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**EVERGRANDE HEALTH  
INDUSTRY GROUP**

**EVERGRANDE HEALTH INDUSTRY GROUP LIMITED**

**恒大健康產業集團有限公司**

*(a company incorporated in Hong Kong with limited liability)*

**(Stock code: 708)**

**MAJOR TRANSACTION  
SUCCESSFUL BIDDING OF**

**THE LAND USE RIGHTS OF LAND PLOTS F-3-2 AND F-4-1, LINWANGPIAN DISTRICT,  
HAITANG BAY, SANYA CITY, HAINAN PROVINCE**

Evergrande Health Industry Group Limited is pleased to announce the successful bidding for the state-owned construction land use rights of Land Plots F-3-2 and F-4-1, Linwangpian District, Haitang Bay, Sanya City, Hainan Province, China through its subsidiary at a consideration of RMB491,000,000 on 27 January 2016.

**IMPLICATION OF THE LISTING RULES**

In accordance with the Listing Rules, as the highest applicable percentage ratio in respect of the Sanya Land Plots Acquisition is more than 25% but less than 100%, the Sanya Land Plots Acquisition constitutes a major transaction of the Company and is subject to announcement and Shareholders' approval requirements under the Listing Rules.

In accordance with the Listing Rules, a major transaction is subject to Shareholders' approval. To the best of the knowledge, information and belief of the directors of the Company, after having made all reasonable enquiries, as no Shareholder has material interests in the transaction, no Shareholder would be required to abstain from voting if the Company is to convene a general meeting for approving the transaction. The Company will not be required to convene a general meeting for approving the transaction as the Company has obtained written Shareholder's approval from the controlling shareholder of the Company, Evergrande Health Industry Holdings Limited, in lieu of convening a general meeting as permitted by Rule 14.44 of the Listing Rules. The Controlling Shareholder directly holds 647,950,000 shares in the Company, representing approximately 74.99% of the issued shares of the Company as at the date of this announcement.

## **GENERAL**

A circular will be despatched to the Shareholders by the Company as soon as practicable in accordance with the Listing Rules setting out (among others) further details of the Sanya Land Plots Acquisition. The circular is expected to be despatched on or before 16 March 2016, so as to allow sufficient time for the preparation of the relevant information for inclusion in the circular.

**There can be no assurance that any forward-looking statements regarding the business development of the Group set out in this announcement and any of the matters set out herein are attainable, will actually occur or will be realised or are complete or accurate. Shareholders and/or potential investors of the Company are advised to exercise caution when dealing in the securities of the Company and not to place any excessive reliance on the information disclosed herein. Any Shareholder or potential investor who is in doubt is advised to seek advice from professional advisors.**

Evergrande Health Industry Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that, on 27 January 2016, the Company successfully won a bidding for the state-owned construction land use rights of Land Plots F-3-2 (the “**Hospital Land**”) and F-4-1 (the “**Commercial Services Land**”), Linwangpian District, Haitang Bay, Sanya City, Hainan Province, China (the “**Land Plots**”) through its subsidiary (the “**Bid Winner**”) (the “**Bidding**”). The total area of the Land Plots is 151,906.64 square meters, of which the area of Land Plot F-3-2 is 80,096.18 square meters with a land use right of 50 years and the area of Land Plot F-4-1 is 71,810.46 square meters with a land use right of 40 years. The Bid Winner has entered into the Sanya City State-Owned Construction Land Use Rights Bid Confirmation 《三亞市國有建設用地使用權掛牌出讓成交確認書》 with the National Land, Environment and Resources Bureau of Sanya City (the “**Vendor**”), the vendor of the land use rights of the Land Plots, in respect of the purchase of the land use rights of Land Plots on 27 January 2016 (the “**Sanya Land Plots Acquisition**”).

## **CONSIDERATION OF THE SANYA LAND PLOTS ACQUISITION**

Consideration: RMB491,000,000 (to be settled by the Group with internal resources and/or bank loans)

The consideration of the Sanya Land Plots Acquisition is determined by way of public listing and tendering. Such consideration shall be settled within 60 days from the date of the entering into of the Sanya City State-Owned Construction Land Use Rights Bid Contract 《三亞市國有建設用地使用權掛牌出讓合同》 between the Bid Winner and the Vendor in cash in one lump-sum.

## **INFORMATION ABOUT HAITANG BAY, SANYA CITY, HAINAN PROVINCE, CHINA**

Sanya City is located at the southernmost tip of Hainan Island and is one of the most famous tourist cities in China. As the southernmost tropical coastal tourist city in China, Sanya City is also known as the “Oriental Hawaii”. Moreover, Sanya is the central city and the transportation hub of the southern part of Hainan Province. It is an important trading port at the southernmost tip of the golden coastline open for trade in China’s southeast coastal area.

