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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
INFORMATION UPDATE
AND
RESUMPTION OF TRADING**

China Evergrande Group (the “**Company**”) provides an information update in compliance with 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).

GRACE PERIOD FOR U.S. DOLLAR-DENOMINATED PUBLIC NOTES

The Group has a 30-day grace period to pay interest after the interest becomes due under its U.S. dollar-denominated notes that were sold under public offer. As of the date of this announcement, the grace periods for the payment of the interest that has become due in September and October 2021 under its U.S. dollar- denominated public notes have not expired.

MEASURES ADOPTED TO EASE THE LIQUIDITY ISSUES

The update on the measures taken by the Company since 14 September 2021 is set out below:

Save for the agreement entered into on 28 September 2021 with respect to the sale of 1,753,157,895 non-publicly traded domestic shares in Shengjing Bank Co., Ltd., there has been no material progress on sale of assets of the Group.

The Group will continue to implement the measures to ease the liquidity issues of the Group as disclosed in its interim results announcement dated 30 August 2021 and use its best effort to negotiate for the renewal or extension of its borrowings or other alternative arrangements with its creditors.

In view of the difficulties, challenges and uncertainties in improving its liquidity, there is no guarantee that the Group will be able to meet its financial obligations under the relevant financing documents and other contracts. If the Group is unable to meet its guarantee obligation or to repay any debt when due

or agree with its creditors on renewal or extension of its borrowings or alternative arrangements, it would have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

The Group will update the market as appropriate on material progress made in easing its liquidity issue.

ENQUIRY BY THE FINANCIAL REPORTING COUNCIL (THE "FRC")

On 15 October 2021, the FRC has initiated an enquiry into the adequacy of reporting on going concern in the financial statements of the Company for the year of 2020 and the first half year of 2021. The Company will fully cooperate with the FRC on its enquiry.

OPERATING STATISTICS SINCE SEPTEMBER 2021

For the month of September 2021 and up till now, the Group achieved contracted sales of properties of RMB3.65 billion (including the amounts applied to set off debts due to suppliers and contractors). The contracted sales area was 405,000 square meters. Up to the date of this announcement, the aggregate contracted sales of properties of the Group for the year was RMB442.3 billion and the contracted sales area was 54.192 million square meters.

RESUMPTION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange was halted with effect from 9:00 a.m. on 4 October 2021. Application has been made by the Company for the resumption of trading in the shares of the Company on the Stock Exchange with effect from 9:00 a.m. on 21 October 2021.

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.