effect a consolidation or merger.

Redemption

At any time and from time to time on or after 4 March 2016, the Company may at its option redeem the Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest, if any, to (but not including) the redemption date if redeemed during the 12-month period beginning on 4 March of each of the years indicated below:

Period	Redemption Price
2016	106.625%
2017 and thereafter	103.313%

At any time prior to 4 March 2016, the Company may at its option redeem the Notes, in whole but not in part, at a redemption price equal to 100.0% of the principal amount of the Notes plus the applicable premium as of, and accrued and unpaid interest, if any, to the redemption date.

At any time and from time to time prior to 4 March 2016, the Company may redeem up to 35% of the aggregate principal amount of the Notes with the net cash proceeds of one or more sales of common stock of the Company in an equity offering at a redemption price of 113.25% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date; provided that at least 65% of the aggregate principal amount of the Notes originally issued on the original issue date of the Notes remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related equity offering.

Not later than 30 days following any of the below change of control triggering events accompanied by a rating decline, the Company will make an offer to purchase all outstanding Notes at a purchase price equal to 101% of their principal amount plus accrued and unpaid interest, if any, to (but not including) the offer to purchase payment date:

- (a) the merger, amalgamation or consolidation of the Company with or into another person (other than one or more Permitted Holders) or the merger or amalgamation of another person (other than one or more Permitted Holders) with or into the Company, or the sale of all or substantially all the assets of the Company to another person (other than one or more Permitted Holders);
- (b) the Permitted Holders are collectively the beneficial owners of less than 40% of the total voting power of the voting stock of the Company;

- (c) any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act) is or becomes the “beneficial owner” (as such term is used in Rule 13d-3 of the Exchange Act), directly or indirectly, of total voting power of the voting stock of the Company greater than such total voting power held beneficially by the Permitted Holders;
- (d) individuals who on the original issue date of the Notes constituted the board of directors of the Company, together with any new directors whose election to the board of directors of the Company was approved by a vote of at least two-thirds of the directors then still in office who were either directors on the original issue date or whose election was previously so approved, cease for any reason to constitute a majority of the board of directors of the Company then in office; or
- (e) the adoption of a plan relating to the liquidation or dissolution of the Company.

Subject to certain exceptions, the Company may redeem the Notes, as a whole but not in part, at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest, if any, to the date fixed by the Company for redemption, if the Company or a Subsidiary Guarantor or a JV Subsidiary Guarantor (if any) would become obligated to pay certain additional amounts as a result of certain changes in specified tax laws or certain other circumstances.

REASONS FOR THE NOTES ISSUE

The Company intends to use the net proceeds for refinancing existing debt and for general corporate purposes. The Company may adjust its acquisition and development plans in response to changing market conditions and circumstances and thus, may reallocate the use of proceeds from the Notes Issue.

LISTING AND RATINGS

The Company will seek a listing of the Notes on the Stock Exchange. A confirmation of the eligibility for the listing of the Notes has been received from the Stock Exchange. Admission of the Notes to the Stock Exchange is not to be taken as an indication of the merits of the Company or the Notes.

The Notes have been provisionally rated “B-” by Standard & Poor’s Rating Services, a division of the McGraw-Hill Companies, Inc. and “Caal” by Moody’s Investors Service, Inc. The credit ratings accorded to the Notes are not a recommendation to purchase, hold or sell the Notes inasmuch as such ratings do not comment as to market price or suitability for a particular investor. There can be no assurance that the ratings will remain in effect for a given period or that the ratings will not be revised by the rating agencies in the future.

