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The Company does not intend to make any public offering of securities in the United States.



Wuzhou International Holdings Limited

五洲國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 01369)

ISSUANCE OF US\$100 MILLION 13.75% SENIOR NOTES DUE 2018

Reference is made to the announcement of the Company dated September 17, 2013 in respect of the Notes Issue. On September 18, 2013, the Company and the Subsidiary Guarantors entered into the Purchase Agreement with BNP Paribas, UBS, Guotai Junan, Haitong International and Deutsche Bank in connection with the issue of the Notes in the aggregate principal amount of US\$100 million.

The estimated net proceeds of the Notes Issue, after deduction of the underwriting discounts and commissions and other estimated expenses, will amount to approximately US\$96.2 million, and the Company intends to use the net proceeds of the Notes Issue to invest in existing and new real estate projects and the remainder for general corporate purposes. The Company may adjust the foregoing plans in response to changing market conditions, and thus, reallocate the use of proceeds in the future.

The Company will seek a listing of the Notes on the Stock Exchange. A confirmation of the eligibility of 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.

Reference is made to the announcement of the Company dated September 17, 2013 in respect of the Notes Issue. The Board is pleased to announce that on September 18, 2013, the Company, together with the Subsidiary Guarantors, entered into the Purchase Agreement with BNP Paribas, UBS, Guotai Junan, Haitong International and Deutsche Bank, in connection with the issue of the Notes in the aggregate principal amount of US\$100 million.

THE PURCHASE AGREEMENT

Date: September 18, 2013

Parties to the Purchase Agreement

- (a) the Company as the issuer;
- (b) the Subsidiary Guarantors; and
- (c) the Initial Purchasers;

BNP Paribas and UBS are the joint global coordinators, and BNP Paribas, UBS, Guotai Junan, Haitong International and Deutsche Bank are the joint bookrunners and joint lead managers in respect of the offer and sale of the Notes. BNP Paribas, UBS, Guotai Junan, Haitong International and Deutsche Bank are also the Initial Purchasers of the Notes. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the above mentioned parties is an independent third party and not a connected person of the Company.

The Notes will only be offered (i) to qualified institutional buyers in reliance on Rule 144A of the Securities Act or in a transaction not subject to registration requirements of the Securities Act, and (ii) outside the United States to non-U.S. Persons (as defined in Regulation S under the Securities Act) in compliance with Regulation S under the Securities Act. None of the Notes will be offered to the public in Hong Kong.

Principal terms of the Notes

The following is a summary of certain provisions of the Notes and the Indenture. This summary does not purport to be complete and is qualified in its entirety by reference to the provisions of the Indenture, the Notes and the guarantees provided by the Subsidiary Guarantors.

Notes Offered

Subject to certain conditions to completion, the Company will issue the Notes in the aggregate principal amount of US\$100 million. The Notes will mature on September 26, 2018, unless earlier redeemed pursuant to the terms thereof.

Offering Price

The offering price of the Notes will be 99.122% of the principal amount of the Notes.

Interest

The Notes will bear interest from and including September 26, 2013 at the rate of 13.75% per annum, payable semi-annually in arrears on March 26 and September 26 of each year, beginning March 26, 2014.

Ranking of the Notes

The Notes are (1) general obligations of the Company; (2) senior in right of payment to any existing and future obligations of the Company expressly subordinated in right of payment to the Notes; (3) at least *pari passu* in right of payment with all other unsecured, unsubordinated indebtedness of the Company (subject to any priority rights of such unsubordinated indebtedness pursuant to applicable law); (4) guaranteed by the Subsidiary Guarantors on a senior basis, subject to certain limitations; (5) effectively subordinated to the secured obligations (if any) of the Company and the Subsidiary Guarantor Pledgors to the extent of the value of the assets serving as security thereof; and (6) effectively subordinated to all existing and future secured obligations of the non-guarantor subsidiaries.

