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CHINA EVERGRANDE GROUP

中國恒大集團

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3333)

INSIDE INFORMATION RESCISSION/TERMINATION OF AGREEMENT

This announcement is made by China Evergrande Group (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

On 4 October 2021, the Company released an announcement regarding trading halt pending the release of an announcement containing inside information about a major transaction. On 1 October 2021, the Group entered into an agreement with Hooplife Technology Group Limited (“**Hooplife**”). The principal terms of the agreement are set out below.

Parties:

- (1) the Company as the guarantor;
- (2) CEG Holdings (BVI) Limited as the vendor; and
- (3) Hooplife as the purchaser. Hooplife is a subsidiary of Hopson Development Holdings Limited (stock code: 754.HK),

ASSET TO BE DISPOSED OF

The asset to be disposed of is 5,416,216,311 shares in Evergrande Property Services Group Limited (“**Evergrande Property Services**”), representing 50.1% of the existing issued share capital of Evergrande Property Services.

CONSIDERATION

The consideration was HK\$20,040,000,350.70, which was determined by the vendor and the purchaser after negotiation.

INFORMATION ON EVERGRANDE PROPERTY SERVICES

Evergrande Property Services is a company incorporated in the Cayman Islands, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 6666). Evergrande Property Services and its subsidiaries are principally engaged in the integrated commercial properties services business, covering more than 300 cities across 22 provinces, 5 autonomous regions, 4 municipalities and Hong Kong, with a total GFA under management of approximately 450 million sq.m. as at 30 June 2021, and providing property management services to more than 3.20 million households.

REASON FOR THE DISPOSAL AND THE RESCISSION/TERMINATION

The Company announced on 14 September 2021 the measures to be adopted by the Company to ease its liquidity issue, including disposals of shareholding interests and other assets. The disposal was one of the measures being implemented to ease the liquidity issue currently faced by the Company.

As of 12 October 2021, the Company had reason to believe (based on information from various sources (other than the Securities and Futures Commission)) that the purchaser had not met the prerequisite to make a general offer for shares in Evergrande Property Services. The Company exercised its right of rescission/termination with respect to the agreement on 13 October 2021. The Executive (as defined in the Takeovers Code) has indicated to the Company that it expresses no view on the above matter.

Shareholders of the Company and other investors are reminded to consider the related risks and exercise caution when dealing in the securities of the Company.

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

Hong Kong, 20 October 2021

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 Lixun, and the independent non-executive directors are Mr. Chau Shing Yim, David, Mr. He Qi and Ms. Xie Hongxi.

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.