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If you have sold or transferred all your securities in Evergrande Real Estate Group Limited (恒大地产集团有限公司), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer, or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or the transferee.

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Evergrande Real Estate Group Limited

恒大地产集团有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3333)

**PROPOSED REFRESHMENT OF GENERAL MANDATE
TO REPURCHASE SHARES AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening the extraordinary general meeting of the Company to be held at 3:00 p.m. on Friday, 18 September 2015 at Salon 1-3 of JW Marriott Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong is set out at pages 11 to 12 of this circular. A form of proxy for use at the extraordinary general meeting is also enclosed.

Whether or not you intend to attend the extraordinary general meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the extraordinary general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the said meeting or any adjourned meeting thereof should you so wish.

28 July 2015

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“AGM”	the last annual general meeting of the Company held on 12 June 2015;
“Articles of Association”	the articles of association of the Company as amended from time to time;
“associate(s)”	has the same meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“close associate(s)”	has the same meaning ascribed to it under the Listing Rules;
“Companies Law”	the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands;
“Company”	Evergrande Real Estate Group Limited (恒大地產集團有限公司), a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Stock Exchange;
“core connected person(s)”	has the same meaning ascribed to it under the Listing Rules;
“Directors”	the directors of the Company;
“EGM”	the extraordinary general meeting of the Company to be convened and held to consider and, if thought fit, approve the New Repurchase Mandate;
“Existing Repurchase Mandate”	a general mandate granted to the Directors to exercise all the powers of the Company to repurchase Shares with an aggregate nominal amount not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company in issue at the date of the AGM (equivalent to 1,564,974,090 Shares);
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;

DEFINITIONS

“Latest Practicable Date”	25 July 2015, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“New Repurchase Mandate”	a general and unconditional mandate to the Directors to exercise the power of the Company to repurchase Shares up to a maximum of 10% of the total number of Shares in issue as at the date of the passing of the relevant resolution;
“PRC”	the People’s Republic of China, which for the purposes of this circular, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan;
“Share(s)”	ordinary share(s) with a nominal value of US\$0.01 each in the issued share capital of the Company;
“Shareholder(s)”	holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers;
“US\$”	United States dollar, the lawful currency of the United States of America; and
“%”	per cent.



恒大地產集團®

EVERGRANDE REAL ESTATE GROUP

Evergrande Real Estate Group Limited

恒大地產集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3333)

Executive Directors:

Mr. Hui Ka Yan (*Chairman*)
Mr. Xia Haijun (*Vice Chairman and President*)
Ms. He Miaoling
Mr. Tse Wai Wah
Mr. Xu Wen
Mr. Huang Xiangui

Independent Non-executive Directors:

Mr. Chau Shing Yim, David
Mr. He Qi
Ms. Xie Hongxi

Registered Office:

P.O. Box 309
Ugland House
Grand Cayman, KY1-1104
Cayman Islands

*Principal place of business
in the PRC:*

43rd Floor
Evergrande International Centre
No. 78 Huangpu Avenue West
Guangzhou, Guangdong Province
China (Postal Code: 510620)

*Principal place of business
in Hong Kong:*

Suites 1501–1507
One Pacific Place
88 Queensway, Hong Kong

28 July 2015

To the Shareholders

Dear Sir or Madam,

**PROPOSED REFRESHMENT OF GENERAL MANDATE
TO REPURCHASE SHARES AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the announcement of the Company dated 24 July 2015 in relation to the proposed refreshment of the general mandate to repurchase Shares. The purpose of this circular is to provide you with further information in this regard.

LETTER FROM THE BOARD

At the EGM, an ordinary resolution will be proposed, among others, for the Shareholders to approve the grant of the New Repurchase Mandate.

EXISTING REPURCHASE MANDATE

At the AGM, the Shareholders approved, among other things, an ordinary resolution to grant to the Directors the Existing Repurchase Mandate to exercise all the powers of the Company to repurchase Shares with an aggregate nominal amount not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company in issue at the date of the AGM (equivalent to 1,564,974,090 Shares).

Since the date of the grant of the Existing Repurchase Mandate, the Company has repurchased an aggregate of 637,279,000 Shares as disclosed in the next day disclosure returns of the Company between 8 July 2015 and 24 July 2015. As at the Latest Practicable Date, approximately 40.72% of the Existing Repurchase Mandate has been utilized and the Directors would only be allowed to repurchase up to 927,695,090 Shares under the Existing Repurchase Mandate as at the Latest Practicable Date if the Existing Repurchase Mandate is not refreshed.

PROPOSED GRANT OF THE NEW REPURCHASE MANDATE

The Company will propose to put an ordinary resolution to be considered at the EGM so as to seek approval of the Shareholders that the Directors be granted the New Repurchase Mandate to exercise the powers of the Company to repurchase the Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the EGM, and upon the passing of the said resolution at the EGM, the Existing Repurchase Mandate will be revoked.

