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(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3333)

ISSUANCE OF HK\$18.00 BILLION 4.25% CONVERTIBLE BONDS DUE 2023

The Board is pleased to announce that on 30 January 2018 (after trading hours), the Company and the Managers entered into the Subscription Agreement in relation to the proposed issue of the Bonds. Subject to the terms and conditions of the Subscription Agreement, the Managers have severally but not jointly agreed to subscribe and pay for, or to procure subscribers to subscribe and pay for, the Bonds to be issued by the Company in the aggregate principal amount of HK\$18.00 billion.

The Bonds may be converted into Conversion Shares pursuant to the Conditions. Based on the initial conversion price of HK\$38.99 per Share (subject to adjustment) and assuming full conversion of the Bonds, the Bonds will be convertible into 461,656,835 Conversion Shares, representing approximately 3.51% of the issued share capital of the Company as at the date of this announcement and approximately 3.39% of the issued share capital of the Company as enlarged by the issue of such Conversion Shares (assuming that there is no other change to the issued share capital of the Company).

The Conversion Shares are to be issued under the General Mandate and the issue of the Bonds is not subject to approval of the Shareholders.

The Company will apply to the SGX-ST for the listing and quotation of the Bonds on the SGX-ST. An application will also be made to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.

Completion of the Bonds Issue is subject to the satisfaction of the conditions precedent to the Subscription Agreement and may or may not materialise. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

The Board is pleased to announce that on 30 January 2018 (after trading hours), the Company and the Managers entered into the Subscription Agreement in connection with the issue of the Bonds.

THE SUBSCRIPTION AGREEMENT

Date

30 January 2018

Parties to the Subscription Agreement

- (a) the Company;
- (b) the Subsidiary Guarantors; and
- (c) the Managers.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, each of the Managers and their ultimate beneficial owners is an independent third party and not a connected person of the Company.

Subscription

Subject to fulfilment of the conditions set forth in the Subscription Agreement, some of which are set out under the section headed "Conditions to the Subscription Agreement" below, the Managers have severally but not jointly agreed to subscribe for the Bonds with an aggregate principal amount of HK\$18.00 billion.

The Managers have informed the Company that it intends to offer and sell the Bonds to not less than six independent placees, and each of the placees and their respective ultimate beneficial owners will be third parties independent of the Company and the connected persons of the Company.

The Bonds have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States or other jurisdiction, and may not be offered or sold within the United States, or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state or local securities law in the United States. None of the Bonds will be offered to the public in Hong Kong.

Conditions to the Subscription Agreement

The obligations of the Managers to subscribe and pay for the Bonds are subject to, among others, fulfilment of the following conditions:

- (i) **Material Adverse Change:** after the execution and delivery of the Subscription Agreement and on or prior to the Closing Date, (a) there shall not have occurred any downgrading, nor shall any notice have been given of any intended or potential downgrading or of any review for a possible change that does not indicate the direction of the possible change, in the rating accorded the Company or any of the Company's securities by any "nationally recognized statistical rating organization" as such term is defined in the Securities Exchange Act of 1934, as amended, and (b) there shall not have occurred any change, or any development involving a prospective change, in the condition (financial or otherwise), or in the earnings, business or operations of the Company and its subsidiaries, taken as a whole, from the date of the Subscription Agreement, that in the judgment of the Managers, is material and adverse that makes it impracticable to market the Bonds on the terms and in the manner contemplated in the Subscription Agreement;
- (ii) **Compliance:** the Managers shall have received on the Closing Date a certificate, dated the Closing Date and signed by an executive officer of the Company, to the effect that, among others, (i) the representations and warranties of the Company in the Subscription Agreement were true and correct as of the Publication Date (as defined below) and are true and correct as of the Closing Date; and (ii) the Company has complied with all of the agreements and satisfied all of the conditions of its part to be performed or satisfied on or before the Closing Date;
- (iii) **Legal Opinions:** the Managers shall have received on the Closing Date, certain legal opinions on the laws of various jurisdictions (including but not limited to Cayman Islands law, British Virgin Islands law, Hong Kong law, PRC law, US law and English law), in each case dated the Closing Date and substantially in the form satisfactory to the Managers;
- (iv) **Comfort Letters:** upon the publication date (the "**Publication Date**") of the offering circular (the "**Offering Circular**") in relation to the Bonds and on the Closing Date, there shall have been delivered to the Managers (i) a comfort letter addressed to the Managers, dated as the case may be the Publication Date and the Closing Date, from PricewaterhouseCoopers, independent public accountants, in form and substance reasonably satisfactory to the Managers; and (ii) a certificate signed by any two executive directors of the Company with respect to certain information identified in the Offering Circular, in the form set forth in the Subscription Agreement;

