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**CHINA EVERGRANDE GROUP**

中國恒大集團

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3333)**

## **PROPOSED ADDITIONAL ISSUE OF US\$ DENOMINATED SENIOR NOTES**

### **PROPOSED ADDITIONAL NOTES ISSUE**

Reference is made to the announcements of the Company dated 8 April 2019 in relation to the issue of the Original Notes.

The Company proposes to conduct a further international offering of US\$-denominated senior notes on terms and conditions of the Original Notes, save for the issue date and the offer price.

Details of the Additional Notes Issue, including the aggregate principal amount, the offer price for the Additional Notes and interest rates, will be determined through a book-building exercise conducted by Credit Suisse as the lead manager. Upon finalising the terms and conditions of the Additional Notes, it is expected that Credit Suisse as the initial purchaser, the Company and the Subsidiary Guarantors will enter into the Purchase Agreement. The pricing and completion of the Additional Notes Issue is subject to market conditions and investor interests.

**THE ADDITIONAL NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT. THE ADDITIONAL NOTES ARE BEING OFFERED OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN COMPLIANCE WITH REGULATIONS UNDER THE U.S. SECURITIES ACT AND WILL NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO OR FOR THE ACCOUNT OR BENEFIT OF ANY U.S. PERSON**

**ABSENT REGISTRATION EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT.**

**NONE OF THE ADDITIONAL NOTES WILL BE OFFERED TO THE PUBLIC IN HONG KONG.**

### **REASONS FOR THE ADDITIONAL NOTES ISSUE**

The Company was founded in 1996 in Guangzhou, Guangdong Province, and gradually developed into a large-scale diversified group with “properties for the people” as its core foundation, cultural tourism and healthcare as supplemental growth businesses and high-tech industry as its emerging segment. It ranked 230th in the Fortune Global 500 in 2018. In recent years, the Company steadfastly transformed its development model from “large scale” to “scale+profitability”; and shifted its operating model from “three-high, one-low”, namely high debt, high leverage, high cost and low turnover, to “three-low, one-high”, namely low debt, low leverage, low cost and high turnover, achieving remarkable results.

The Notes Issue is being undertaken by the Group to refinance existing indebtedness and for capital expenditures of the Group, with the remainder for general corporate purposes.

### **LISTING**

The Original Notes are listed on the SGX-ST. Applications will be made to the SGX-ST for the listing and quotation of the Additional Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Approval in-principle from, admission to the Official List of, and the listing and quotation of the Additional Notes on, the SGX-ST are not to be taken as an indication of the merits of the offering, the Company, the Subsidiary Guarantors, the JV Subsidiary Guarantors (if any) or any of their respective associated companies (if any).

### **GENERAL**

**As no binding agreement in relation to the Additional Notes Issue has been entered into as at the date of this announcement, the Additional Notes Issue may or may not materialise. Investors and shareholders of the Company are reminded to exercise caution when dealing in the securities of the Company.**

Further announcement in respect of the Additional Notes Issue will be made by the Company should the Purchase Agreement be signed.

## DEFINITIONS

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

“Additional Notes”	the US\$-denominated senior notes to be issued by the Company subject to the terms and conditions of the Purchase Agreement (to be consolidated and form a single series with the Original Notes);
“Additional Notes Issue”	the proposed issue of the Additional Notes by the Company;
“Credit Suisse”	Credit Suisse (Hong Kong) Limited;
“Original Notes”	The 9.50% senior notes due 2022 in the aggregate principal amount of US\$1,250 million, the 10.00% senior notes due 2023 in the aggregate principal amount of US\$450 million and the 10.50% senior notes due 2024 in the aggregate principal amount of US\$300 million issued by the Company; and
“Purchase Agreement”	the purchase agreement proposed to be entered into between, among others, Credit Suisse, the Company and the Subsidiary Guarantors in relation to the Additional Notes Issue.

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

Hong Kong, 15 April 2019

*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.*