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**CHINA EVERGRANDE GROUP**

**中國恒大集團**

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

**(Stock Code: 3333)**

**SUBMISSION OF LISTING APPLICATION BY  
EVERGRANDE PROPERTY SERVICES GROUP LIMITED  
TO  
THE STOCK EXCHANGE**

**APPLICATION FOR LISTING**

On 29 September 2020, Evergrande Property Services submitted a listing application form (Form A1) to the Stock Exchange to apply for the listing of, and permission to deal in, the Evergrande Property Services Shares on the main board of the Stock Exchange. Evergrande Property Services proposes to conduct an offering of its shares by way of a Global Offering after obtaining the listing approval. Subject to certain conditions, Qualifying Shareholders will be provided with an assured entitlement to the Evergrande Property Services Shares under the Global Offering. The Company will make further announcement(s) in regard to the details of such assured entitlement as and when appropriate.

Upon completion of the Listing, Evergrande Property Services will remain as a subsidiary of the Company.

The Spin-off Group is principally engaged in the provision of property management services and related value-added services in the PRC.

**As the Listing is conditional upon the approval of the Listing Committee, the final decision of the Board and the board of Evergrande Property Services, market conditions and other considerations, Shareholders and other investors are reminded to exercise caution when dealing in the securities of the Company.**

## **INTRODUCTION**

The Company proposes to spin-off and separately list the shares of Evergrande Property Services, a subsidiary of the Company, on the main board of the Stock Exchange. The separate listing of the Evergrande Property Services Shares on the main board of the Stock Exchange constitutes a spin-off of Evergrande Property Services by the Company under PN15. The Stock Exchange has confirmed that the Company may proceed with the Proposed Spin-off.

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## **THE PROPOSED SPIN-OFF**

Evergrande Property Services proposes to conduct an offering of its shares by way of a Global Offering after obtaining the listing approval. The details of the Global Offering have yet to be finalized. As of the date of this announcement, Evergrande Property Services is indirectly owned as to 71.94% by the Company. It is intended that upon completion of the Listing, Evergrande Property Services will remain as a subsidiary of the Company.

## **THE SPIN-OFF GROUP**

The Spin-off Group is principally engaged in the provision of property management services and related value-added services in the PRC. It is one of the largest and fastest-growing comprehensive property management service providers in the PRC.

## **RATIONALE AND BENEFITS OF THE PROPOSED SPIN-OFF**

The business of the Spin-off Group has grown to a size sufficient to command a separate listing and the Board considers that the Proposed Spin-off will be in the interest of the Group for the following reasons:

- (a) the Proposed Spin-off will allow the Company and its shareholders an opportunity to realise the value of investment in the Spin-off Group under a separate standalone platform for the Spin-off Business;
- (b) the Proposed Spin-off will enable the Spin-off Group to build its identity as a separately listed group, to have a separate fund-raising platform and to broaden its investor base through the Global Offering. The Proposed Spin-off would allow the Spin-off Group to gain direct access to capital markets for equity and/or debt financing to fund its existing operations and future expansion without reliance on the Company, thereby improving its operating and financial management efficiencies;

- (c) the Proposed Spin-off will enable the Spin-off Group to enhance its corporate profile, thereby increasing its ability to attract strategic investors for making investments in and forming strategic partnerships directly with the Spin-off Group, which could provide synergy for the Spin-off Group;
- (d) the Proposed Spin-off will enable more focused development, strategic planning and better allocation of resources for the Group and the Spin-off Group with respect to their respective businesses. Both the Group and the Spin-off Group will benefit from the efficient decision-making process under separate management structures;
- (e) the separate listing of Evergrande Property Services will strengthen its reputation, thus leading to potentially better operational performance and better realisation of its value. Such increased value will enable the Company and its shareholders an opportunity to increase the value of investment in the Spin-off Group under such separate standalone platform for the Spin-off Business; and
- (f) the Proposed Spin-off will improve the operational and financial transparency of Evergrande Property Services, which would enable investors to better appraise its operation results and financial conditions on a standalone basis, which in turn may enhance the overall value.