In addition, on the issue date, the Notes will be secured by a pledge of the Collateral and will: (1) be entitled to a first priority lien on the Collateral pledged by the Company and the Subsidiary Guarantor Pledgors shared on a *pari passu* basis with holders of the permitted *pari passu* secured indebtedness under the Notes (if any) and subject to any permitted liens; (2) rank effectively senior in right of payment to unsecured obligations of the Company with respect to the value of the Collateral pledged by the Company securing the Notes (subject to priority rights of such unsecured obligations pursuant to applicable law); and (3) rank effectively senior in right of payment to unsecured obligations of the Subsidiary Guarantor Pledgors to the extent of the Collateral charged by each Subsidiary Guarantor Pledgor securing the Notes (subject to priority rights of such unsecured obligations pursuant to applicable law).

Events of Default

The events of default under the Notes include, among others:

- (a) default in the payment of principal of (or premium, if any, on) the Notes when the same becomes due and payable at maturity, 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 consecutive days;
- (c) default in the performance or breach of the provisions of the covenants relating to consolidation, merger and sale of assets in the Indenture, the failure by the Company to make or consummate an offer to purchase in the manner prescribed by the terms of the Indenture or the failure by the Company to create, or cause its restricted subsidiaries to create, a first priority lien on the Collateral (subject to any permitted liens) in accordance with the covenant relating to security in the Indenture;
- (d) the Company or any restricted subsidiary defaults in the performance of or breaches any other covenant or agreement in the Indenture 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 holders of 25% or more in aggregate principal amount of the Notes then outstanding or by the trustee at the direction of such holders;

- (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 restricted subsidiary 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) (in excess of amounts which the Company's insurance carriers have agreed to pay under applicable policies) 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 Indenture, any Subsidiary Guarantee or JV Subsidiary Guarantee is determined to be unenforceable or invalid or for any reason ceases 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, which adversely affects the enforceability, validity, perfection or priority of the applicable lien on the Collateral or which adversely affects the condition or value of the 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 document or, other than in accordance with the Indenture and the security documents, any security document ceases to be or is not in full force and effect or the trustee ceases to have a first priority lien in the Collateral (subject to any permitted liens and the intercreditor agreement, if any).

If an event of default (other than an event of default specified in clause (g) or (h) above) occurs and is continuing under the Indenture, the holders of at least 25% in aggregate principal amount of the Notes then outstanding, by written notice to the Company and to the trustee of the Notes, may, and the trustee at the request of such Holders shall (subject to the trustee being indemnified to its satisfaction), 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.

Covenants

The Notes, the Indenture governing the Notes, the Subsidiary Guarantees and the JV Subsidiary Guarantees will limit the Company's ability and the ability of its restricted subsidiaries to, among other things:

- (a) incur or guarantee additional indebtedness and 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 other restricted subsidiaries;
- (f) sell assets;
- (g) create liens;
- (h) enter into sale and leaseback transactions;
- (i) enter into agreements that restrict the restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- (j) enter into transactions with shareholders or affiliates;
- (k) effect a consolidation or merger; and
- (l) engage in any business other than businesses permitted by the Indenture.

These covenants are subject to certain qualifications and exceptions set forth in the indenture.

Optional Redemption

At any time and from time to time on or after September 26, 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 twelve-month period beginning on of each of the years indicated below.

Period	Redemption Price
2016	106.8750%
2017	103.4375%

At any time prior to September 26, 2016, the Company may at its option redeem the Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Notes plus a premium set forth in the Indenture as of, and accrued and unpaid interest, if any, to (but not including) the redemption date. The Company will give not less than 30 days' nor more than 60 days' notice of any redemption.

At any time and from time to time prior to September 26, 2016, the Company may redeem up to 35% of the aggregate principal amount of the Notes with proceeds from one or more sales of certain kinds of its capital stock at a redemption price of 113.75% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date, subject to certain conditions.

PROPOSED USE OF PROCEEDS

The Company intends to use the net proceeds of the Notes Issue to invest in existing and new real estate projects and the remainder for general corporate purposes. The Company may adjust the foregoing plans in response to changing market conditions, and thus, reallocate the use of proceeds in the future.

