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SUNac 融創中國
SUNAC CHINA HOLDINGS LIMITED
融創中國控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 01918)

**PROPOSED SPIN-OFF AND SEPARATE LISTING OF
SUNAC SERVICES HOLDINGS LIMITED
ON THE MAIN BOARD OF
THE STOCK EXCHANGE OF HONG KONG LIMITED**

**DECLARATION OF THE DISTRIBUTION
AND
POST HEARING INFORMATION PACK**

DECLARATION OF THE DISTRIBUTION

On 26 October 2020, the Board announced the declaration of a special dividend to be satisfied by way of a distribution in specie of 150,000,000 Sunac Services Shares, representing 5% of the total number of Sunac Services Shares in issue immediately upon the Listing (without taking into account any over-allotment option), to the Qualifying Shareholders in proportion to their respective shareholding interest in the Company as at the Record Date, being Thursday, 5 November 2020.

As at the date of this announcement, the total number of issued Shares is 4,661,239,611. If there is no change in the total number of issued Shares from the date of this announcement up to the Record Date, the Qualifying Shareholders will receive one Sunac Services Share for about every 31.07 Shares held on the Record Date.

The Distribution is conditional on the Global Offering becoming unconditional in all respects. If such condition is not satisfied, the Listing will not take place and the Distribution will not be made.

POST HEARING INFORMATION PACK

Sunac Services has submitted the PHIP in relation to the Proposed Spin-off to the Stock Exchange for publication on the Stock Exchange's website. The PHIP is available for viewing and downloading from the Stock Exchange's website at www.hkexnews.hk.

As the Listing is conditional upon, among other things, the approval of the Listing Committee, the final decision of the Board and the board of Sunac Services, market conditions and other considerations, the Proposed Spin-off may or may not materialize and the Distribution may or may not be made. Shareholders and other investors are reminded to exercise caution when dealing in the securities of the Company. Persons who are in doubt about their position or any action to be taken are recommended to consult their own professional advisers.

References are made to the Company's announcements (the "Announcements") dated 6 August 2020 and 20 October 2020 relating to the Proposed Spin-off. Unless the context requires otherwise, terms used herein shall have the same meanings as defined or used in the Announcements.

1. DECLARATION OF THE DISTRIBUTION

On 26 October 2020, the Board announced the declaration of a special dividend by way of a distribution in specie of 150,000,000 Sunac Services Shares, representing 5% of the total number of Sunac Services Shares in issue immediately upon the Listing (without taking into account any over-allotment option), indirectly held by the Company to the Qualifying Shareholders.

1.1 Entitlement of Qualifying Shareholders

Calculation of the Distribution Basis

If the Distribution becomes unconditional, the Company will make a distribution in specie of the Sunac Services Shares to the Qualifying Shareholders whose names appear in the register of members of the Company on the Record Date in proportion to their respective shareholdings in the Company on the Record Date. As at the date of this announcement, the total number of issued Shares of the Company is 4,661,239,611. Assuming there is no change in the total number of issued Shares from the date of this announcement up to the Record Date, the Qualifying Shareholders will receive one Sunac Services Share for about every 31.07 Shares held on the Record Date (the "**Distribution Basis**", subject to adjustment as described below where applicable).

If there is any change in the total number of issued Shares from the date of this announcement and up to the Record Date, the number of Sunac Services Shares available for the Distribution will not be adjusted, but the Distribution Basis will be adjusted proportionately with reference to the total number of issued Shares on the Record Date (which shall be calculated as the total number of issued Shares on the Record Date divided by 150,000,000, subject to rounding as may be determined by the Board at its sole and absolute discretion).

Distribution arrangements for the PRC Stock Connect Investors

According to the “Stock Connect Shareholding Search” available on the Stock Exchange’s website (www.hkexnews.hk), as at 23 October 2020, ChinaClear held 779,516,992 Shares, representing approximately 16.72% of the total issued Shares.

