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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
XIANGTAN CITY, HUNAN PROVINCE**

Evergrande Health Industry Group Limited is pleased to announce that, on 19 January 2018, 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 Xiangtan City, Hunan Province, China at a total consideration of RMB699,290,000.

In accordance with the Listing Rules, as the highest applicable percentage ratio in respect of the Xiangtan Land Acquisition is more than 5% but less than 25%, the Xiangtan 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 19 January 2018, the Company has, via its subsidiary (the “**Bid Winner**”), won the bid for the state-owned construction land use rights of Tan Gong Tu Wang Gua (2017) 011 land plot 1 (land for medical and sanitary use), land plot 2 (land for commercial and residential use), land plot 3 (land for commercial and residential use), land plot 4 (land for commercial and residential use) and land plot 5 (land for entertainment and recreational use) in Xiangtan City, Hunan Province, China (the “**Land Plots**”) (the “**Bid**”).

The Land Plots have a total area of 352,269.29 square meters, with terms of 50 years for medical and sanitary use, 70 years for residential use and 40 years for commercial use. Among the Land Plots, the transferred area for land plot 1 is 38,038.61 square meters with plot ratio of 1–1.2 and permissible gross floor area of 45,646.52 square meters; the transferred area for land plot 2 is 69,412.07 square meters with plot ratio of 1.5–2.0 and permissible gross floor area of 138,824.14 square meters; the transferred area for land plot 3 is 84,804.45 square meters with plot ratio of 1.5–2.0 and permissible

gross floor area of 169,616.36 square meters; the transferred area for land plot 4 is 58,988.45 square meters with plot ratio of 1.5–1.8 and permissible gross floor area of 106,188.25 square meters; the transferred area for land plot 5 is 101,025.71 square meters with plot ratio of 1–1.2 and permissible gross floor area of 121,278.28 square meters.

On 19 January 2018, the Bid Winner has entered into 5 land use rights bid confirmations with the Bureau of Land Resources Xiangtan (the “**Vendor**”), the vendor of the land use rights of the Land Plots, in relation to the acquisition of the land use rights of the Land Plots (the “**Xiangtan Land Acquisition**”).

CONSIDERATION FOR THE XIANGTAN LAND ACQUISITION

Consideration: RMB699,290,000 (to be settled by the Group’s internal resources)

The consideration for the Xiangtan Land Acquisition was determined by way of public listing and tendering. The consideration of RMB140,000,000 has been settled upon the payment for bidding deposit of the Land Plots on 15 January 2018, and the remaining consideration of RMB559,290,000 shall be settled within 60 days from the date of entering into of the Land Use Rights Grant Contract of State-owned Construction Land in Xiangtan between the Bid Winner and the Vendor.

INFORMATION ABOUT “XIANGTAN EVERGRANDE INTERNATIONAL HEALTH CITY” IN ZHAOSHAN DEMONSTRATION AREA, XIANGTAN CITY, HUNAN PROVINCE, CHINA

The project is located in Zhaoshan Demonstration Area in Xiangtan City, which is the joint part of three cities (Changsha, Zhuzhou and Xiangtan) and is situated in the centre of Changsha-Zhuzhou-Xiangtan city cluster with a total area of 68 square kilometres. Renowned as the “Green Heart of Hunan”, it is one of the five demonstration areas among the pilot sites of environmentally-friendly and energy-saving society (“**Two-Oriented Society**”) construction and ancillary reformation in Hunan Province. By leveraging on its high-quality ecological environment, the Zhaoshan Demonstration Area fosters health industries such as healthcare, health management, rehabilitation centre, elderly care and health preservation, biological medicine, plastic surgery, and fertility and maternity care industry.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The Group focuses on community health management and home-based elderly care services. 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 life cycle for families across China. Xiangtan Evergrande International Health City adheres to create health-orientated homes, while developing itself into a demonstrative civilized and health city in central and southern China and even across the whole China.

The Land Plots will be used for the construction of a national first class 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, anti-aging, medical cosmetology, leisure and cultural activities, sports, family activities and diversified life etc.) and the healthy lifestyle covering the whole life cycle with a 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 the central and southern region of China, and even across the whole China, committed to developing a modern lifestyle attaining the living standards of a moderately developed country.

In view of the above reasons and benefits, the directors of the Company believe that the terms of the Bid, the Xiangtan 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 Xiangtan, China and an authority under Xiangtan Municipal Government.

To the best of knowledge, information and belief of the directors of the Company having made all reasonable enquiries, Xiangtan Municipal Government (being the authority which the Vendor is subordinated to) is a government institution, and Xiangtan Municipal 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 Xiangtan Land Acquisition is more than 5% but less than 25%, the Xiangtan 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.

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, 19 January 2018

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.