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CHINA EVERGRANDE GROUP

中國恒大集團

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3333)

CONSENT SOLICITATION IN RELATION TO

(1) 8.75% SENIOR NOTES DUE 2018

(ISIN (144A/Reg S): US300151AB32/USG3225AAD57

Common Code (144A/Reg S): 098624279/098129359

CUSIP (144A/Reg S): 300151AB3/G3225AAD5)

(2) 7.80% SENIOR NOTES DUE 2019

(ISIN (Reg S): XS1342921993, Common Code (Reg S): 134292199)

(3) 8.0% SENIOR NOTES DUE 2019

(ISIN (Reg S): XS1344520561, Common Code (Reg S): 134452056)

AND

(4) 12.0% SENIOR NOTES DUE 2020

(ISIN (Reg S): XS1165146488, Common Code (Reg S): 116514648)

On February 27, 2017, the Company commenced the Consent Solicitation with respect to the Notes. The Company has mandated Credit Suisse as the Solicitation Agent in relation to the Consent Solicitation. The Company has also mandated D.F. King as the Information and Tabulation Agent.

Subject to the terms and conditions of the Consent Solicitation as set out in the Consent Solicitation Statements, including the receipt of the Requisite Consents, the Company will pay a Consent Fee to Holders of any particular series of Notes who validly deliver a consent to the Proposed Amendments with respect to such series of Notes prior to the Expiration Date. It is expected that the Consent Fee will be paid to consenting Holders as soon as practicable after the Expiration Date and the conditions to the Consent Solicitation are met (or waived by the Company).

The Proposed Amendments are the amendments as proposed by the Company to certain terms of the Indentures, including a number of restrictive covenants, as more particularly described in the Consent Solicitation Statements.

Completion of the Consent Solicitation is subject to the fulfilment or waiver of the conditions to the Consent Solicitation as set forth in the Consent Solicitation Statements and summarised in this announcement.

The Consent Solicitation will expire March 10, 2017, at 5:00 p.m., New York City Time in relation to the 2018 Notes and 5:00 p.m., European Central Time in relation to the 2019 Private Notes, the 2019 Notes and the 2020 Notes, unless extended or earlier terminated in the sole discretion of the Company.

Further announcements in respect of the Consent Solicitation will be made by the Company. No assurance can be given that the Consent Solicitation will be completed and the Company reserves the right to amend, withdraw or terminate, in each case in whole or in part, the Consent Solicitation with or without conditions.

For a detailed description of the terms and conditions of the Consent Solicitation, Holders should refer to the Consent Solicitation Statements, available via the Consent Website: <https://sites.dfkingltd.com/evergrande>.

As the Consent Solicitation may or may not proceed, noteholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

CONSENT SOLICITATION

On February 27, 2017, the Company commenced the Consent Solicitation with respect to the Proposed Amendments of each particular series of Notes, in the manner more fully described in the Consent Solicitation Statements sent to Holders as at the date of the Consent Solicitation Statements, which is summarised in this announcement below.

BACKGROUND AND PURPOSE OF THE CONSENT SOLICITATION

The Consent Solicitation will provide the Company with more flexibility in optimizing its capital structure, exploring new financing platforms and pursuing investment opportunities that suit the Company's business development strategies, including to facilitate the Proposed Reorganization.

The purpose of the Consent Solicitation is to adopt the Proposed Amendments, which seek to amend certain terms of the Indentures.

Subject to the terms and conditions of the Consent Solicitation as set out in the Consent Solicitation Statements, the Company will pay a Consent Fee to Holders of any particular series of the Notes who validly deliver a consent to the Proposed Amendments with respect to such series prior to the Expiration Date. It is expected that any Consent Fee due will be paid to consenting Holders as soon as practicable after the Expiration Date and the conditions to the Consent Solicitation are met (or waived by the Company).

The Company's obligations to pay any Consent Fee in respect of any series of the Notes is contingent upon receipt of the Requisite Consents for that particular series of Notes and satisfaction or waiver of the other conditions more fully described in the Consent Solicitation Statements.

If the Requisite Consents in relation to any particular series of Notes are not received within the applicable time period or other consent conditions described in the Consent Solicitation Statements are not satisfied or waived by the Company with respect to any particular series of Notes, none of the Proposed Amendments with respect to such series will be effected for the Indenture governing such series and no Holder of such series of Notes will receive any Consent Fee regardless of whether such Holder has delivered a consent to the Proposed Amendments for such series.