The PRC Stock Connect Investors will receive Sunac Services Shares pursuant to the Distribution and hold the shares received under the Distribution through ChinaClear. Pursuant to the Shanghai Stock Exchange Measures for the Implementation of Shanghai Connect (上海證券交易所滬港通業務實施辦法) and the Shenzhen Stock Exchange Measures for the Implementation of Shenzhen Connect (深圳證券交易所深港通業務實施辦法), the PRC Stock Connect Investors (or the relevant ChinaClear participants, as the case may be) whose stock accounts in ChinaClear are credited with Sunac Services Shares may only sell them on the Stock Exchange under the Shanghai Connect and the Shenzhen Connect.

PRC Stock Connect Investors should seek advice from their intermediary (including broker, custodian, nominee or ChinaClear participant) and/or other professional advisors for details of the logistical arrangements as required by ChinaClear.

1.2 Entitlement of Non-Qualifying Shareholders

The Non-Qualifying Shareholders (if any) will be entitled to the Distribution but will not receive Sunac Services Shares. Instead, the Sunac Services Shares which they would otherwise receive pursuant to the Distribution will be sold by the Company on their behalf on market as soon as reasonably practicable after the commencement of dealings in the Sunac Services Shares on the Stock Exchange, and they will receive a cash amount in Hong Kong dollars equal to the net proceeds of such sale, after deduction of the relevant expenses, provided that if the amount that a Non-Qualifying Shareholder would be entitled to receive is less than HK\$50, such sum will be retained for the benefit of the Company.

By reference to the register of members of the Company as at 22 October 2020, none of the Shareholders has a registered address in an Excluded Jurisdiction. If it turns out that, as at the Record Date, there is any Shareholder whose registered address on the register of members of the Company is in an Excluded Jurisdiction, the above arrangements concerning Non-Qualifying Shareholders will be applicable to such Shareholder. The Company reserves the right, in its discretion, to allow the participation of any Shareholder in the Distribution.

1.3 Arrangements relating to trading of odd lots of Sunac Services Shares

The Sunac Services Shares will be traded in board lots of 1,000 Sunac Services Shares each. Pursuant to the Distribution, Qualifying Shareholders should note that they may receive Sunac Services Shares which are not in integral board lots of Sunac Services Shares. Qualifying Shareholders who wish to sell their odd lots of Sunac Services Shares received under the Distribution should contact their own broker.

In addition, The Hongkong and Shanghai Banking Corporation Limited (the “**Odd Lot Trader**”) has been appointed to provide, on a best efforts basis, a service to match the sale and purchase of odd lots of Sunac Services Shares (the “**Matching Service**”) during the period of 60 days commencing from and including the Listing Date (the “**Matching Period**”). The use of the Matching Service by any Qualifying Shareholder in respect of odd lots of Sunac Services Shares received under the Distribution is subject to satisfactory completion of the Odd Lot Trader’s requisite account opening procedures if such Qualifying Shareholder does not have an existing equities trading account with the Odd Lot Trader. Any Qualifying Shareholder wishing to make use of the Matching Service during the Matching Period may contact Mr. Roy Chan of The Hongkong and Shanghai Banking Corporation Limited at Level 18, 1 Queen’s Road Central, Central, Hong Kong ((852) 2822 1643) during such period.

Qualifying Shareholders who receive odd lots of the Sunac Services Shares under the Distribution should note that the successful matching of odd lots of the Sunac Services Shares referred to above is not guaranteed, and dealings in odd lots of Sunac Services Shares may be at a price below the then prevailing market price of the Sunac Services Shares. In the event of successful matching, the relevant Qualifying Shareholder will be charged the Odd Lot Trader’s standard brokerage fees. Qualifying Shareholders are advised to consult their own professional advisors if they are in doubt about these arrangements.