- (v) **Listing:** (a) the Bonds shall have been declared eligible for clearance and settlement through Euroclear Bank SA/NV and Clearstream Banking S.A., (b) the SGX-ST shall have agreed in principle to list the Bonds and (c) the Stock Exchange shall have agreed to list the Conversion Shares;
- (vi) **Contracts:** each security document, in form and substance satisfactory to the collateral agent, shall have been duly executed, be in full force and effect and delivered by the parties thereto, together with the collateral and ancillary documents deliverable thereunder, and the Subscription Agreement, the Trust Deed, the agency agreement and the supplement to intercreditor agreement shall have been duly executed and delivered and be in full force and effect, and true and complete copies thereof shall have been delivered to the Managers; and
- (vii) **Lock-up:** Xin Xin (BVI) Limited shall have executed a lock-up agreement on 30 January 2018 in the form set forth in the Subscription Agreement.

If any of the conditions set forth above is not satisfied or waived (as the case may be) on or prior to the Closing Date, all obligations of the Managers under the Subscription Agreement may be cancelled by the Managers.

Company's Lock-up Undertaking

The Company has undertaken with the Managers that for a period from the date of the Subscription Agreement up to 90 days after the Closing Date (both dates inclusive), neither the Company, the Subsidiary Guarantors, nor any person acting on their behalf will (a) issue, offer, sell, pledge, contract to sell, or otherwise dispose of or grant options, issue warrants or offer rights entitling persons to subscribe or purchase any interest in, any Shares or any securities issued or guaranteed by the Company or the Subsidiary Guarantors that are substantially similar to the Bonds or the Shares or other instruments representing interests in the Bonds, the Shares or securities of the same class as them; (b) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of the ownership of the Shares; (c) enter into any transaction with the same economic effect as, or which is designed to, or which may reasonably be expected to result in, or agree to do, any of the foregoing, whether any such transaction of the kind described in (a), (b) or (c) is to be settled by delivery of Shares or other securities, in cash or otherwise or (d) announce or otherwise make public an intention to do any of the foregoing, in each case without the prior written consent of a majority of the Managers, except for (i) the Bonds and the Conversion Shares issued on conversion of the Bonds and (ii) the Shares issued or options to purchase Shares issued to employees of the Company or its subsidiaries under employee stock option plans.

Shareholder's Lock-up Undertaking

Xin Xin (BVI) Limited shall undertake with the Managers that for a period from the date of the Subscription Agreement up to 90 days after the Closing Date (both dates inclusive), neither it, nor any of its subsidiaries (if applicable) over which it exercises management or voting control, nor any person acting on its behalf will, without the prior written consent of a majority of the Managers, (a) issue,

offer, sell, and it shall procure such entities/persons not to pledge, contract to sell, or otherwise dispose of or grant options, issue warrants or offer rights entitling persons to subscribe or purchase any interest in the 9,370,871,497 Shares held by it (the “**Lock-up Shares**”) or any securities convertible into, exchangeable for or which carry rights to subscribe or purchase the Lock-up Shares or other instruments representing interests in the Lock-up Shares; (b) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of the ownership of the Lock-up Shares; (c) enter into any transaction with the same economic effect as, or which is designed to, or which may reasonably be expected to result in, or agree to do, any of the foregoing, whether any such transaction of the kind described in (a), (b) or (c) is to be settled by delivery of Lock-up Shares or other securities, in cash or otherwise or (d) announce or otherwise make public an intention to do any of the foregoing.