## **ASSURED ENTITLEMENT AND FURTHER ANNOUNCEMENT**

The Board will give due regard to the interests of the Shareholders by providing the Qualifying Shareholders with an assured entitlement to Evergrande Property Services Shares under the Global Offering, subject to certain conditions, if the Board and the board of Evergrande Property Services decide to proceed with the Proposed Spin-off and the Global Offering, and the Listing Committee has approved the Listing. The Company will make further announcement(s) in regard to the details of such assured entitlement as and when appropriate.

## **INFORMATION ON THE GROUP**

The Company was founded in 1996 in Guangzhou, Guangdong Province, and has established an overall industry layout leveraging in real estate development as its foundation, developing cultural tourism and health and wellbeing management industries as complementary pillars, and focusing in new energy vehicle as a lead growth driver. It ranked 152nd in the Fortune Global 500 in 2020.

## **LISTING RULES IMPLICATIONS**

The Proposed Spin-off constitutes a deemed disposal of the interest in a subsidiary of the Company under Rule 14.29 of the Listing Rules. As each of the applicable ratios under Rule 14.07 of the Listing Rules for the Proposed Spin-off is under 5%, the Proposed Spin-off does not constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules, and the Proposed Spin-off will not be subject to the approval of the Shareholders.

## GENERAL

A redacted form of the application proof of the listing document of Evergrande Property Services (the “**Application Proof**”) is expected to be available for reviewing and downloading on the Stock Exchange’s website at <http://www.hkexnews.hk/APP/SEHKAPPMainIndex.htm>. The Application Proof contains, among other things, certain business and financial information relating to the Spin-off Group. Shareholders should note that the Application Proof is in draft form and the information contained in it is subject to change which may be material.

The Company will make further announcement(s) in relation to the Proposed Spin-off as and when appropriate.

**As the Listing is conditional upon the approval of the Listing Committee, the final decision of the Board and the board of Evergrande Property Services, market conditions and other considerations, Shareholders and other investors are reminded to exercise caution when dealing in the securities of the Company.**

## DEFINITIONS

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

“Board”	the board of the Company;
“Company”	China Evergrande Group, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange;
“Evergrande Property Services”	Evergrande Property Services Group Limited (恒大物業集團有限公司), an exempted company incorporated in the Cayman Islands limited liability;
“Evergrande Property Services Shares”	ordinary shares of US\$0.0001 each in the share capital of Evergrande Property Services;
“Global Offering”	the offering to the public in Hong Kong for subscription, and the international placing with certain professional and institutional investors and other investors (including the preferential offer to the Qualifying Shareholder(s)), of the Evergrande Property Services Shares;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;

“Listing”	the listing of the Evergrande Property Services Shares on the main board of the Stock Exchange;
“Listing Committee”	the Listing Committee of the Stock Exchange;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Non-Qualifying Shareholders”	Shareholders whose names appear in the register of members of the Company on the Record Date and whose addresses as shown in such register are in any of the specified territories and any Shareholders or beneficial Shareholders at that time who are otherwise known by the Company to be resident in any of the specified territories;
“PN15”	Practice Note 15 to the Listing Rules;
“PRC”	the People’s Republic of China;
“Proposed Spin-off”	the proposed spin-off and separate listing of the Evergrande Property Services Shares on the main board of the Stock Exchange;
“Qualifying Shareholders”	Shareholders whose names appear in the register of members of the Company on the Record Date, other than Non-Qualifying Shareholders;
“Record Date”	the record date for ascertaining the Qualifying Shareholders who shall be entitled to assured entitlements;
“Retained Group”	the Company and its subsidiaries, excluding the Spin-off Group;
“Shareholder(s)”	shareholders of the Company;
“Spin-off Group”	Evergrande Property Services and its subsidiaries;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	percentage.

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

Hong Kong, 29 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.*