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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)

DISCLOSEABLE TRANSACTION

The Board announces that on 2 December 2015, Shengyu (BVI) Limited, a wholly-owned subsidiary of the Company, as the purchaser, entered into three agreements respectively with the Vendor, pursuant to which the Purchaser agreed to acquire the interests in the relevant shares in and loans to the target companies held by the Vendor. These target companies hold the interests in the Haikou Project, the Huiyang Project and two projects located in Wuhan.

Since the Vendor is the seller in these three agreements, such agreements will be aggregated in accordance with Rule 14.22 of the Listing Rules. As the applicable percentage ratios for the Acquisition exceed 5% but are less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

1. INTRODUCTION

The Board announces that on 2 December 2015, Shengyu (BVI) Limited, a wholly-owned subsidiary of the Company, as the purchaser, entered into three agreements respectively with the Vendor, pursuant to which the Purchaser agreed to acquire the interests in the relevant shares in and loans to the target companies held by the Vendor.

2. THE ACQUISITION

The principal terms of the Acquisition Agreements are as follows:

(1) First Acquisition Agreement

Date: 2 December 2015

Parties

Vendor: New World Development (China) Limited

Purchaser: Shengyu (BVI) Limited

To the best of the Directors' knowledge, information and belief upon making all reasonable enquiries, the Vendor and its beneficial owner are independent of and not connected with the Company and its connected persons.

Assets to be acquired

All the interests in Best Wealth. As at the date of entering into of the First Acquisition Agreement, the Haikou Project Company is directly held by the Vendor. The Vendor will complete the reorganisation of the Haikou Project Company before completion so that Best Wealth will hold the entire equity interests in the Haikou Project Company through Rise Gain.

The Haikou Project Company holds the New World Meilisha Project located on Haidian Island, Haikou City, Hainan Province, the PRC (the "Haikou Project").

Consideration

The consideration for the acquisition of the equity interests in and loan to Best Wealth is RMB8,600,000,000. The consideration for the transaction will be financed by the internal resources of the Company. The consideration is determined after arm's length negotiations between the Vendor and the Purchaser with reference to the unaudited net asset value of the target company, the intrinsic value of the project and the amount of the loan to the target company. The Directors (including the independent non-executive Directors) are of the view that the terms and conditions of the First Acquisition Agreement are fair and reasonable, and the entering into of the First Acquisition Agreement are in the interests of the Company and the shareholders as a whole.

Payment method

The consideration will be payable by the Purchaser to the Vendor in the following manner:

- (a) RMB2,000,000,000 (or its HKD equivalent), being the first instalment of the consideration for the transaction, shall be paid on 5 January 2016 (or such other dates as agreed in writing by both parties).

The remaining part of the consideration for the transaction will be settled within two years after the completion date:

- (b) RMB1,600,000,000 (or its HKD equivalent) will be paid within six (6) months (or such other dates as agreed in writing by both parties) after the completion date;
- (c) RMB1,600,000,000 (or its HKD equivalent) will be paid within twelve (12) months (or such other dates as agreed in writing by both parties) after the completion date;
- (d) RMB1,600,000,000 (or its HKD equivalent) will be paid within eighteen (18) months (or such other dates as agreed in writing by both parties) after the completion date; and
- (e) RMB1,800,000,000 (or its HKD equivalent) will be paid within twenty-four (24) months (or such other dates as agreed in writing by both parties) after the completion date.

Conditions Precedent

Completion of the First Acquisition Agreement is subject to the fulfilment or waiver of the following Conditions Precedent:

- (a) the board of directors of the Vendor, NWD and NWCL having approved the First Acquisition Agreement and the transactions thereunder. If it is so required under the Listing Rules or by the Stock Exchange, NWD and/or NWCL will, in compliance with the Listing Rules, pass all necessary shareholders' resolutions (by way of shareholders' written approval or by an ordinary resolution passed at the general meeting (in case the relevant written approval is not obtained)) to approve the First Acquisition Agreement and the transactions thereunder, and comply with other relevant announcement requirements under the Listing Rules and obtain all other necessary approvals and waivers (if applicable);

- (b) the Vendor having obtained all relevant approvals required for the transactions under the First Acquisition Agreement (if necessary) from third parties (including the lending bank of the Haikou Project Company);
- (c) the Haikou Project Company having completed the equity reorganisation;
- (d) the board of directors of the Purchaser and the Company having approved the First Acquisition Agreement and the transactions contemplated thereunder. If it is so required under the Listing Rules or by the Stock Exchange, the Company will, in compliance with the Listing Rules, pass all necessary shareholder resolutions (by way of Shareholders' written approval or by an ordinary resolution passed at the general meeting (in case the relevant written approval is not obtained)) to approve the agreement and the transactions contemplated thereunder, comply with other relevant announcement requirements under the Listing Rules, and obtain all other necessary approvals and waivers (if applicable); and
- (e) the Purchaser having obtained all relevant approvals required for the transactions contemplated under the First Acquisition Agreement (if necessary) from third parties.