Termination

The Managers may, by notice to the Company given at any time prior to the Closing Date, terminate the Subscription Agreement in any of the following circumstances:

- (1) trading in any securities of the Company or any Subsidiary Guarantor has been suspended or materially limited by any of the U.S. Securities and Exchange Commission, the New York Stock Exchange, the American Stock Exchange, the Nasdaq National Market, the Stock Exchange, the Shanghai Stock Exchange, the London Stock Exchange plc or the SGX-ST, or if trading generally on the New York Stock Exchange, the American Stock Exchange, the Nasdaq National Market, the Stock Exchange, the Shanghai Stock Exchange, the London Stock Exchange plc or the SGX-ST has been suspended or materially limited, or minimum or maximum prices for trading have been fixed (except for the Shanghai Stock Exchange), or maximum ranges for prices have been required (except for the Shanghai Stock Exchange), by any of said exchanges or by such system or by order of the U.S. Securities and Exchange Commission, the National Association of Securities Dealers, Inc. or any other governmental authority;
- (2) trading of any securities of the Company shall have been suspended on any exchange or in any over-the-counter market;
- (3) a material disruption in securities settlement, payment or clearance services in the United States or Hong Kong or with respect to Clearstream or Euroclear systems in Europe shall have occurred;
- (4) any moratorium on commercial banking activities shall have been declared by the United States, New York State, the United Kingdom, Hong Kong, the PRC or Singapore authorities;
- (5) there shall have occurred any outbreak or escalation of hostilities, or any change in financial markets, currency exchange rates or controls or any calamity or crisis that, in the judgment of the Managers, is material and adverse and which, individually or together with any other specified termination event, makes it, in the judgment of the Managers, impracticable or inadvisable to proceed with the offer, sale or delivery of the Bonds on the terms and in the manner contemplated in the Offering Circular; or

- (6) if there has occurred any material adverse change in the financial markets in the United States or the international financial markets or currency exchange rate controls, any outbreak of hostilities or escalation thereof or other calamity or crisis or any change or development reasonably expected to have a prospective change in national or international political, financial or economic conditions, in each case the effect of which is such as to make it, in the good faith judgment of the Managers, impracticable or inadvisable to proceed with the marketing, offer, sale or delivery of the Bonds on the terms and in the manner contemplated in the Offering Circular or to enforce contracts for the sale of the Bonds.

PRINCIPAL TERMS OF THE BONDS

The principal terms of the Bonds are summarised below:

Issuer:	The Company
Principal amount of the Bonds:	HK\$18.00 billion, convertible into fully paid ordinary shares with a par value of US\$0.01 each in the issued and paid up capital of the Company
Issue price:	100% of the principal amount of the Bonds
Guarantee and security:	The Bonds are jointly and severally guaranteed by the Subsidiary Guarantors on a <i>pari passu</i> basis with the Existing Notes, and will be secured equally and rateably on all existing collateral currently given for the benefit of the Existing Notes and any other permitted <i>pari passu</i> indebtedness of the Company.
Form and denomination of the Bonds:	The Bonds will be issued in registered form and in denominations of HK\$2,000,000 each and integral multiples of HK\$1,000,000 in excess thereof.
Status of the Bonds:	The Bonds will constitute direct, unconditional and unsubordinated obligations of the Company and shall at all times rank <i>pari passu</i> and without any preference or priority among themselves. The payment obligations of the Company under the Bonds shall, save for such exceptions as may be provided by applicable law, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.
Maturity:	Unless previously redeemed, converted or purchased and cancelled as provided in the Conditions, the Company shall redeem each Bond at its principal amount together with accrued and unpaid interest thereon on the Maturity Date.

- Interest: The Bonds will bear interest at the rate of 4.25% per annum, payable semi-annually in arrears. If payment of principal is improperly withheld or refused, the Bonds will continue to bear interest at 7.25% per annum.
- Conversion period: Subject to Conditions, each Bondholder may exercise the conversion right attaching to the Bonds at any time on or after 27 March 2018 up to the close of business (at the place where the certificate evidencing such Bond is deposited for conversion) on the seventh (7th) day prior to the Maturity Date, or if notice requiring redemption has been given by the Company before the Maturity Date, then up to the close of business (at the place aforesaid) on a date no later than 15 days (both days inclusive and in the place aforesaid) prior to the date fixed for redemption, or if notice requiring redemption has been given by the holder of such Bond, then up to the close of business (at the place aforesaid) on the day prior to the giving of such notice.
- Conversion price: The initial Conversion Price is HK\$38.99 per Conversion Share, representing:
- (i) a premium of 40.00% over the closing price of the Shares at HK\$27.85 quoted on the Stock Exchange on 30 January 2018, which is the date of the Subscription Agreement;
 - (ii) a premium of 36.19% over the average closing price of approximately HK\$28.63 per Share for the last five consecutive trading days up to and including 29 January 2018, which is the last trading day before the date of the Subscription Agreement; and
 - (iii) a premium of 37.63% over the average closing price of approximately HK\$28.33 per Share for the last ten consecutive trading days up to and including 29 January 2018, which is the last trading day before the date of the Subscription Agreement.