As at the Latest Practicable Date, the total number of Shares in issue was 15,660,301,900 Shares. Upon passing the resolution at the EGM and assuming no further Shares are/will be issued and/or repurchased by the Company between the Latest Practicable Date and the date of the EGM, the Board would be allowed pursuant to the New Repurchase Mandate to repurchase Shares with an aggregate nominal amount not exceeding US\$15,660,301.90, representing 1,566,030,190 Shares, being 10% of the issued share capital of the Company as at the date of the EGM. Upon passing the resolution at the EGM and assuming the aggregate of 637,279,000 Shares repurchased by the Company as mentioned above are cancelled and there are no other changes in the issued share capital of the Company between the Latest Practicable Date and the date of the EGM, the Board would be allowed pursuant to the New Repurchase Mandate to repurchase Shares with an aggregate nominal amount not exceeding US\$15,023,022.90, representing 1,502,302,290 Shares, being 10% of the issued share capital of the Company as at the date of the EGM.

The New Repurchase Mandate will, if granted, remain effective until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting is required to be held; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

LETTER FROM THE BOARD

Please also refer to the Appendix to this circular which sets out the information required under Rule 10.06(1) of the Listing Rules relating to the ordinary resolution to be considered at the EGM to grant the New Repurchase Mandate.

REASONS FOR THE GRANT OF THE NEW REPURCHASE MANDATE

In view of the extent of utilisation of the Existing Repurchase Mandate and to maintain the flexibility of the Directors to repurchase Shares on the market when necessary, the Directors consider that it is in the best interests of the Company and the Shareholders as a whole to have the general authority under the New Repurchase Mandate from the Shareholders to enable the Directors to repurchase Shares on the Stock Exchange. Repurchases of Shares under the New Repurchase Mandate would, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or earning per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

THE EGM

The Company will convene the EGM at 3:00 p.m. on Friday, 18 September 2015 at Salon 1–3 of JW Marriott Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong for the purpose of considering, and if thought fit, approving the resolution proposed in the notice of the EGM as set out on pages 11 to 12 of this circular. A form of proxy for use in connection with the EGM is enclosed herewith.

Whether or not you intend to be present and vote at the EGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. The completion and delivery of a form of proxy will not preclude you from attending and voting at the EGM in person should you so wish. If you attend and vote at the EGM, the authority of your proxy will be revoked. Pursuant to Rule 13.39(4) of the Listing Rules, voting by the Shareholders at the EGM will be by poll.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors are of the opinion that the granting of the New Repurchase Mandate is in the interests of the Company and the Shareholders as a whole and the terms of which are fair and reasonable so far as the Shareholders are concerned and, accordingly, the Directors recommend the Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the granting of the New Repurchase Mandate.

Yours faithfully,
For and on behalf of the Board
Evergrande Real Estate Group Limited
Hui Ka Yan
Chairman

This Appendix serves as an explanatory statement as required by the Listing Rules to provide the requisite information to you for your consideration of the New Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, there was a total of 15,660,301,900 Shares in issue. Subject to the passing of the resolution granting the New Repurchase Mandate and on the basis that there is no change in the number of issued shares of the Company during the period from the Latest Practicable Date to the date of the EGM, the Company will be allowed under the New Repurchase Mandate to repurchase a maximum of 1,566,030,190 Shares (or on the basis that the aggregate of 637,279,000 Shares repurchased by the Company (details of which are set out in paragraph 7 of this Appendix) are cancelled before the date of the EGM, 1,502,302,290 Shares), being 10% of the total number of Shares in issue as at the date of the passing of the relevant resolution at the EGM.

2. REASONS FOR SHARE REPURCHASE

In view of the extent of utilisation of the Existing Repurchase Mandate and to maintain the flexibility of the Directors to repurchase Shares on the market when necessary, the Directors consider that it is in the best interests of the Company and the Shareholders as a whole to have the general authority under the New Repurchase Mandate from the Shareholders to enable the Directors to repurchase Shares on the Stock Exchange. Repurchases of Shares under the New Repurchase Mandate would, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or earning per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

3. FUNDING OF SHARE REPURCHASE

The Company is empowered by its memorandum and articles of association to repurchase its Shares. In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum and articles of association and laws of the Cayman Islands. The laws of the Cayman Islands and the Articles of Association provide that payment for a share repurchase may only be made out of profits or the proceeds of a new issue of Shares made for such purpose or subject to the Companies Law, out of capital of the Company. The amount of premium payable on the repurchase of Shares may only be paid out of either the profits or out of the share premium of the Company or subject to the Companies Law, out of capital of the Company.

In addition, under the laws of the Cayman Islands, payment out of capital by a company for the repurchase by a company of its own shares is unlawful unless immediately following the date on which the payment is proposed to be made, the Company shall be able to pay its debts as they fall due in the ordinary course of business. In accordance with the laws of the Cayman Islands, the Shares so repurchased would be treated as cancelled but the aggregate amount of authorised share capital would not be reduced.