If the above Conditions Precedent are not fulfilled or waived by 5 January 2016 (or such other dates as agreed by both parties), the First Acquisition Agreement will cease and terminate.

Completion

Completion of the relevant transaction will take place on 5 January 2016 (or such other dates as agreed by the parties), subject to satisfaction (or waiver) of all the Conditions Precedent. As the consideration of the transaction is payable within two years, the Purchaser shall provide pledge for Best Wealth to the Vendor before the consideration is fully settled.

Information on the Haikou Project

The Haikou Project is located at Bihai Avenue, Wuxi Road, Northwest Area of Haidian Island, Meilan District, Haikou City, Hainan Province (海南省海口市美蘭區海甸島西北片區五西路碧海大道) and is in close proximity to Qiongzhou Strait at the west and north, with a stunning sea view. Currently, the total planned gross floor area is approximately 2,000,000 square meters, of which approximately 80,000 square meters have been completed, approximately 380,000 square meters are under construction, and approximately 1,520,000 square meters are to be developed. The planned property patterns of the project include: detached house, superimposed villas, small high-rise houses, super high-rise residential building, commercial, hotel, school and other ancillary facilities. The aggregate price includes all of the assets of Haikou Project Company, which comprises the completed properties, cost incurred for construction safety, undeveloped properties and cash. Among which, the discounted trading price of the properties for future development was approximately RMB2,850/m², the trading price shall be paid over two years. The trading price of the land

for similar projects was RMB3,733/m² in 2013, which shall be settled within one month. As compared with that of invitation, auction and listing of the projects in 2013, the transaction price and payment terms of the Haikou Project are highly attractive.

Reasons for and Benefits of the Acquisition

The existing properties and land under the Haikou Project are scarce residential land with outstanding sea view on Haidian Island, which are located at the representative high-end residential area and prestigious school district in Haikou City, being scarce resources. The project is adjacent to the Century Bridge, with developed road network around and convenient transportation, five minutes to the most prosperous CBD and ten minutes to Hainan Provincial Government. The project is surrounded by seven city life functions, namely urban commercial, leisure park, wellness center, high-end hotel, famous school at the provincial level, yacht vacation, art and culture, with established supporting facilities, being a rare high-end residential community in Hainan Province.

Information on Best Wealth

Best Wealth is a company incorporated in the British Virgin Islands with limited liability. Its authorized capital is USD50,000, divided into 50,000 shares of USD1.00 each, of which 1 share has been issued. Best Wealth will hold all equity interests in Rise Gain after the completion of reorganization of the Haikou Project Company. Rise Gain is a company incorporated in Hong Kong with limited liability and has 1 issued share. Rise Gain will hold all equity interests in the Haikou Project Company after the completion of reorganization of the Haikou Project Company.

The Haikou Project Company was established on 24 October 2005 with a registered capital of USD750 million. It holds the New World Meilisha Project which is located in Haidian Island, Haikou City, Hainan Province, the PRC.

Set out below is the audited consolidated financial results of Best Wealth (including Rise Gain and Haikou Project Company) for the two years ended 30 June 2014 and 2015:

	For the year ended	
	30 June	
	2014	2015
	(Audited)	(Audited)
	RMB	RMB
Net profit/(loss) before tax	99,408,000	(23,523,000)
Net profit/(loss) after tax [#]	73,664,000	(27,209,000)

As at 30 June 2015, the audited consolidated net asset value of Best Wealth (including Rise Gain and Haikou Project Company) was RMB4,897,272,000.

Upon completion, the Group will hold 100% interest in Best Wealth, and Best Wealth and its subsidiaries will become subsidiaries of the Group, with their assets and liabilities being consolidated in the financial statements of the Company.