The Conversion Price is subject to adjustment upon the occurrence of certain prescribed events namely:

- (a) if there is an alteration to the nominal value of the Shares as a result of consolidation, subdivision or reclassification;
- (b) if the Company issues any Shares credited as fully paid to the Shareholders by way of capitalization of profits or reserves and which would not have constituted a Distribution;
- (c) in the case of an issue of Shares by way of a scrip dividend where the Current Market Price of such Shares exceeds 105% of the relevant cash dividends declared by the Company and which would not have constituted a Distribution;
- (d) if the Company pays or makes any Distribution to the Shareholders in cash only or (except to the extent that the Conversion Price falls to be adjusted under any conditions as set out in the Securities) other than in cash only;
- (e) if the Company issues Shares, or grant rights, options, warrants or other rights to subscribe for Shares to all or substantially all Shareholders at less than 95% of the Current Market Price;
- (f) if the Company issues any securities (other than Shares, or options, warrants or other rights to subscribe for, purchase or otherwise acquire any Shares) to all or substantially all Shareholders;
- (g) if the Company issues any Shares or grants options, warrants or other rights to subscribe for, purchase or otherwise acquire any Shares at less than 95% of the Current Market Price;
- (h) if the Company or any of its subsidiaries, or any other company, person or entity issues wholly for cash any securities (other than the Securities) convertible or exchangeable for or with subscription right for Shares to be issued by the Company at a consideration per Share less than 95% of the Current Market Price;

- (i) if any of the conversion, exchange or subscription rights referred to in (h) immediately above is modified so that the consideration per Share (for the number of Shares available on conversion, exchange or subscription following the modification) is reduced and is less than 95% of the Current Market Price;
- (j) if the Company or any of its subsidiaries issues, sells or distributes any securities in connection with any offer pursuant to which the Shareholders generally are entitled to participate in arrangements whereby such securities may be acquired by them (unless such issuance, sale or distribution also results in an adjustment due to another adjustment event);
- (k) if a Change of Control shall occur; and
- (l) if the Company otherwise determines that an adjustment should be made to the Conversion Price.

No adjustment will be made where Shares or other securities (including rights or options) are issued, offered or granted to employees or former employees (including directors or former directors) of the Company or any of its subsidiaries pursuant to any share option scheme of the Company and which share option scheme is in compliance with the Listing Rules, or if applicable, the listing rules of an Alternative Stock Exchange. The Conversion Price may not be reduced so that, on conversion of the Bonds, Shares would be issued at a discount to their par value or Shares would be required to be issued in any other circumstances not permitted by applicable laws then in force in Hong Kong.

The initial Conversion Price was determined after arm's length negotiations between the Company and the Managers with reference to the closing price of the Shares quoted on the Stock Exchange on 30 January 2018.

Number of Conversion Shares issuable:	461,656,835 Conversion Shares will be issued upon exercise of the conversion right attaching to the Bonds in full based on the initial Conversion Price of HK\$38.99 per Share.
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The 461,656,835 Conversion Shares, having an aggregate nominal amount of US\$4,616,568.35 based on a par value of US\$0.01 per Share, represent (i) approximately 3.51% of the total number of Shares of the Company in issue as at the date of this announcement; and (ii) approximately 3.39% of the enlarged total number of issued Shares of the Company upon allotment and issue of such Conversion Shares, assuming that there is no other change to the issued share capital of the Company.

Based on the estimated net proceeds from the issue of the Securities of approximately HK\$17.757 billion and 461,656,835 Conversion Shares, the net proceeds per Conversion Share is estimated to be approximately HK\$38.46.

