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GREENTOWN CHINA HOLDINGS LIMITED

綠城中國控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03900)

ISSUE OF USD500 MILLION SUBORDINATED PERPETUAL CAPITAL SECURITIES

Reference is made to the announcement of the Company dated 20 January 2014 in respect of the Subordinated Perpetual Capital Securities Issue. The Board is pleased to announce that on 20 January 2014, the Company, the Issuer, Deutsche Bank, Goldman Sachs (Asia) L.L.C., UBS, Macquarie, HSBC, Standard Chartered Bank and BNP Paribas, entered into the Subscription Agreement, in connection with the Subordinated Perpetual Capital Securities Issue in the aggregate principal amount of USD500 million.

The Company estimates that the net proceeds from the Subordinated Perpetual Capital Securities Issue, after deducting the underwriting commissions and other estimated fees and expenses, will be approximately USD493.25 million. The Company intends to use the net proceeds of the Subordinated Perpetual Capital Securities Issue to replace and refinance the PSCS and for general working capital purposes. The Company may adjust the foregoing stated use of proceeds in response to changing market conditions and therefore reallocate the use of proceeds.

* For identification purposes only

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

Reference is made to the announcement of the Company dated 20 January 2014 in respect of the Subordinated Perpetual Capital Securities Issue. The Board is pleased to announce that on 20 January 2014, the Company and the Issuer entered into the Subscription Agreement with Deutsche Bank, Goldman Sachs (Asia) L.L.C., UBS, Macquarie, HSBC, Standard Chartered Bank and BNP Paribas, in connection with the Subordinated Perpetual Capital Securities Issue in the aggregate principal amount of USD500 million.

SUBSCRIPTION AGREEMENT

Date: 20 January 2014

Parties to the Subscription Agreement

- (a) The Issuer;
- (b) The Company as guarantor; and
- (c) Deutsche Bank, Goldman Sachs (Asia) L.L.C., UBS, Macquarie, HSBC, Standard Chartered Bank and BNP Paribas.

Deutsche Bank, Goldman Sachs (Asia) L.L.C., UBS, Macquarie, HSBC, Standard Chartered Bank and BNP Paribas are the joint lead managers and the joint bookrunners in respect of the offer and sale of the Subordinated Perpetual Capital Securities. Each of the above mentioned parties is also a subscriber of the Subordinated Perpetual Capital Securities. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, each of the above mentioned parties is an independent third party and not a connected person of the Company.

The Subordinated Perpetual Capital Securities and the Guarantee have not been and will not be registered under the Securities Act, and may not be offered, sold or delivered within the United States. Accordingly, the Subordinated Perpetual Capital Securities are being offered and sold only outside of the United States in offshore transactions in reliance on Regulation S under the Securities Act. None of the Subordinated Perpetual Capital Securities will be offered to the public in Hong Kong and none of the Subordinated Perpetual Capital Securities will be placed with any connected persons of the Company.

Principal terms of the Subordinated Perpetual Capital Securities

Securities Offered

Subject to certain conditions to completion, the Company will issue the Subordinated Perpetual Capital Securities in the aggregate principal amount of USD500 million.

Offering Price

The offering price of the Subordinated Perpetual Capital Securities will be 100% of the principal amount of the Subordinated Perpetual Capital Securities.

Distributions

Subject to the terms and conditions of the Subordinated Perpetual Capital Securities, the Subordinated Perpetual Capital Securities confer a right to receive distributions (each a “Distribution”) from the Issue Date at the applicable Distribution Rate (as defined below). Distributions shall be payable on the Subordinated Perpetual Capital Securities semi-annually in arrear on each Distribution Payment Date in United States dollars.

Distribution rate

The rate of distribution (“Distribution Rate”) applicable to the Securities shall be:

- (i) in respect of the period from, and including, the Issue Date to, but excluding, the First Call Date, the Initial Distribution Rate; and
- (ii) in respect of the periods (A) from, and including, the First Call Date to, but excluding, the immediately following Reset Date and (B) from, and including, each Reset Date falling after the First Call Date to, but excluding, the immediately following Reset Date, the Treasury Rate (as defined in the Terms and Conditions of the Subordinated Perpetual Capital Securities) with respect to the relevant Reset Date plus the Initial Spread plus 5.0%.

provided, in each case, that in the event of the occurrence of a change of control triggering event, if the Issuer does not elect to redeem the Subordinated Perpetual Capital Securities within 30 days of a change of control triggering event in accordance with the terms and conditions of the Subordinated Perpetual Capital Securities, then the prevailing Distribution Rate applicable to the Subordinated Perpetual Capital Securities shall be increased by 3.00 per cent. per annum with effect from the next Distribution Payment Date (or, if the relevant event occurs on or after the date which is two business days prior to the next Distribution Payment Date, the next following Distribution Payment Date).

Status and subordination of the Subordinated Perpetual Capital Securities

The Subordinated Perpetual Capital Securities constitute direct, subordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves and *pari passu* with any parity securities.

In the event of the winding-up of the Issuer, the rights and claims of the holders of the Subordinated Perpetual Capital Securities shall rank ahead of those persons whose claims are in respect of any junior securities of the Issuer, but shall be subordinated in right of payment to the claims of all other present and future senior and subordinated creditors of the Issuer, other than the claims of holders of parity securities of the Issuer.

Status of the Guarantee

The Guarantee constitutes a direct, unsecured and subordinated obligation of the Guarantor which ranks *pari passu* with any parity securities of the Guarantor.