(2) Second Acquisition Agreement

Date: 2 December 2015

Parties

Vendor: New World Development (China) Limited

Purchaser: Shengyu (BVI) Limited

Assets to be acquired

As at the date of entering into of the Second Acquisition Agreement, Dragon Joy, White Heron and Superb Capital indirectly hold 4 project companies, which in turn hold the Palm Island Resort project located in Danshui Town, Huiyang District, Huizhou City, Guangdong Province (廣東省惠州市惠陽區淡水鎮) and the Tuhu Xia Liao Lot project located at the lot of Tuhu Xialiao, Danshui Town, Huiyang District, Huizhou City, Guangdong Province (廣東省惠州市惠陽區淡水鎮土湖下寮地段) (jointly referred to as the “Huiyang Project”).

Consideration

The consideration for the acquisition of equity interest in and loans to Dragon Joy, White Heron and Superb Capital is RMB1,100,000,000. The consideration for the transaction will be financed by the internal resources of the Company. The consideration was determined by the Vendor and the Purchaser after arm’s length negotiations with reference to the unaudited net asset value of the target companies and the intrinsic value of the projects and the amount of the loans to the target companies, the Directors (including independent non-executive Directors) consider that the terms and conditions of the Second Acquisition Agreement are fair and reasonable, and the Second Acquisition Agreement is in the interests of the Company and the shareholders as a whole.

Payment method

The consideration will be payable by the Purchaser to the Vendor in the following manner:

- (a) RMB150,000,000 (or its HKD equivalent), being the first instalment of the consideration for the transaction, shall be paid on 5 January 2016 (or such other dates as agreed in writing by both parties).

The remaining part of the consideration for the transaction will be settled within two years after the completion date:

- (b) RMB200,000,000 (or its HKD equivalent) will be paid within six (6) months (or such other dates as agreed in writing by both parties) after the completion date;
- (c) RMB200,000,000 (or its HKD equivalent) will be paid within twelve (12) months (or such other dates as agreed in writing by both parties) after the completion date;
- (d) RMB200,000,000 (or its HKD equivalent) will be paid within eighteen(18) months (or such other dates as agreed in writing by both parties) after the completion date; and
- (e) RMB350,000,000 (or its HKD equivalent) will be paid within twenty-four (24) months (or such other dates as agreed in writing by both parties) after the completion date.

Conditions Precedent

Completion of the Second Acquisition Agreement is subject to the fulfilment or waiver of the following Conditions Precedent:

- (a) the board of directors of the Vendor, NWD and NWCL having approved the Second Acquisition Agreement and the transactions contemplated thereunder. If it is so required under the Listing Rules or by the Stock Exchange, NWD and/or NWCL will, in compliance with the Listing Rules, pass all necessary shareholders' resolutions (by way of shareholders' written approval or by an ordinary resolution passed at the general meeting (in case the relevant written approval is not obtained)) to approve the Second Acquisition Agreement and the transactions contemplated thereunder, and comply with other relevant announcement requirements under the Listing Rules and obtain all other necessary approvals or waivers (if applicable);
- (b) the Vendor having obtained all relevant approvals required for the transactions contemplated under the Second Acquisition Agreement (if necessary) from third parties (including the lending bank of each of the project companies);
- (c) the target group having completed the equity reorganisation, pursuant to which the domestic company designated by the Purchaser shall hold 100% equity interest of 惠州龍悦公司;

- (d) the board of directors of the Purchaser and the Company having approved the Second Acquisition Agreement and the transactions contemplated thereunder. If it is so required under the Listing Rules or by the Stock Exchange, the Company will, in compliance with the Listing Rules, pass all necessary shareholders' resolutions (by way of Shareholders' written approval or by an ordinary resolution passed at the general meeting (in case the relevant written approval is not obtained)) to approve the agreement and the transactions contemplated thereunder, comply with other relevant announcement requirements under the Listing Rules, and obtain all other necessary approvals or waivers (if applicable); and
- (e) the Purchaser having obtained all relevant approvals required for the transactions contemplated under the Second Acquisition Agreement (if necessary) from third parties.

If the above Conditions Precedent are not fulfilled or waived as at 5 January 2016 (or such other date as agreed by the parties thereof), the Second Acquisition Agreement will cease and terminate.

Completion

Completion of the relevant transaction shall take place on 5 January 2016 (or such other dates as agreed by the parties), subject to satisfaction (or waiver) of all the conditions precedent. As the consideration of the transaction is payable within two years, the Purchaser shall provide pledge for Dragon Joy, White Heron and Superb Capital to the Vendor before the consideration is fully settled.