Ranking of the Conversion Shares:

The Conversion Shares to be issued upon exercise of the conversion right attaching to the Bonds will be fully paid and rank *pari passu* in all respects with the Shares then in issue on the date on which the name of the exercising Bondholder is registered as holder of the relevant Conversion Shares in the register of members of the Company.

Redemption at the option of the Bondholders:

The Company will, at the option of a Bondholder, redeem all or some only of such holder's Bonds on 14 February 2021 at their principal amount together with interest accrued to that date.

Redemption for taxation reasons:

At any time prior to the Maturity Date the Company may, on giving not less than 30 nor more than 60 days' notice to the Bondholders and the Trustee (which notice will be irrevocable), redeem in whole but not in part, the Bonds for the time being outstanding at their principal amount together with interest accrued to the date fixed for redemption, if (i) the Company or any Subsidiary Guarantor has or will become obliged to pay additional tax as a result of any change in, or amendment to, the laws or regulations of any jurisdiction in which the Company or the applicable Subsidiary Guarantor or chargor is organized or resident for tax purposes or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 14 February 2018, and (ii) such obligation cannot be avoided by the Company or such Subsidiary Guarantor taking reasonable measures available to it.

If the Company exercises its tax redemption right, each Bondholder shall have the right to elect that its Bonds shall not be redeemed. Upon a Bondholder electing not to have its Bonds redeemed in such circumstances, any payments due after the relevant date shall be made subject to any deduction or withholding of any tax required to be deducted or withheld.

Redemption in the event of minimum outstanding amount:

The Company may at its option, at any time prior to the Maturity Date, on giving not less than 30 nor more than 60 days' notice to the Bondholders and the Trustee in writing (which notice will be irrevocable), redeem, in whole but not in part, the Bonds at their principal amount together with interest accrued to the date fixed for redemption, provided that prior to the date of such notice at least 90% in principal amount of the Bonds originally issued (including any further bonds issued and consolidated and forming a single series with the Bonds) has already been converted, redeemed or purchased and cancelled.

Redemption for delisting or suspension of trading or Change of Control:

Following occurrence of any of the following events:

- (i) when the Shares cease to be listed or admitted to trading, or are suspended for a period equal to or exceeding 21 consecutive trading days, on the Stock Exchange or, if applicable, an Alternative Stock Exchange, or
- (ii) when there is a Change of Control in the Company,

each Bondholder will have the right by notice given to the Company not later than 60 days following any such event, or if later, 60 days following the giving of notice by the Company to the Bondholders of such event to require the Company to redeem all or some of such holder's Bonds on the fourteenth (14th) day following the expiry of such 60-day period at their principal amount together with interest accrued to the date fixed for redemption.

Negative pledge:	<p>The Company undertakes that, <i>inter alia</i>, so long as any of the Bonds remains outstanding (as defined in the Trust Deed), and to the extent the Company has high yield securities outstanding, it will not, and will procure that none of its restricted subsidiaries will, create or permit to subsist any encumbrance upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any relevant indebtedness or any guarantee or indemnity in respect of any such relevant indebtedness unless (i) it is a permitted encumbrance (as defined in the Conditions) or (ii) at the same time or prior thereto (a) the Company's obligations are secured equally or rateably therewith or by the same encumbrance or, (b) by such other security, guarantee, indemnity or other arrangement as either (xx) shall be deemed not to be materially less beneficial to the Bondholders or (yy) shall be approved by an extraordinary resolution (as defined in the Trust Deed) of the Bondholders.</p>
Voting rights:	<p>The Bondholders will not have any right to attend or vote at any meeting of the Company by virtue of them being Bondholders, and until and unless they have converted their Bonds into Shares.</p>
Listing:	<p>The Company will apply to the SGX-ST for the listing of the Bonds.</p>
Clearing systems:	<p>The Bonds, once all issued, will be represented by a global certificate and will be sold outside the United States to non-U.S. persons (as defined under Regulation S) in reliance on Regulation S under the U.S. Securities Act.</p> <p>Title to the Bonds will be registered in the name of a nominee of, and deposited with a common depositary for, Euroclear Bank SA/NV, and Clearstream Banking S.A.</p>
Transferability:	<p>The Bonds are freely transferrable subject to the Conditions and the rules of the relevant clearing systems where applicable.</p>

GENERAL MANDATE

The Conversion Shares that may fall to be issued upon exercise of the conversion right attaching to the Bonds will be issued under the General Mandate. As at the date of this announcement, the General Mandate has not been utilized and up to 2,618,663,800 new Shares may be issued thereunder. The General Mandate is therefore sufficient for the allotment and issue of the Conversion Shares. As such, the issue of the Bonds and the Conversion Shares thereunder are not subject to Shareholders' approval at a general meeting.

