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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)

**DISCLOSEABLE TRANSACTION
PURCHASE OF THE LAND USE RIGHTS OF 5 LAND PLOTS IN YANGZHONG,
ZHENJIANG CITY, JIANGSU PROVINCE**

Evergrande Health Industry Group Limited is pleased to announce that, on 22 December 2017, it has, via its subsidiary, entered into the land use rights bid confirmations for the state-owned construction land use rights of 5 land plots in Yangzhong, Zhenjiang City, Jiangsu Province, China at a consideration of RMB839,760,000.

In accordance with the Listing Rules, as the applicable percentage ratio in respect of the Yangzhong Land Acquisition is more than 5% but less than 25%, the Yangzhong Land Acquisition constitutes a discloseable transaction of the Company and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

Evergrande Health Industry Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that, on 21 December 2017, the Company has, via its subsidiary (the “**Bid Winner**”), won the bid for the state-owned construction land use rights of land plots No. Yang Tu (2017) Jiao-22 (land for charity medical use), No. Yang Tu (2017) Jiao-23A (land for commercial and residence use), No. Yang Tu (2017) Jiao-23B (land for commercial and residence use), No. Yang Tu (2017) Jiao-24A (land for commercial and residence use) and No. Yang Tu (2017) Jiao-24B (land for commercial and residence use) in Yangzhong, Zhenjiang City, Jiangsu Province, China (the “**Land Plots**”) (the “**Bid**”).

The Land Plots have a total area of 213,922.18 square meters, of which land plot No. Yang Tu (2017) Jiao-22 has a net site area of 33,137.57 square meters, plot ratio of 1.8 and aboveground construction area of approximately 59,647.6 square meters, with term of 50 years for the land use rights; land plot No. Yang Tu (2017) Jiao-23A has a net site area of 67,785.55 square meters, plot ratio of 2.0 and aboveground construction area of approximately 135,571.1 square meters, with term of 70 years for the

land use rights for commercial and residence use; land plot No. Yang Tu (2017) Jiao-23B has a net site area of 17,405.89 square meters, plot ratio of 2.0 and aboveground construction area of approximately 34,811.7 square meters, with term of 70 years for the land use rights for commercial and residence use; land plot No. Yang Tu (2017) Jiao-24A has a net site area of 56,610.35 square meters, plot ratio of 1.6 and aboveground construction area of approximately 90,576.56 square meters, with term of 70 years for the land use rights for commercial and residence use; and land plot No. Yang Tu (2017) Jiao-24B has a net site area of 38,982.82 square meters, plot ratio of 1.6 and aboveground construction area of approximately 62,372.512 square meters, with term of 70 years for the land use rights for commercial and residence use. On 22 December 2017, the Bid Winner has entered into 5 land use rights bid confirmations with the Ministry of Land and Resources of Yangzhong (the “**Vendor**”), the vendor of the use rights of the Land Plots, in relation to the acquisition of the use rights of the Land Plots (the “**Yangzhong Land Acquisition**”).

CONSIDERATION FOR THE YANGZHONG LAND ACQUISITION

Consideration: RMB839,760,000 (to be settled by the Group by internal resources)

The consideration for the Yangzhong Land Acquisition was determined by way of public listing and tendering. 20% of the consideration has been settled prior to the date of entering into of the grant contract of state-owned construction land use rights between the Bid Winner and the Vendor, 30% of the consideration shall be settled within 30 days from the date of entering into of the grant contract of state-owned construction land use rights, and the remaining 50% of the consideration shall be settled within 90 days from the date of entering into of the grant contract of state-owned construction land use rights.

INFORMATION ABOUT YANGZHONG, ZHENJIANG CITY, JIANGSU PROVINCE, CHINA

Yangzhong is located in the river heart in Eastern Zhenjiang, the golden channel of the middle and upper stream of Yangtze River. It is the largest central island and the second largest island along Yangtze River, comprises of Taiping Island, Zhongxinsha, Liegong Island and Xisa Island. Yangzhong is also one of the first batch “National Ecological Demonstration Zones” in China and the “Jiangsu County City”. It has been dubbed as the “Hometown of Puffer Fish” and the “Pearl in the River”.

REASONS AND BENEFITS OF THE TRANSACTION

The Group focuses on community health management and elderly care services at homes. Through the cooperation with Brigham and Women’s Hospital (the main teaching hospital of Harvard Medical School) and other institutions, the Group has established an international medical group offering the latest early prevention, precise treatment and continuous rehabilitation programmes for cancers. The Group, together with international leading medical cosmetology and anti-aging institutions, jointly offer the latest medical cosmetology and anti-aging services in Asia, thus providing comprehensive scientific healthcare services covering the whole treatment cycle for families across China. Yangzhong

Evergrande International Health City adheres to create health-orientated homes while developing itself into a demonstrative health city, eco-friendly city, intelligent city, international city, sponge city and liveable city in Eastern China, even across the whole China.

The Land Plots will be used for the construction of an international specialist hospital, an international health examination center and an intelligent elderly care home. Meanwhile, adhering to the brand new “1+N” concept (family+elderly care, healthcare, medical, antiaging, medical cosmetology, leisure and cultural activities, sports, family activities and diversified life etc.) and the healthy lifestyle covering the whole life cycle in combination of prevention, treatment and healthcare, and through the installation of relevant ancillary facilities for elderly care, entertainment, sports and family activities, the Land Plots will be developed into a demonstrative all-age health community in Eastern China, and even across the whole China, committed to develop a modern lifestyle attaining the living standards of a moderately developed country.

On the basis of the above reasons and benefits, the directors of the Company believe that the terms of the Bid, the Yangzhong Land Acquisition and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

INFORMATION ABOUT THE GROUP

The principal business activities of the Group are “Internet+” community healthcare management, high-end international hospitals, elderly care industry, medical cosmetology and anti-aging management.

INFORMATION ABOUT THE VENDOR

The Vendor is a government department in Yangzhong, China and an authority under Zhenjiang Municipal Government.

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

LISTING RULES IMPLICATIONS

In accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”), as the highest applicable percentage ratio in respect of the Yangzhong Land Acquisition is more than 5% but less than 25%, the Yangzhong Land Acquisition constitutes a disclosable transaction of the Company and is therefore subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

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.

By Order of the Board
Evergrande Health Industry Group Limited
Tan Chaohui
Chairlady

Hong Kong, 22 December 2017

As at the date of this announcement, the executive directors of the Company are Ms. Tan Chaohui and 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.