Information on the Huiyang Project

The Huiyang Project is situated at No. 1, Golf Road, Huiyang District, Huizhou City, Guangdong Province and located on the shore of Tamshui River. It is 2.5km from the government of Huiyang District, which is covered by the economic life circle of one hour's drive from Shenzhen. Due to its good accessibility, the project is targeted to focus on the high-end consumer groups in Shenzhen. The current general planned constructions are: (1) a gross floor area of approximately 550,000 square meters for both commercial and residential use, a developed gross floor area of approximately 130,000 square meters, the gross floor area of a piece of undeveloped land of approximately 420,000 square meters; (2) a well-operated golf course with a site area of 1,000,000 square meters and complete ancillary facilities. All assets of Haizhou Project Company are to be acquired in its entirety, which comprises a golf course with an area of millions of square meters and its ancillary facilities, the total investment of properties constructed but not yet sold and a gross floor area of 420,000 square meters to be built on and cash of which the discounted trading price of the properties for future development was approximately RMB1,122/m², the trading price shall be paid over two years. The trading price of the surrounding land of the project (without golf course and river view) was RMB1,280/m² in September 2015, which shall be settled on one-off basis. As compared with that of invitation, auction and listing of the projects in 2015, the transaction price, payment terms and landscape of the Huiyang Project are highly attractive.

Reason for and Benefits of the Acquisition

The existing properties and land under the Huiyang Project are located on the shore of the East River, surrounded by rivers on three sides, including a mature golf course with an area of a million of square meters. It enjoys unique resources and beautiful natural environment, combining hotel, vacation, leisure and living, with established supporting facilities. The project is covered by the economic life circle within one hour's drive from Shenzhen, and in close proximity to Danshui interchange road. Based on such convenient transportation, the project is particularly attractive to the high-end consumer groups in Shenzhen. The project has abundant exploitable resources, coupled with the robust real estate market in Shenzhen, together with the brand advantage, operation and management experience of Evergrande, it can be developed into a strong and competitive product.

Information on Dragon Joy, White Heron and Superb Capital

Dragon Joy is a company incorporated in Hong Kong with limited liability and has 1 share in issue; White Heron is a company incorporated in the British Virgin Islands with limited liability. Its authorized capital is USD50,000, divided into 50,000 shares of USD1.00 each, of which 1 share is issued; Superb Capital is a company incorporated in the British Virgin Islands with limited liability. Its authorized capital is USD50,000, divided into 50,000 shares of USD1.00 each, of which 1 share is issued.

Dragon Joy, White Heron and Superb Capital indirectly hold 3 project companies, which in turn hold the Palm Island Resort Project located in Danshui Town, Huiyang District, Huizhou City, Guangdong Province and the Tuhu Xialiao Lot Project located in Danshui Town, Huiyang District, Huizhou City, Guangdong Province.

Set out below is the audited aggregated consolidated financial results of Huiyang target group for the two years ended 30 June 2014 and 2015:

	For the year ended	
	30 June	
	2014	2015
	(Audited)	(Audited)
	RMB	RMB
Net profit/(loss) before tax	51,164,000	(53,097,000)
Net profit/(loss) after tax [#]	51,005,000	(52,683,000)

As at 30 June 2015, the audited aggregated consolidated net asset value of Huiyang target group was RMB 952,731,000.

Upon completion, the Group will hold 100% interest of Dragon Joy, White Heron and Superb Capital, and Dragon Joy, White Heron and Superb Capital and their respective subsidiaries will become the subsidiaries of the Group with their assets and liabilities being consolidated in the financial statements of the Company.

(3) Third Acquisition Agreement

Date : 2 December 2015

Parties

Vendor : New World Development (China) Limited
Purchaser : Shengyu (BVI) Limited

To the best of the Directors' knowledge, information and belief upon making all reasonable enquiries, the Vendor and its beneficial owner are independent of and not connected with the Company and its connected persons.

Assets to be acquired

Hinto Developments is interested in 60% of the registered capital of WHNWH. The remaining 40% interests of WHNWH are held by The First Street Holding Group, an independent third party.