1.4 Arrangements relating to fractional entitlement to the Sunac Services Shares

Fractional entitlements of the Qualifying Shareholders to the Sunac Services Shares under the Distribution will not be allotted to them and their entitlements will be rounded down to the nearest whole number of the Sunac Services Shares. Instead, any such fractional entitlements will be retained by the Company and sold in the market and the Company will keep the net proceeds of sale, after deduction of the relevant expenses, for the benefit of the Company.

1.5 Condition to the Distribution

The Distribution is conditional on the Global Offering becoming unconditional in all respects. If such condition is not satisfied, the Listing will not take place and the Distribution will not be made.

2. POST HEARING INFORMATION PACK

Sunac Services has submitted the post hearing information pack (the “**PHIP**”) in relation to the Proposed Spin-off to the Stock Exchange for publication on the Stock Exchange’s website. The PHIP is available for viewing and downloading from the Stock Exchange’s website at www.hkexnews.hk.

The PHIP contains, among other things, certain business and financial information relating to the Spin-off Group. Shareholders should note that the PHIP is in draft form and the information contained in the PHIP is incomplete and is subject to change which can be material. Shareholders are advised to refer to the Stock Exchange’s website at www.hkexnews.hk from time to time for the updated PHIP (if any) which is expected to be published by Sunac Services as and when appropriate. The Company does not have any obligation or liability whatsoever in relation to the PHIP and any updated PHIP (if any).

GENERAL

As the Listing is conditional upon, among other things, the approval of the Listing Committee, the final decision of the Board and the board of Sunac Services, market conditions and other considerations, the Proposed Spin-off may or may not materialize and the Distribution may or may not be made. In addition, as the size and structure of the Global Offering have not yet been finalized, the Distribution Basis as set out in this announcement is subject to change. Shareholders and other investors are reminded to exercise caution when dealing in the securities of the Company. Persons who are in doubt about their position or any action to be taken are recommended to consult their own professional advisers.

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

DEFINITIONS

In this announcement, unless the context requires otherwise, terms used herein shall have the same meanings as those in the Announcements, and the following expressions have the meanings set out below:

"Board"	the board of directors of the Company or a duly constituted committee thereof
"ChinaClear"	China Securities Depository and Clearing Corporation Limited (中國證券登記結算有限責任公司)
"Distribution"	the special dividend declared by the Company on 26 October 2020, to be satisfied by way of a distribution in specie of an aggregate of 150,000,000 Sunac Services Shares to the Qualifying Shareholders, subject to the condition described in the paragraph headed "Condition to the Distribution" in this announcement
"Excluded Jurisdiction(s)"	specified jurisdiction(s) outside Hong Kong in respect of which the Board has determined that it is necessary or expedient not to distribute the Sunac Services Shares to the Shareholders located or resident in such jurisdiction(s) pursuant to the Distribution, on account of either legal restrictions under the applicable laws of such jurisdictions and/or requirements of the relevant regulatory bodies or stock exchanges in such jurisdiction(s), if any
"HK\$"	Hong Kong dollar, the lawful currency of Hong Kong

“PRC Stock Connect Investors” the PRC southbound trading investor(s) through Shanghai Connect and/or Shenzhen Connect who hold Shares through ChinaClear as nominee

“Share(s)” ordinary share(s) with par value of HK\$0.10 each in the share capital of the Company

By order of the Board
Sunac China Holdings Limited
SUN Hongbin
Chairman

Hong Kong, 26 October 2020

As at the date of this announcement, the executive directors are Mr. SUN Hongbin, Mr. WANG Mengde, Mr. JING Hong, Mr. CHI Xun, Mr. TIAN Qiang, Mr. SHANG Yu, Mr. HUANG Shuping and Mr. SUN Kevin Zheyi; and the independent non-executive directors of the Company are Mr. POON Chiu Kwok, Mr. ZHU Jia, Mr. MA Lishan and Mr. YUAN Zhigang.