APPLICATION FOR LISTING

The Company will apply to the SGX-ST for the listing and quotation of the Bonds on the SGX-ST. An application will also be made to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares which may fall to be issued upon exercise of the conversion right attaching to the Bonds.

REASON FOR THE SECURITIES ISSUE AND USE OF PROCEEDS

The Group is a leading real estate development company in China. Founded in Guangzhou City, Guangdong Province in 1996, the Group has become a leading national property developer through its economies of scale and widely recognised brand name, under the leadership of its management team. Over the years, the Group's focus on a centralised management system, a standardised operational model and quality products have allowed it to quickly replicate its success across China.

The Bonds Issue will raise net proceeds of approximately HK\$17.757 billion which will be used for refinancing existing indebtedness of the Company and for general corporate purposes.

The Directors (including the independent non-executive Directors) consider that the terms and conditions of the Subscription Agreement and the Bonds are fair and reasonable, on normal commercial terms and in the interests of the Company and its shareholders as a whole.

CAPITAL RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not carried out any equity capital raising activities in the twelve months immediately preceding this announcement.

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The table below sets out the Company's shareholding structure as at the date of this announcement and upon full exercise of the conversion right attaching to the Bonds.

	Shareholding as at the date of this announcement		Assuming the Bonds are fully issued and converted into Shares at the initial Conversion Price of HK\$38.99 each (subject to adjustment)	
	Number of Shares	Approximate % of issued share capital of the Company	Number of Shares	Approximate % of issued share capital of the Company
Mr. Hui Ka Yan and his associates	10,162,119,735	77.17%	10,162,119,735	74.56%
Bondholders	—	—	461,656,835	3.39%
Other Shareholders	<u>3,006,140,165</u>	<u>22.83%</u>	<u>3,006,140,165</u>	<u>22.06%</u>
Total	<u>13,168,259,900</u>	<u>100%</u>	<u>13,629,916,735</u>	<u>100%</u>

GENERAL

Completion of the Bonds Issue is subject to the satisfaction of the conditions precedent to the Subscription Agreement and may or may not materialise. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

“Alternative Stock Exchange”	means, at any time, in the case of the Shares, if they are not at that time listed and traded on the Stock Exchange, the principal stock exchange or securities market on which the Shares are then listed or quoted or dealt in
“associate”	has the meaning given to it under the Listing Rules
“Board”	the board of Directors
“Bondholders”	holders of the Bonds
“Bonds”	4.25% convertible bonds due 2023 with an aggregate principal amount of HK\$18.00 billion to be issued by the Company
“Bonds Issue”	the issue of the Bonds by the Company

“Change of Control”	<p>subject to the exceptions permitted under the Conditions, the occurrence of any of the following events:</p> <ul style="list-style-type: none"> (i) the merger, amalgamation or consolidation of the Company with or into another person (other than the Permitted Holders) or the merger or amalgamation of another person (other than one or more Permitted Holders) with or into the Company, or the sale of all or substantially all of the assets of the Company to another person; (ii) the Permitted Holders being the beneficial owners of less than 40% of the total voting power of the voting stock of the Company; (iii) any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the United States Securities Exchange Act of 1934 (the “Exchange Act”)) being or becoming the “beneficial owner” (as such term is used in Rule 13d-3 of the Exchange Act), directly or indirectly, of total voting power of the voting stock of the Company greater than such total voting power held beneficially by the Permitted Holders; (iv) the individuals who on the Closing Date constituted the board of directors of the Company, together with any new directors whose election by the board of directors was approved by a vote of at least a majority of the directors then still in office who were either directors or whose election was previously so approved, ceasing for any reason to constitute a majority of the board of directors of the Company then in office; or (v) the adoption of a plan relating to the liquidation or dissolution of the Company.
“Closing Date”	<p>the closing date for the Bonds Issue, which is expected to be on 14 February 2018 or such other date as shall be agreed between the Company and the Managers</p>
“Company”	<p>China Evergrande Group, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange</p>
“Conditions”	<p>the terms and conditions of the Bonds</p>
“connected person”	<p>has the meaning ascribed to it under the Listing Rules</p>
“Conversion Price”	<p>HK\$38.99 per Conversion Share subject to adjustment in the manner provided in the Conditions</p>