WHNWH holds a project located at the intersection of Xinhua Road and New Hankou North Railway Station, Wuhan City, Hunan Province, the PRC (中國湖北省武漢市新華下路和漢口新火車北站交匯處) (“Xinhua Jia Yuan Project”) and a project located at the east of the airport expressway, Dongxihu District, and outside of Zhanggong Embankment, Hankou, Wuhan City (武漢市漢口張公堤外、東西湖區機場高速東側) (the “Changqing Garden Project”).

Consideration

The consideration for the acquisition of equity interest in and loans to Hinto Developments is RMB3,800,000,000. The consideration was determined by the Vendor and the Purchaser after arm's length negotiations with reference to the unaudited net asset value of the target company and the intrinsic value of the projects and the amount of the loan to the target company, the Directors (including independent non-executive Directors) consider that the terms and conditions of the Third Acquisition Agreement are fair and reasonable, and the Third Acquisition Agreement is in the interests of the Company and the shareholders as a whole.

Payment method

The consideration will be payable by the Purchaser to the Vendor in the following manner:

- (a) RMB1,000,000,000 (or its HKD equivalent), being the first instalment of the consideration for the transaction, shall be paid on 5 January 2016 (or such other dates as agreed in writing by both parties).

The remaining part of the consideration for the transaction will be settled within two years after the completion date:

- (b) RMB700,000,000 (or its HKD equivalent) will be paid within six (6) months (or such other date as agreed in writing by both parties) after the completion date;
- (c) RMB700,000,000 (or its HKD equivalent) will be paid within twelve (12) months (or such other date as agreed in writing by both parties) after the completion date;
- (d) RMB700,000,000 (or its HKD equivalent) will be paid within eighteen (18) months (or such other date as agreed in writing by both parties) after completion date; and
- (e) RMB700,000,000 (or its HKD equivalent) will be paid within twenty-four (24) months (or such other date as agreed in writing by both parties) after the completion date.

Conditions Precedent

Completion of the Third Acquisition Agreement is subject to the fulfilment or waiver of the following Conditions Precedent:

- (a) the board of directors of the Vendor, NWD and NWCL having approved the First Acquisition Agreement and the transactions contemplated thereunder. If it is so required under the Listing Rules or by the Stock Exchange, NWD and/or NWCL will, in compliance with the Listing Rules, pass all necessary shareholders' resolutions (by way of written shareholders' approval or by an ordinary resolution passed at the general meeting (in case the relevant written approval is not obtained)) to approve the Third Acquisition Agreement and the transactions contemplated thereunder, comply with other relevant announcement requirements under the Listing Rules and obtain all other necessary approvals or waivers (if applicable);
- (b) the Vendor having obtained all relevant approvals required for the transactions contemplated under the Third Acquisition Agreement (if necessary) from third parties (including the lending bank of WHNWH);
- (c) the release of the share pledge of WHNWH to Bank of China (Hong Kong) Limited;

- (d) the board of directors of the Purchaser and the Company having approved the Third Acquisition Agreement and the transactions contemplated thereunder, If it is so required under the Listing Rules or by the Stock Exchange, the Company will, in compliance with the Listing Rules, passes all necessary shareholders' resolutions (by way of written shareholders' approval or by an ordinary resolution passed at the general meeting (in case the relevant written approval is not obtained)) to approve the agreement and the transactions contemplated thereunder, comply with other relevant announcement requirements under the Listing Rules, and obtain all other necessary approvals or waivers (if applicable); and
- (e) the Purchaser having obtained all relevant approvals required for the transactions contemplated under the Third Acquisition Agreement (if necessary) from third parties.

If the above Conditions Precedent are not fulfilled or waived as at 5 January 2016 (or such other date as agreed by the parties thereof), the Third Acquisition Agreement will cease and terminate.

Completion

Completion of the relevant transaction shall take place on 5 January 2016 (or such other dates as agreed by the parties), subject to satisfaction (or waiver) of all the conditions precedent. As the consideration of the transaction is payable within two years, the Purchaser shall provide pledge for Hinto Developments to the Vendor before the consideration is fully settled.

Information on Xinhua Jia Yuan Project and Changqing Garden Project

Xinhua Jia Yuan Project and Changqing Garden Project are both located at the area adjacent to the Central CBD in Wuhan which is conveniently accessible with outstanding conditions. The saleable gross floor area of target project amounts to approximately 1,300,000 square meters, of which completed properties account for 142,700 square meters.