In the event of the winding-up of the Guarantor, the rights and claims of the holders of the Subordinated Perpetual Capital Securities in respect of the Guarantee shall rank ahead of those persons whose claims are in respect of any junior securities of the Guarantor, but shall be subordinated in right of payment to the claims of all other present and future senior and subordinated creditors of the Guarantor, other than the claims of holders of parity securities of the Guarantor.

Redemption at the option of the Issuer

The Issuer may at its option, on giving not less than 30 nor more than 60 days' notice to the holders of the Subordinated Perpetual Capital Securities in accordance with the terms and conditions of the Subordinated Perpetual Capital Securities and the trustee (which notice will be irrevocable), redeem in whole, but not in part, the Subordinated Perpetual Capital Securities:

- (i) on the First Call Date; or
- (ii) on any Distribution Payment Date after the First Call Date,

(each, a "Call Date").

On expiry of any such notice period referred to above, the Issuer shall be bound to redeem the Subordinated Perpetual Capital Securities on the relevant Call Date at their principal amount together with any Distribution accrued to the date fixed for redemption (including any arrears of distribution and any additional distribution amount).

Purchase

The Guarantor or any of its subsidiaries may at any time and from time to time purchase the Subordinated Perpetual Capital Securities at any price in the open market or otherwise.

Expected closing date

28 January 2014

GENERAL

Information of the Company and Reasons for the Subordinated Perpetual Capital Securities

The Company is one of the leading residential property developers in the PRC with strong presence in Zhejiang province. The net proceeds from the Subordinated Perpetual Capital Securities Issue will be used to replace and refinance the PSCS and for general working capital purposes. The Company may adjust the foregoing stated use of proceeds in response to changing market conditions and certain circumstances and therefore reallocate the use of proceeds.

Listing

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

DEFINITIONS

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

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| “BNP Paribas” | BNP Paribas, Hong Kong Branch, one of the joint lead managers and joint bookrunners in respect of the Subordinated Perpetual Capital Securities Issue |
| “Board” | the board of Directors |
| “Company” | Greentown China Holdings Limited |
| “connected person” | has the meaning ascribed to it under the Listing Rules |
| “Deutsche Bank” | Deutsche Bank AG, Singapore Branch, one of the joint lead managers and joint bookrunners in respect of the Subordinated Perpetual Capital Securities Issue |
| “Directors” | the directors of the Company |
| “Distribution Payment Date” | 28 January and 28 July in each year, starting on (and including) 28 July 2014 |
| “First Call Date” | 28 January 2019 |

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| “Goldman Sachs (Asia) L.L.C.” | Goldman Sachs (Asia) L.L.C., one of the joint lead managers and joint bookrunners in respect of the Subordinated Perpetual Capital Securities Issue |
| “Guarantee” | the guarantee provided by the Guarantor in respect of the Subordinated Perpetual Capital Securities |
| “Guarantor” | the Company, which is providing the guarantee of the Subordinated Perpetual Capital Securities |
| “HSBC” | The Hongkong and Shanghai Banking Corporation Limited, one of the joint lead managers and joint bookrunners in respect of the Subordinated Perpetual Capital Securities Issue |
| “Initial Distribution Rate” | 9.00 per cent per annum |
| “Initial Spread” | 7.373 per cent |
| “Issue Date” | 28 January 2014 |
| “Issuer” | Moon Wise Global Limited (月慧環球有限公司), a wholly-owned indirect subsidiary of the Company |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Macquarie” | Macquarie Capital Securities Limited, one of the joint lead managers and joint bookrunners in respect of the Subordinated Perpetual Capital Securities Issue |
| “PRC” | the People’s Republic of China, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan for the purpose of this announcement |
| “PSCS” | the Hong Kong dollar denominated perpetual subordinated convertible callable securities issued by Active Way Development Limited (a wholly-owned subsidiary of the Company) and guaranteed by the Company in an aggregate principal amount of HKD2,550 million |
| “Reset Date” | each of the First Call Date and each day falling every five calendar years after the First Call Date |
| “RMB” | Renminbi, the lawful currency of the PRC |

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| “Securities Act” | the United States Securities Act of 1933, as amended |
| “Standard Chartered Bank” | Standard Chartered Bank, one of the joint lead managers and joint bookrunners in respect of the Subordinated Perpetual Capital Securities Issue |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Subordinated Perpetual Capital Securities” | the subordinated perpetual capital securities in the aggregate principal amount of USD500 million to be issued by the Issuer |
| “Subordinated Perpetual Capital Securities Issue” | the issue of the Subordinated Perpetual Capital Securities by the Issuer |
| “Subscription Agreement” | the agreement dated 20 January 2014 entered into among Deutsche Bank, Goldman Sachs (Asia) L.L.C., UBS, Macquarie, HSBC, Standard Chartered Bank, BNP Paribas, the Company and the Issuer, in relation to the Proposed Subordinated Perpetual Capital Securities Issue |
| “UBS” | UBS AG, Hong Kong Branch, one of the joint lead managers and joint bookrunners in respect of the Subordinated Perpetual Capital Securities |
| “USD” | United States dollars |

By order of the Board
Greentown China Holdings Limited
Song Weiping
Chairman

Hangzhou, the PRC, 21 January 2014

As at the date of this announcement, the Board comprises five executive Directors, namely Mr Song Weiping, Mr Shou Bainian, Mr Luo Zhaoming, Mr Guo Jiafeng and Mr Cao Zhounan, two non-executive Directors, namely, Mr Ng Tin Hoi, Stephen and Mr Tsui Yiu Cheung and six independent non-executive Directors, namely Mr Jia Shenghua, Mr Jiang Wei, Mr Ke Huanzhang, Mr Sze Tsai Ping, Michael, Mr Tang Shiding and Mr Hui Wan Fai.