As a specialized tourist city, the medical and healthcare industry (especially medical tourism), is a leading industry being developed and promoted in Sanya. With favourable infrastructure and ancillary facilities as well as enormous number of high-end tourists from all around the world, Haitang Bay, which is positioned as the “National Seashore”, is now under full development by Sanya to be transformed into a world-class integrated tourist resort area. Currently, construction of more than 10 international high-end branded resort hotels has been completed and high-end medical and healthcare industry is one of the key developing industries in Haitang Bay in the future.

To the best of the knowledge, information and belief of the directors of the Company, after having made all reasonable enquiries, Sanya government (being the authority which the Vendor is subordinated to) is a government authority, and Sanya government and its ultimate beneficial owner(s) are third parties independent of the Company and the connected persons of the Company and are not connected persons of the Company.

## **REASONS FOR AND BENEFITS OF THE TRANSACTION**

The principal business activities of the Group are “Internet+” community healthcare management, high-end international hospitals, elderly care industry, medical cosmetology, anti-aging management as well as the sales of travel, dining and lifestyle magazines and contents.

China is relatively lack of cutting-edge medical technology, equipment and resources and the demand for high-end hospitals has been growing. Due to the unique geographic and weather conditions, outstanding coastal environment, good air quality and convenient international and domestic transportation, Haitang Bay, Sanya is an excellent area for establishing high-quality international hospitals, which also conforms to the policy orientation of the State and the regional government to actively promote the development of the healthcare and medical industry.

The location of the project, Haitang Bay area, is positioned as an ecosystem of medical research, scientific research and development, international exchange and tourism and vacation. The Company plans to collaborate with world-class institutions, introduce first-class international talents, equipment and technology, and set up high-end international specialized hospitals on the aforesaid acquired Land Plots. At the same time, the Company will provide suitable integrated medical services and take advantage of the fine local natural environment to develop high-quality elderly care, healthcare and anti-ageing industries which offer high-end medical services to customers from all over the country, Southeast Asia and even around the world.

It is planned that the new high-end international hospital will involve collaboration with first-class international and domestic partners to introduce advanced hospital management and sophisticated medical technology and apply them in clinical practice. At the same time, we will cooperate with both top-notch international and domestic academic institutions to build a sustainable development model based on clinical, teaching and scientific research. In addition, the Company will fully leverage on the supporting policies of the State with the aim of commencing the advancement of domestic and foreign medical exchange and scientific research cooperation, accelerating the application of new medical theories and technologies in disease prevention and treatment and continuously enhancing disease prevention, diagnosis, treatment and rehabilitation. This also marks the commencement of the Group's thought out plan on the high-end international hospital industry. The Group intends to develop this new high-end international hospital into the Group's market leader among its medical institutions in Hainan and even throughout the country. Its establishment signifies the Group's comprehensive commencement in the State's medical network as well as full implementation of the Group's four major business sectors, which are "Internet+" community healthcare management, high-end international hospitals, elderly care industry, medical cosmetology and anti-aging management.

Given the aforesaid reasons and benefits, the directors of the Company believe that the terms of the Bidding and the Sanya Land Plots Acquisition are fair and reasonable, and are in the interests of the Company and its shareholders (the "Shareholders") as a whole.

## **INFORMATION ABOUT THE GROUP**

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## **IMPLICATION OF THE LISTING RULES**

In accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), as the highest applicable percentage ratio in respect of the Sanya Land Plots Acquisition is more than 25% but less than 100%, the Sanya Land Plots Acquisition constitutes a major transaction of the Company and is subject to announcement and Shareholders' approval requirements under the Listing Rules.

In accordance with the Listing Rules, a major transaction is subject to Shareholders' approval. To the best of the knowledge, information and belief of the directors of the Company, after having made all reasonable enquiries, as no Shareholder has material interests in the transaction, no Shareholder would be required to abstain from voting if the Company is to convene a general meeting for approving the transaction. The Company will not be required to convene a general meeting for approving the transaction as the Company has obtained written Shareholder's approval from the controlling shareholder of the Company, Evergrande Health Industry Holdings Limited (the "**Controlling Shareholder**"), in lieu of convening a general meeting as permitted by Rule 14.44 of the Listing Rules. The Controlling Shareholder directly holds 647,950,000 shares in the Company, representing approximately 74.99% of the issued shares of the Company as at the date of this announcement.

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By Order of the Board  
**Evergrande Health Industry Group Limited**  
**Fong Kar Chun, Jimmy**  
*Company Secretary*

Hong Kong, 27 January 2016

*As at the date of this announcement, the executive directors of the Company are Ms. Tan Chaohui, Mr. Tong Ming, Mr. Han Xiaoran; and the independent non-executive directors of the Company are Mr. Chau Shing Yim, David, Mr. Guo Jianwen and Mr. Xie Wu.*