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(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3333)

**FURTHER ANNOUNCEMENT IN RESPECT OF
MAJOR TRANSACTION
AMENDMENTS TO THE REPURCHASE OBLIGATION
OF THE INVESTMENT AGREEMENTS**

Reference is made to the announcement of the Company dated 31 December 2016, the circular of the Company dated 28 February 2017, and the announcements of the Company dated 10 March 2017 and 31 March 2017 in respect of the First Round Capital Increase, and the announcement of the Company dated 31 May 2017 and the circular of the Company dated 13 June 2017 (the “**Circular**”) in respect of the Second Round Capital Increase. Unless otherwise defined, terms used in this announcement shall have the same meaning as used in the Circular.

The Company would like to inform the Shareholders that Kailong Real Estate, Hengda Real Estate and Mr. Hui Ka Yan, the controlling shareholder of the Company, have on 28 June 2017 entered into an agreement (the “**Amendment Agreement**”) with each of the Investors, pursuant to which the parties agreed to amend the terms of the repurchase obligation under the Investment Agreements.

In order to offer further protection to the Investors and release the Company of the burden of repurchasing the investment of the Investor if the Proposed Reorganisation does not materialise, the terms of the repurchase obligation under the Investment Agreements have been amended by the Amendment Agreements under which in the event that the Investor has requested Kailong Real Estate to repurchase the Investor’s equity in Hengda Real Estate, Kailong Real Estate will have the option of electing not to repurchase such interest. In such an event, the Investor will have the right to request Mr. Hui Ka Yan to replace Kailong Real Estate to repurchase such equity interest in Hengda Real Estate from the Investor in accordance with the terms of the Investment Agreement at the Investor’s original investment cost.

As the amendments will release the Company of the burden of repurchasing the investment of the relevant Investor in Hengda Real Estate under the Investment Agreements, the Directors are of the view that the amendments in the Amendment Agreements are in the interest of the Company and the Shareholders as a whole.

Save for the amendments as disclosed above, the other terms of the Investment Agreements shall remain unchanged. If an Investor exercises its right under the Investment Agreement and requested Kailong Real Estate to repurchase its investment in Hengda Real Estate, the Company will inform the Shareholders by way of announcement and comply with the requirements of the Listing Rules in respect of notifiable and connected transaction if Kailong Real Estate elects not to repurchase such Investor's interest.

By order of the board
China Evergrande Group
Huang Xiangui
Executive Director

Hong Kong, 28 June 2017

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