As the conditions precedent to completion of the Subscription Agreement may or may not be satisfied and the Subscription Agreement may be terminated upon the occurrence of certain events, shareholders of the Company and prospective investors are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

“2015 Notes”	the 13.00% senior notes due 2015 issued by the Company on 25 October 2010 in the aggregate principal amount of US\$300,000,000
“Board”	the board of Directors
“Company”	Glorious Property Holdings Limited (恒盛地產控股有限公司), a company incorporated under the laws of the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Conditions”	the terms and conditions of the Notes
“connected person”	has the meaning ascribed to it under the Listing Rules
“Deutsche Bank”	Deutsche Bank AG, Singapore Branch, one of the joint bookrunners and joint lead managers in respect of the Notes Issue
“Directors”	the directors of the Company
“Exchange Act”	the United States Securities and Exchange Act of 1934, as amended
“Haitong International”	Haitong International Securities Company Limited, one of the joint bookrunners and joint lead managers in respect of the Notes Issue
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“ICBC International Capital”	ICBC International Capital Limited, one of the joint bookrunners in respect of the Notes Issue
“ICBC International Securities”	ICBC International Securities Limited, one of the joint lead managers in respect of the Notes Issue
“J.P. Morgan”	J.P. Morgan Securities plc, one of the joint bookrunners and joint lead managers in respect of the Notes Issue
“Joint Bookrunners”	Deutsche Bank, Haitong International, ICBC International Capital, J.P. Morgan, The Royal Bank of Scotland and UBS

“Joint Lead Managers”	Deutsche Bank, Haitong International, ICBC International Securities, J.P. Morgan, The Royal Bank of Scotland and UBS
“JV Subsidiary Guarantee”	limited recourse guarantee to be provided by the JV Subsidiary Guarantors under certain circumstances to replace a Subsidiary Guarantee
“JV Subsidiary Guarantors”	subsidiaries of the Company which provide JV Subsidiary Guarantees
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Managers”	collectively the Joint Bookrunners and Joint Lead Managers
“Notes”	the 13.25% guaranteed senior notes due 2018 in the principal amount of US\$250 million to be issued by the Company
“Notes Issue”	the issue of the Notes by the Company
“Permitted Holders”	any or all of the following: (i) Mr. Zhang Zhi Rong; (ii) any affiliate (as defined under the Conditions) of the person specified in clause (i); and (iii) any person both the capital stock and voting stock of which (or in the case of a trust, the beneficial interests in which) are owned 80% or more by one or more of the persons specified in clauses (i) and (ii) above
“PRC”	the People’s Republic of China, excluding Hong Kong, Taiwan and the Macau Special Administrative Region
“Securities Act”	the United States Securities Act of 1933, as amended
“Shared Collateral”	all collateral securing, or purported to be securing, directly or indirectly, (i) the Notes and the Subsidiary Guarantees and (ii) any permitted pari passu secured indebtedness pursuant to the security documents under the Notes, and shall initially consist of the capital stock of the initial Subsidiary Guarantors
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	the agreement dated 25 February 2013 entered into between, among others, the Company, the Subsidiary Guarantors and the Managers (and/or their representatives) in relation to the Notes Issue

“Subsidiary Guarantee”	any guarantee by any Subsidiary Guarantor to secure the Company’s obligations under the Trust Deed and the Notes
“Subsidiary Guarantor Pledgors”	certain subsidiary guarantor pledgors which provide pledges over their stock in the Subsidiary Guarantors to secure the obligations of the Company under the Trust Deed and the Notes and of such Subsidiary Guarantor under its Subsidiary Guarantee
“Subsidiary Guarantors”	subsidiaries of the Company which provide guarantees to secure the Company’s obligations under the Trust Deed and the Notes
“The Royal Bank of Scotland”	The Royal Bank of Scotland plc, one of the joint bookrunners and joint lead managers in respect of the Notes Issue
“Trust Deed”	the trust deed to be entered into between the Company, the Subsidiary Guarantors and the trustee of the Notes
“UBS”	UBS AG, Hong Kong Branch, one of the joint bookrunners and joint lead managers in respect of the Notes Issues
“United States”	the United States of America
“US\$”	United States dollar(s), the lawful currency of the United States
“%”	per cent

By order of the Board
Glorious Property Holdings Limited
Tai Wing Kwan, Catherine
Company Secretary

Hong Kong, 26 February 2013

As at the date of this announcement, the executive directors of the Company are Messrs. Cheng Li Xiong, Ding Xiang Yang, Liu Ning, Xia Jing Hua, Yan Zhi Rong and Yu Xiu Yang; and the independent non-executive directors of the Company are Messrs. Yim Ping Kuen, Liu Shun Fai, Wo Rui Fang and Han Ping.