In the event that the proposed share repurchase were to be carried out in full at any time during the proposed repurchase period, the working capital position and the gearing levels of the Company may be affected. However, the Directors do not propose to exercise the New Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of their close associates, has any present intention to sell any Shares to the Company in the event that the New Repurchase Mandate is granted by the Shareholders. No core connected person of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company nor has he/she/it undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the New Repurchase Mandate is granted by the Shareholders.

5. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make the repurchase pursuant to the New Repurchase Mandate and in accordance with the Listing Rules, the Articles of Association and the laws of the Cayman Islands.

6. EFFECT OF TAKEOVERS CODE

If on the exercise of the power to repurchase Shares pursuant to the New Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Mr. Hui Ka Yan and his associates were interested in approximately 64.89% of the issued shares of the Company and approximately 67.64% of the issued shares of the Company (assuming the aggregate of 637,279,000 Shares repurchased by the Company (details of which are set out in paragraph 7 of this Appendix) are cancelled). In the event that the Directors exercise in full the power to repurchase Shares pursuant to the New Repurchase Mandate, the aggregate percentage shareholdings of Mr. Hui Ka Yan and his close associates would increase to approximately 72.10% and to approximately 75.16% (assuming the said 637,279,000 Shares repurchased are cancelled). Accordingly, such increases would not trigger any mandatory offer obligation under Rule 26 of the Takeovers Code.

The Directors do not intend to repurchase Shares to the extent that the Company cannot satisfy its minimum requirement for public float.

7. SHARE REPURCHASE MADE BY THE COMPANY

During the six months preceding the Latest Practicable Date, the Company has repurchased Shares on the Stock Exchange as follows:

Date	Number of Shares repurchased (but not yet cancelled as at the Latest Practicable Date)	Purchase price per Share or highest price paid (HK\$)	Lowest price paid (HK\$)
8 July 2015	374,256,000	4.48	3.31
9 July 2015	34,987,000	4.32	4.21
15 July 2015	40,351,000	4.55	4.45
16 July 2015	9,936,000	4.69	4.56
17 July 2015	789,000	4.77	4.76
20 July 2015	2,570,000	4.86	4.86
21 July 2015	439,000	4.94	4.94
22 July 2015	59,709,000	5.07	4.99
23 July 2015	23,811,000	5.17	5.12
24 July 2015	90,431,000	5.28	5.20

8. SHARE PRICES

During each of the previous 12 months up to the Latest Practicable Date, the highest and lowest traded prices for Shares on the Stock Exchange were as follows:

	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2014		
July	3.55	3.01
August	3.42	3.19
September	3.36	2.89
October	3.12	2.91
November	3.19	2.92
December	3.28	2.98
2015		
January	3.54	3.15
February	3.50	3.18
March	4.24	3.33
April	7.45	3.83
May	8.40	4.94
June	5.45	4.11
July (up to the Latest Practicable Date)	5.30	3.04

NOTICE OF EXTRAORDINARY GENERAL MEETING



恒大地產集團®

EVERGRANDE REAL ESTATE GROUP

Evergrande Real Estate Group Limited

恒大地產集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3333)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting of Evergrande Real Estate Group Limited (the “**Company**”) will be held at 3:00 p.m. on Friday, 18 September 2015 at Salon 1–3 of JW Marriott Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong for the purpose of considering and, if thought fit, passing the following resolution, with or without modification, as ordinary resolution:

ORDINARY RESOLUTION

“**THAT:**

- (a) the general mandate granted to the Directors to exercise the powers of the Company to repurchase ordinary shares in the issued share capital of the Company (the “**Shares**”) as approved by the shareholders of the Company at the annual general meeting held on 12 June 2015, to the extent not already exercised be and is hereby revoked (but without prejudice to any valid exercise of such general mandate prior to the passing of this resolution);
- (b) subject to paragraph (d) below, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase Shares, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time, be and is hereby generally and unconditionally approved;
- (c) the approval in paragraph (b) shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to purchase its Shares at a price determined by the Directors;
- (d) the aggregate Shares which may be repurchased or agreed to be repurchased by the Company pursuant to the approval in paragraph (b) above shall not exceed 10% of the share capital of the Company in issue at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

NOTICE OF EXTRAORDINARY GENERAL MEETING

(e) for the purpose of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the laws of the Cayman Islands or the Company’s articles of association to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

By Order of the Board
Hui Ka Yan
Chairman

Hong Kong, 28 July 2015

Notes:

1. A member entitled to attend and vote at the above meeting may appoint one or, if he holds two or more shares, more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
2. Where there are joint holders of any share, any one of such joint holder may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at the meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
3. In order to be valid, a form of proxy together with the power of attorney (if any) or other authority (if any) under which it is signed or a certified copy thereof shall be deposited at the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. The proxy form will be published on the website of the Stock Exchange.

As at the date of this notice, the board of Directors comprises nine members, of which Mr. Hui Ka Yan, Mr. Xia Haijun, Ms. He Miaoling, Mr. Tse Wai Wah, Mr. Xu Wen and Mr. Huang Xiangui are the executive Directors; and Mr. Chau Shing Yim, David, Mr. He Qi and Ms. Xie Hongxi are the independent non-executive Directors.