Changqing Garden Project is located at 102 Xuefu South Road, Dongxihu District, Wuhan City, Hubei, the PRC, 13.3km afar from Wuhan municipal government office, 12km from Dongxihu municipal government office, 9km from the main business centre (Wuhan Plaza Business Zone) and 5 km from the sub-business centre (Central CBD). The project has an area of 380,000 m², primarily for commercial and residential use. Its gross floor area is approximately 1,280,000 m², of which completed properties account for 106,600 square meters.

Xinhua Jia Yuan Project is located at 121 Hongqiqu Road, Jiangnan District, Wuhan City, Hubei, the PRC, 8.3 km afar from Wuhan municipal government office, 4.6 km away from Jiangnan district government office, 7.5 km from the main business centre (Wuhan Plaza Business Zone) and 3km from the sub-business centre (Central CBD). The project has been completed with a remaining area of 36,000 square meters for saleable properties.

The total price of acquisition mentioned above includes all assets of Wuhan Project Company such as completed properties, expenses incurred for construction, properties undeveloped and cash of approximately RMB460 million of Changqing Garden Project and Xinhua Jia Yuan Project, with translated land cost for the properties undeveloped amounting to RMB3,500/m², the trading price shall be paid over two years. The trading price of the surrounding land of the similar project was RMB4,258/m² in February 2015, which shall be settled within one year. As compared with that of invitation, auction and listing of the projects in 2015, the transaction price and payment terms of Changqing Garden Project and Xinhua Jia Yuan Project are highly attractive.

Reasons and Benefits for the Acquisition

The existing properties and lands under Changqing Garden Project and Xinhua Jia Yuan Project in Wuhan are situated in proximity to the Central CBD in Wuhan. They are built atop the Metro stations (e.g. Changqing Huayuan Station, Jinyintan Station and Line 6 under construction) with good accessibility with outstanding conditions. The considerable saleable gross floor area of approximately 1.3 million square meters for the project is in larger scale, which will benefit sustainable development. Besides, there are established amenities ranging from schools, shopping malls and hospitals in the surroundings which facilitate cosy life for residents.

Information on Hinto Developments

Hinto Developments is a company incorporated in the British Virgin Islands with limited liability. Its authorized capital is USD50,000, divided into 50,000 shares of USD1.00 each, of which 1 share is issued share capital. Hinto Developments is interested in 60% of the registered capital of WHNWH.

WHNWH is a company established in the PRC with limited liability on 25 January 1995 with a registered capital of RMB96 million, which is held as to 60% by Hinto Developments.

WHNWH holds Xinhua Jia Yuan Project and Changqing Garden Project.

Set out below is the audited consolidated financial results of Hinto Developments Group for the two years ended 30 June 2014 and 2015:

	For the year ended	
	30 June	
	2014	2015
	(Audited)	(Audited)
	<i>RMB</i>	<i>RMB</i>
Share of net profit before tax	215,887,000	132,068,000
Share of net profit after tax [#]	215,934,000	128,973,000

As at 30 June 2015, the audited consolidated net asset value attributable to Hinto Developments Group was RMB860,933,000.

Upon completion, the Group will hold 100% equity interest of Hinto Developments, which in turn will hold 60% interests in two joint ventures.

3. CONCLUSION AND LISTING RULES IMPLICATIONS

The favorable terms offered by New World, including the favourable price and payment by installments over two years for the disposal of four projects to Evergrande in one go, have demonstrated the long-established and close partnership between the two parties, indicating New World's high recognition of Evergrande's development capability, strength and brand name, which in turn deepen the win-win cooperation model between Hong Kong and PRC leading enterprises.

Since the Vendor is the seller in the three agreements, such three agreements will be aggregated in accordance with Rule 14.22 of the Listing Rules. As the applicable percentage ratios for the Acquisition exceed 5% but are less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Acquisition”	the transactions and matters contemplated under the Acquisition Agreements;
“Acquisition Agreements”	the First Acquisition Agreement, the Second Acquisition Agreement and the Third Acquisition Agreement entered into between the Vendor and the Purchaser;
“Best Wealth”	Best Wealth Investments Limited (佳裕投資有限公司), a holding company established in the British Virgin Islands;
“Board”	the board of Directors of the Company;
“Business Day(s)”	means the calendar day(s) on which major commercial banks in Hong Kong and the PRC are open for business (excluding Saturdays, Sundays and public holidays);
“Changqing Garden Project”	the real estate development project located at the east of the airport expressway, Dongxihu District, and outside of Zhanggong Embankment, Hankou, Wuhan City (武漢市漢口張公堤外、東西湖區機場高速東側);
“Company” or “Evergrande”	Evergrande Real Estate Group Limited (Hong Kong Stock Exchange stock code: 3333), a company incorporated in the Cayman Islands with limited liability;
“Conditions Precedent”	the conditions precedent stated in the Acquisition Agreements;
“Directors”	the director(s) of the Company;
“Dragon Joy”	Dragon Joy (China) Limited (龍悅(中國)有限公司), a holding company incorporated in Hong Kong;
“First Acquisition Agreement”	the equity interests and loan transfer agreement dated 2 December 2015 entered into between the Vendor and the Purchaser;
“Group”	the Company and its subsidiaries;
“Haikou Project”	the New World Meilisha Project which is located at Hainan Island, Haikou City, Hainan Province, PRC (中國海南省海口市海南島);