“Conversion Shares”	Shares to be allotted and issued by the Company upon exercise of the conversion right attaching to the Bonds
“Current Market Price”	in respect of a Share at a particular time on a particular date, the average of the closing price for one Share published in the daily quotation sheet of the Stock Exchange (or the equivalent quotation sheet of an Alternative Stock Exchange) for each of the five (5) consecutive trading days ending on the trading day immediately preceding such date
“Directors”	the directors of the Company
“Distribution”	any dividend or distribution, whether of cash or assets in specie or other property by the Company for any financial period, and whenever paid or made and however described or declared after the Closing Date (which shall include the final dividend for the financial year ended 31 December 2017), and for these purposes a distribution of assets in specie includes without limitation an issue of shares or other securities credited as fully or partly paid (other than Shares credited as fully paid to the extent an adjustment to the Conversion Price is made in respect thereof under the Conditions by way of capitalization of reserves and including any scrip dividend to the extent of the relevant cash dividend) unless it comprises a purchase or redemption of Shares by or on behalf of the Company (or a purchase of Shares by or on behalf of a subsidiary of the Company), where the weighted average price (before expenses) on any one day in respect of such purchase does not exceed 105% of the Current Market Price of the Shares, as the case may be, either (1) on that date, or (2) where an announcement has been made of the intention to purchase Shares at some future date at a specified price, on the trading day immediately preceding the date of such announcement and, if in the case of either (1) or (2), the relevant day is not a trading day, the immediately preceding trading day
“Existing Notes”	the existing US\$ senior notes of the Company, namely the 7.0% Senior Notes due 2020, the 6.25% Senior Notes due 2021, the 8.25% Senior Notes due 2022, the 7.50% Senior Notes due 2023, the 9.50% Senior Notes due 2024 and the 8.75% Senior Notes due 2025
“General Mandate”	the general mandate granted to the Board by the Shareholders at the annual general meeting of the Company held on 15 June 2017, which authorised the Directors to allot, issue or otherwise deal with up to 2,618,663,800 Shares, representing 20% of the total number of Shares of the Company in issue as at that date

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Managers”	Credit Suisse (Hong Kong) Limited, UBS AG Hong Kong Branch, Haitong International Securities Company Limited, Merrill Lynch (Asia Pacific) Limited, Citigroup Global Markets Limited and Deutsche Bank AG, Hong Kong Branch
“Maturity Date”	14 February 2023
“Permitted Holders”	means any or all of the following: (i) Dr. Hui Ka Yan, Ms. Ding Yumei and any of their children; (ii) any affiliate (as defined in the Conditions) of the person specified in paragraph (i) above; and (iii) any person both the capital stock and the voting stock of which (or in the case of a trust, the beneficial interests in which) are owned 80% by persons specified in paragraphs (i) and (ii) above.
“PRC”	the People’s Republic of China, excluding for the purpose of this announcement, Hong Kong, Macau Special Administrative Region and Taiwan
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Shareholders”	holders of Shares from time to time
“Shares”	ordinary shares of US\$0.01 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	the conditional subscription agreement dated 30 January 2018 entered into between the Company, the Subsidiary Guarantors and the Managers in relation to the Bonds Issue
“Subsidiary Guarantors”	certain subsidiaries of the Company which guarantee the Bonds
“Trustee”	Citicorp International Limited
“Trust Deed”	the trust deed (as amended or supplemented from time to time) made between, among others, the Company, the Subsidiary Guarantors and the Trustee
“U.S. Securities Act”	the United States Securities Act of 1933, as amended

“US\$” United States dollars, the lawful currency of the United States of America

“%” per cent.

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

Hong Kong, 31 January 2018

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