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**Logan Property Holdings Company Limited**  
**龍光地產控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 3380)**

**ISSUE OF US\$350,000,000 PERPETUAL CAPITAL SECURITIES**

On 24 May 2017, the Company entered into the Subscription Agreement with the Subscriber in connection with the Perpetual Capital Securities Placement.

Application will be made for the listing and quotation of the Perpetual Capital Securities on the official list of the SGX-ST. Admission to the official list of the SGX-ST and quotation of the Perpetual Capital Securities on the SGX-ST is not to be taken as an indication of the merits of the Company or any other subsidiary or associated company of the Company or the Perpetual Capital Securities. SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in this announcement.

On 24 May 2017 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber in connection with the Perpetual Capital Securities Placement. The principal terms of the Subscription Agreement are set out below.

### **Parties**

- (a) the Company; and
- (b) the Subscriber.

The Subscriber is an institutional investor. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Subscriber and its ultimate beneficial owner is a third party independent of the Company and connected persons of the Company.

### **Subscription of the Perpetual Capital Securities**

Subject to and in accordance with the provisions of the Subscription Agreement, the Company agrees to issue and sell, and the Subscriber agrees to subscribe for, an aggregate principal amount of US\$350,000,000 of the Perpetual Capital Securities.

### **Private Placement**

The Perpetual Capital Securities will be offered on a private placement basis only. The Perpetual Capital Securities have not been and will not be registered under the U.S. Securities Act or any state securities laws and, unless so registered, may not be offered or sold within the United States and may only be offered, sold or delivered outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act. Accordingly, the Perpetual Capital Securities are being sold only outside the United States in offshore transactions in reliance on Regulation S. There will be no public offering of the Perpetual Capital Securities under the Subscription Agreement whether in Hong Kong, the United States or any other jurisdiction.

### **Principal terms of the Perpetual Capital Securities**

The following is a summary of certain provisions of terms and conditions of the Perpetual Capital Securities. This summary does not purport to be complete and is qualified in its entirety by reference to the provisions of the Perpetual Capital Securities.

#### *Perpetual Capital Securities Offered*

Subject to certain conditions to completion, the Company will issue the Perpetual Capital Securities in the aggregate principal amount of US\$350,000,000, unless earlier redeemed in accordance with the terms thereof.

### *Status of the Perpetual Capital Securities*

The Perpetual Capital Securities constitute direct, unsecured and subordinated obligations of the Company which rank *pari passu* and without any preference among themselves and *pari passu* with any parity obligations. In the event of the winding-up of the Company, the rights and claims of the holders of the Perpetual Capital Securities shall rank ahead of those persons whose claims are in respect of any junior obligations of the Company, but shall be subordinated in right of payment to the claims of all other present and future senior and subordinated creditors of the Company, other than the claims of holders of parity obligations of the Company.

### *Distributions*

Subject to the terms and conditions of the Perpetual Capital Securities, the Perpetual Capital Securities confer a right to receive distributions from, and including the Issue Date at the applicable distribution rate.

Distribution shall be payable on the Perpetual Capital Securities semi-annually in arrear on 31 May and 30 November each year, with the first distribution payment date falling on 30 November, 2017.

### *Distribution rate*

Subject to the terms and conditions of the Perpetual Capital Securities, the rate of distribution (the “**Distribution Rate**”) applicable to the Perpetual Capital Securities shall be:

- i. in respect of the period from, and including, the Issue Date to, but excluding, 31 May 2022 (the “**First Reset Date**” and each “**Reset Date**” refers the First Reset Date, or each of the days falling every five calendar years after the Second Reset Date), 7.0% per annum;
- ii. from and including, each Reset Date falling on and after the First Reset Date, to, but excluding, the immediately following Reset Date, up to the Reset Date falling on 31 May 2037 (the “**Additional Step-up Margin Reset Date**”), the applicable Treasury Rate (as defined in the terms and conditions of the Perpetual Capital Securities) plus 5.75% plus 0.25% per annum;
- iii. from, and including, each Reset Date falling on and after the Additional Step-up Margin Reset Date, to, but excluding, the immediately following Reset Date, the applicable Treasury Rate plus 5.75% plus 0.25% plus 0.75% per annum.

### *Redemption at the option of the Company*

The Perpetual Capital Securities may be redeemed at the Company’s option in whole, but not in part only, on the First Reset Date or any distribution payment date after the First Reset Date (each, a “**Call Settlement Date**”) on the Company giving not less than 30 nor more than 60 days’ notice to the holders of the Perpetual Capital Securities (which notice shall be irrevocable and shall oblige the Company to redeem the Perpetual Capital Securities on the relevant Call Settlement Date) at their principal amount plus distribution accrued to such date (including any arrears of distribution and any additional distribution amount).

### *Purchase*

The Company and/or any of its subsidiaries may following the First Reset Date (but not before), at any time purchase the Perpetual Capital Securities, in whole or in part, in the open market or otherwise at any price.

### *Expected closing date*

31 May 2017

### **Reasons for the Perpetual Capital Securities Placement**

The Group is principally engaged in property development, property investment and property construction in the PRC, focusing on the residential property market, and its products are primarily targeted at first-time homebuyers and upgraders. The Company believes demand from such customers is less susceptible to fluctuations in property prices and thus provides stability to the Group's business profile.

The Company intends to use the net proceeds of US\$346.5 million of the Perpetual Capital Securities Placement for refinancing certain of its existing indebtedness and for general corporate purposes. The Company may adjust its plans in response to changing market conditions and, thus, reallocate the use of the proceeds.

### **Listing and rating**

Application will be made for the listing and quotation of the Perpetual Capital Securities on the official list of the SGX-ST. Admission to the official list of the SGX-ST and quotation of the Perpetual Capital Securities on the SGX-ST is not to be taken as an indication of the merits of the Company or any other subsidiary or associated company of the Company or the Perpetual Capital Securities. SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in this announcement.

### **DEFINITIONS**

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

“Board”	the board of Directors
“Company”	Logan Property Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company

“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Date”	31 May 2017
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Perpetual Capital Securities”	the US\$350 million Capital Securities to be issued by the Company
“Perpetual Capital Securities Placement”	the issue of the Perpetual Capital Securities by the Company by way of private placement
“PRC”	the People’s Republic of China, excluding Hong Kong, Macao Special Administrative Region of the PRC and Taiwan for the purpose of this announcement
“Securities Act”	the United States Securities Act of 1933, as amended
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	the subscriber of the Perpetual Capital Securities
“Subscription Agreement”	the agreement dated 24 May 2017 entered into between among the Company and the Subscriber in relation to the Perpetual Capital Securities Placement
“United States”	the United States of America
“U.S. Dollars” or “US\$”	United States dollar(s), the lawful currency of the United States
“%”	per cent

By Order of the Board  
**Logan Property Holdings Company Limited**  
**Kei Hoi Pang**  
*Chairman*

Hong Kong, 24 May 2017

*As at the date of this announcement, the executive Directors are Mr. Kei Hoi Pang, Mr. Ji Jiande, Mr. Xiao Xu and Mr. Lai Zhuobin; the non-executive Director of is Ms. Kei Perenna Hoi Ting; and the independent non-executive Directors are Mr. Zhang Huaqiao, Ms. Liu Ka Ying, Rebecca and Mr. Cai Suisheng.*