“Haikou Project Company”	New World China Land (Haikou) Limited, a company incorporated in the PRC with limited liability and holds the interest of Haikou Project;
“Hinto Developments”	Hinto Developments Limited, a holding company established in the British Virgin Islands;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Huiyang Project”	the Palm Island Resort real estate development project located at Danshui Town, Huiyang District, Huizhou City, Guangdong Province (廣東省惠州市惠陽區淡水鎮) and the project located at the lot of Tuhu Xialiao, Danshui Town, Huiyang District, Huizhou City, Guangdong Province (廣東省惠州市惠陽區淡水鎮土湖下寮地段);
“Huiyang Project Companies”	Fortune Leader Overseas Chinese (Daiyawan) Real Estate Development Co. Ltd., Fortune Leader Overseas Chinese (Daiyawan) Investment Company Limited, Huizhou (Huiyang District) Palm Island Anglo-Chinese Kindergarten* (惠州市惠陽區棕櫚島中英文幼兒園) and Huizhou Guangxin Real Estate Development Co., Ltd.* (惠州市廣新房地產開發有限公司), four project companies incorporated in the PRC which are indirectly held by Dragon Joy, White Heron and Superb Capital and hold the interest of the Huiyang Project;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and its amendments from time to time;
“New World”	NWD and NWCL;
“NWCL”	New World China Land Limited (新世界中國地產有限公司), a company incorporated in the Cayman Islands, the shares of which are listed on the main board of the Hong Kong Stock Exchange and the holding company of the Vendor;
“NWD”	New World Development Company Limited (新世界發展有限公司), the holding company of NWCL;
“PRC”	the People’s Republic of China, excluding Hong Kong, the Macao Special Administrative Region and Taiwan for the purpose of the Acquisition Agreements;

“Purchaser”	Shengyu (BVI) Limited (盛譽(BVI)有限公司), a company established in the British Virgin Islands and a wholly-owned subsidiary of the Company;
“Rise Gain”	Rise Gain Development Limited, a company incorporated in Hong Kong holding 100% interest in the Haikou Project Company;
“RMB”	Renminbi, the lawful currency of the PRC;
“Second Acquisition Agreement”	the equity interests and loan transfer agreement dated 2 December 2015 entered into by the Vendor(s) and the Purchaser;
“Superb Capital”	Superb Capital Enterprises Limited, a holding company established in the British Virgin Islands;
“Third Acquisition Agreement”	the equity interests and loan transfer agreement dated 2 December 2015 entered into by the Vendor and the Purchaser;
“Vendor”	New World Development (China) Limited (新世界發展(中國)有限公司), a company incorporated in Hong Kong and wholly-owned by NWCL;
“White Heron”	White Heron Limited, a holding company established in the British Virgin Islands;
“WHNWH”	Wuhan New World Housing Development Limited (武漢新世界康居發展有限公司), a company incorporated in the PRC with limited liability and a 60%-owned joint venture of Hinto Developments; and
“Xinhua Jia Yuan Project”	the real estate development project which is located at the intersection of Xinhuaxia Road and New Hankou North Railway Station, Wuhan City, Hubei Province, the PRC (中國湖北省武漢市新華下路和漢口新火車北站交匯處).

By order of the Board
Evergrande Real Estate Group Limited
Hui Ka Yan
Chairman

Hong Kong, 2 December 2015

As at the date of this announcement, 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.

Note: the figures of statements denominated in HKD were converted into RMB based on the exchange rate of HKD1.00 = RMB0.82534, and rounded up to the nearest thousands for illustration purpose.

* For identification purpose only