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CHINA EVERGRANDE GROUP

中國恒大集團

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3333)

ANNOUNCEMENT ON THE OPERATION OF THE COMPANY

At present, the Company's operations remain stable and healthy while financial conditions remain sound. The relevant information is disclosed as follows:

1. As of 24 September 2020, aggregated contracted sales amounted to RMB504.9 billion, representing an increase of approximately 11.4% from the same period last year, and the aggregated cash collection was approximately RMB452.1 billion, representing an increase of approximately 51.3% from the same period last year. As of 30 June 2020, the Company's cash balance on hand was RMB204.6 billion.
2. Since 3 September 2020, the Company has launched its nationwide sales promotions, and aims to achieve RMB200 billion of aggregate contracted sales in September and October 2020.
3. The Company has 866 projects under development and construction work across all projects is progressing normally.
4. Since 31 March 2020, the Company started to implement steadfastly the three-year development strategy of "high-growth, controlled scale and reduced leverage", namely, achieve high growth in contracted sales, strictly control landbank size and aim to reduce total indebtedness by RMB150 billion each year. As of 24 September 2020, the total indebtedness has decreased by about RMB53.4 billion compared to end of March 2020. The financing cost decreased by 2.24% and the Company has prepaid RMB43.5 billion of loans due after 25 September 2020. All measures to reduce debt achieved positive and notable results.
5. In the 24 years since the establishment of the Company, the Company has borrowed loans across 20,523 transactions. There has never been any late payment of interest nor overdue repayment of principal.

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

Hong Kong, 25 September 2020

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