Subject to applicable law, the Company may terminate or withdraw, in each case in whole or in part, the Consent Solicitation if any of the conditions are not satisfied or waived prior to the Expiration Date. The Company may also extend the Consent Solicitation from time to time until the conditions are satisfied or waived.

SUMMARY TIMETABLE

The following summarises the anticipated timetable for the Consent Solicitation. This summary is qualified in its entirety by the Company's sole and absolute discretion on any extension, and the right to terminate or withdraw the Consent Solicitation at any time prior to its expiration. All references below are to Hong Kong time, unless otherwise stated.

Date	Event
February 24, 2017	The Record Date. Only holders of the 2018 Notes of record as of 5:00 p.m., New York City Time, on the Record Date are eligible to consent to the Proposed Amendments. See "Important Information."
February 27, 2017	Commencement of the Consent Solicitation and announcement via the websites of the HKEx and the SGX-ST and through the Clearing Systems. Documents relating to the Consent Solicitation, including the Consent Solicitation Statements, have been made available on the Consent Website (https://sites.dfkingltd.com/evergrande).
March 10, 2017 (5:00 p.m., New York City Time)	The Expiration Date with respect to the 2018 Notes.
March 10, 2017 (5:00 p.m., European Central Time)	The Expiration Date with respect to the 2019 Private Notes, 2019 Notes and 2020 Notes. This being the last date and time on which Holders of the Notes who validly submit Consents are eligible to receive the Consent Fee, as this is the last date and time for Holders of the Notes to participate in the Consent Solicitation.
March 13, 2017	Announcement of the amount of Consents received prior to the Expiration Date.
March 16, 2017	The Effective Time. Settlement of the Consent Fee. Execution of the Supplemental Indentures for which Requisite Consents were received and the Proposed Amendments with respect to such Supplemental Indentures become operative.

PROCEDURES FOR DELIVERING CONSENTS

To deliver a consent with respect to any particular series of Existing Notes, a Holder must validly deliver a consent prior to the Expiration Date pursuant to the procedures described in the relevant Consent Solicitation Statement.

A Holder may revoke its Consent at any time prior to the Expiration Date. Any notice of revocation received on or after such time will not be effective.

FURTHER DETAILS

For a detailed statement of the terms and conditions of the Consent Solicitation, Holders should refer to the relevant Consent Solicitation Statement.

The Company has retained D.F. King as the Information and Tabulation Agent. To contact D.F. King in London, +44 20 7920 9700, in New York, +1 (212) 269 5550 or +1 (866) 751-6312 and in Hong Kong, +852 3953 7230 or via email at evergrande@dfkingltd.com.

The Consent Solicitation Statements will be distributed in electronic format to Holders via the Consent Website: <https://sites.dfkingltd.com/evergrande>. Any requests for additional copies of the Consent Solicitation Statements should be directed to D.F. King at the above points of contact.

INFORMATION ABOUT THE COMPANY

The Company is one of the largest developers of quality residential property projects and one of the leaders in adopting a standardized operational model to manage its various projects in different cities across China.

GENERAL

This announcement is not an offer to purchase, a solicitation of an offer to purchase, an offer to sell or a solicitation of an offer to sell, securities in the United States or elsewhere. No securities of the Company or any of its subsidiaries are being, or will be, registered under the U.S. Securities Act, or the securities laws of any state of the United States and no such securities may be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state or local securities laws. No public offering of securities is being or will be made in the United States or any other jurisdiction.

The distribution of this announcement in certain jurisdictions may be restricted by law. Persons into whose possession this announcement comes are required to inform themselves about, and to observe, any such restrictions. Forward-looking statements in this announcement, including, among others, those statements relating to the Consent Solicitation are based on current expectations. These statements are not guarantees of future events or results. Future events and results involve risks, uncertainties and assumptions and are difficult to predict with any precision. Actual events and results could vary

materially from the description contained herein due to many factors including changes in the market and price for each series of Notes, changes in the business and financial condition of the Company and its subsidiaries, changes in the property industry and changes in the capital markets in general.

Further announcements in respect of the Consent Solicitation will be made by the Company. No assurance can be given that the Consent Solicitation will be completed and the Company reserves the right to amend, withdraw or terminate, in each case in whole or in part, all or any of the Consent Solicitation with or without conditions.