LISTING AND RATING

The Company will seek a listing of the Notes on the Stock Exchange. A confirmation of the eligibility of 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 assigned provisional ratings of "B3" by Moody's Investors Service, Inc. ("Moody's") and "B" by Fitch Ratings Ltd. ("Fitch"). A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organization.

As the conditions precedent to completion of the Purchase Agreement may or may not be satisfied and the Purchase 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 shall have the meanings set forth below unless the context requires otherwise:

“BNP Paribas”	BNP Paribas Securities Corp., one of the joint global coordinators, joint bookrunners and joint lead managers in respect of the offer and sale of the Notes
“Board”	the board of Directors
“Collateral”	the capital stock of the Subsidiary Guarantors and the JV Subsidiary Guarantors (if any) used to secure, subject to certain permitted liens, the Notes and the Subsidiary Guarantees
“Company”	Wuzhou International Holdings Limited (五洲國際控股有限公司), a company incorporated in the Cayman Islands with limited liability on June 22, 2010, the shares of which are listed on the main board of the Stock Exchange
“Deutsche Bank”	Deutsche Bank AG, Singapore Branch, one of the joint bookrunners and joint lead managers in respect of the offer and sale of the Notes
“Directors”	the directors of the Company
“Guotai Junan”	Guotai Junan Securities (Hong Kong) Limited, one of the joint bookrunners and joint lead managers in respect of the offer and sale of the Notes
“Haitong International”	Haitong International Securities Company Limited, one of the joint bookrunners and joint lead managers in respect of the offer and sale of the Notes
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Indenture”	the indenture to be entered into by the Company, the Subsidiary Guarantors and the trustee of the Notes pursuant to which the Subsidiary Guarantors will grant a guarantee in connection with the Notes Issue
“Initial Purchasers”	BNP Paribas, UBS, Guotai Junan, Haitong International and Deutsche Bank
“JV Subsidiary Guarantees”	the limited-resource guarantee provided by the JV Subsidiary Guarantors under certain circumstances and subject to certain conditions

“JV Subsidiary Guarantors”	subsidiaries of the Company that provide JV Subsidiary Guarantees in respect of the Notes
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Notes”	the 13.75% senior notes due 2018 in the principal amount of US\$100 million to be issued by the Company subject to the terms and conditions of the Purchase Agreement
“Notes Issue”	the issue of the Notes by the Company
“PRC”	the People’s Republic of China, excluding Hong Kong, Macau and Taiwan for the purposes of this announcement
“Purchase Agreement”	the agreement dated September 18, 2013 entered into between the Company, the Subsidiary Guarantors, BNP Paribas, UBS, Guotai Junan, Haitong International and Deutsche Bank in relation to the Notes Issue
“Securities Act”	the United States Securities Act of 1933, as amended
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary Guarantees”	the guarantees provided by the Subsidiary Guarantors in respect of the Notes
“Subsidiary Guarantor Pledgors”	any Subsidiary Guarantor which pledges Collateral to secure the obligations of the Company under the Indenture and the Notes and of such Subsidiary Guarantor under its Subsidiary Guarantee
“Subsidiary Guarantors”	non-PRC subsidiaries of the Company that on the issue date of the Notes will provide guarantees to secure the Company’s obligations under the Notes
“UBS”	UBS AG, Hong Kong Branch, one of the joint global coordinators, joint bookrunners and joint lead managers in respect of the offer and sale of the Notes
“US” or “United States”	the United States of America, its territories and possessions and all areas subject to its jurisdiction

“US\$”, “USD” or
“U.S. dollar”

United States dollar(s), the lawful currency of the United States

By order of the Board
Wuzhou International Holdings Limited
Shu Cecheng
Chairman

Hong Kong, September 19, 2013

As at the date of this announcement, the executive Directors of the Company are Mr. Shu Cecheng, Mr. Shu Cewan, Mr. Shu Ceyuan, Ms. Wu Xiaowu and Mr. Zhao Lidong; and the independent non-executive Directors of the Company are Dr. Song Ming, Mr. Lo Kwong Shun Wilson and Prof. Shu Guoying.