As the Consent Solicitation may or may not proceed, shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

“2018 Indenture”	the indenture dated as of October 30, 2013, as amended and supplemented, governing the 2018 Notes;
“2018 Notes”	the Company’s outstanding 8.75% Senior Notes due 2018 (ISIN (144A/Reg S): US300151AB32/USG3225AAD57, Common Code (144A/Reg S): 098624279/098129359, CUSIP (144A/Reg S): 300151AB3/G3225AAD5);
“2019 Indenture”	the indenture dated as of January 15, 2016, as amended and supplemented, governing the 2019 Notes;
“2019 Notes”	the Company’s outstanding 8.00% Senior Notes due 2019 (ISIN (Reg S): XS1344520561, Common Code (Reg S): 134452056);
“2019 Private Indenture”	the indenture dated as of January 8, 2016, as amended and supplemented, governing the 2019 Private Notes;
“2019 Private Notes”	the Company’s outstanding 7.80% Senior Notes due 2019 (ISIN (Reg S): XS1342921993, Common Code (Reg S): 134292199);
“2020 Indenture”	the indenture dated as of February 17, 2016, as amended and supplemented, governing the 2020 Notes;
“2020 Notes”	the Company’s outstanding 12.00% Senior Notes due 2020 (ISIN (Reg S): XS1165146488, Common Code (Reg S): 116514648);
“Board”	the board of Directors of the Company;

“Clearing Systems”	DTC, Euroclear and Clearstream, and “Clearing System” means any one of them;
“Clearstream”	Clearstream Banking S.A.;
“Company”	China Evergrande Group, a company incorporated in the Cayman Islands, the shares of which are listed on the main board of the Stock Exchange;
“Expiration Date”	March 10, 2017, at 5:00 p.m., New York City Time in relation to the 2018 Notes and 5:00 p.m., European Central Time in relation to the 2019 Private Notes, 2019 Notes and 2020 Notes, unless extended or earlier terminated in the sole discretion of the Company;
“Consent Fee”	US\$3.50 per US\$1,000 of principal amount of the outstanding Notes (rounded to the nearest US\$0.01, with US\$0.005 rounded upwards);
“Consent Solicitation”	the solicitation of consents pursuant to the Consent Solicitation Statements from Holders to amend the terms of the Indentures that govern each particular series of Notes;
“Consent Solicitation Statements”	the consent solicitation statement relating to the 2018 Notes and the consent solicitation statement relating to the 2020 Notes, the 2019 Private Notes and the 2019 Notes, both dated February 27, 2017 and sent by electronic means to the Holders in relation to the Consent Solicitation;
“Consent Website”	<i>http://sites.dfkingltd.com/evergrande</i> , the website set up by the Information and Tabulation Agent for the purpose of distributing the Consent Solicitation Statements;
“Credit Suisse”	Credit Suisse (Hong Kong) Limited;
“Director(s)”	the director(s) of the Company;
“DTC”	The Depository Trust Company;
“Euroclear”	Euroclear Bank SA/NV;
“Group”	the Company and its subsidiaries;
“Holders”	holder(s) of the relevant series of Notes; and “Holder” means any one of them;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;

“Indentures”	the 2018 Indenture, the 2019 Private Indenture, the 2019 Indenture and the 2020 Indenture;
“Information and Tabulation Agent”	D.F. King, the information and tabulation agent for the Consent Solicitation;
“Notes”	the 2018 Notes, the 2019 Private Notes, the 2019 Notes and the 2020 Notes;
“PRC”	the People’s Republic of China, excluding for purposes of this announcement, Hong Kong;
“Proposed Amendments”	the amendments as proposed by the Company to certain terms of the Indentures, including a number of restrictive covenants, as more particularly described in the Consent Solicitation Statements;
“Proposed Reorganization”	the proposed reorganization as disclosed in the announcement of the Company dated October 3, 2016;
“Regulation S”	Regulation S under the U.S. Securities Act;
“Requisite Consents”	with respect to any series of Notes, the consent of Holders of at least the majority of the outstanding aggregate principal amount of such series of Notes;
“SGX-ST”	Singapore Exchange Securities Trading Limited;
“Solicitation Agent”	Credit Suisse, as solicitation agent for the Consent Solicitation;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“U.S.” or “United States”	The United States of America;
“U.S. Securities Act”	the United States Securities Act of 1933, as amended;
“US\$”	United States dollars, the lawful currency of the United States; and
“%”	per cent.

By order of the board
China Evergrande Group
Hui Ka Yan
Chairman

Hong Kong, February 27, 2017

As at the date of this announcement, the executive Directors are Mr. Hui Ka Yan, Mr. Xia Haijun, Ms. He Miaoling, Mr. Pan Darong, Mr. Xu Wen and Mr. Huang Xiangui, and the independent non- executive Directors are Mr. Chau Shing Yim, David, Mr. He Qi and Ms. Xie Hongxi.