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**CMBC CAPITAL HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1141)**

**DISCLOSEABLE TRANSACTION  
IN RELATION TO  
SUBSCRIPTION FOR NOTES**

On 22 June 2017, Haitong International Securities Company Limited, one of the joint lead managers and joint bookrunners to the offer of the Notes by the Issuer, confirmed that the Notes in the subscription amount of US\$20,000,000 was allocated to the order placed by the Company.

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Subscription exceed(s) 5% but less than 25%, the Subscription constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

**The order to subscribe**

Date of confirmation: 22 June 2017

Parties:

1. The Company as subscriber
2. Haitong International Securities Company Limited, being one of the joint lead managers and joint bookrunners to the offer of the Notes by the Issuer

To the best of the information, knowledge and belief of the Directors, Haitong International Securities Company Limited and its ultimate beneficial owners are Independent Third Parties.

## **The Subscription**

On 22 June 2017, Haitong International Securities Company Limited, one of the joint lead managers and joint bookrunners to the offer of the Notes by the Issuer, confirmed that the Notes in the subscription amount of US\$20,000,000 was allocated to the order placed by the Company. The Group has funded the total subscription amount under the Subscription from its internal resources.

## **Principal terms of the Notes**

Issuer:	China Evergrande Group (formerly known as Evergrande Real Estate Group Limited)
Notes offered:	US\$1,000,000,000 aggregate principal amount of 7.5% Senior Notes due 2023
Offering price:	100% of the principal amount
Maturity date:	28 June 2023
Interest:	7.5% per annum, payable semi-annually in arrears
Ranking of the Notes:	The Notes are (1) general obligations of the Issuer; (2) senior in right of payment to any existing and future obligations of the Issuer expressly subordinated in right of payment to the Notes; (3) at least pari passu in right of payment with the existing pari passu secured indebtedness and all other unsecured, unsubordinated indebtedness of the Issuer (subject to any priority rights of such unsecured, unsubordinated indebtedness pursuant to applicable law); (4) guaranteed by the Subsidiary Guarantors and the JV Subsidiary Guarantors (if any) on a senior basis, subject to certain limitations under applicable law; (5) effectively subordinated to the other secured obligations of the Issuer, the Subsidiary Guarantors and the JV Subsidiary Guarantors, to the extent of the value of the assets serving as security therefor other than the collateral created under the Notes; and (6) effectively subordinated to all existing and future obligations of the subsidiaries of the Issuer which are not providing guarantees under the Notes.

Subsidiary guarantees and collateral:

Each of the Subsidiary Guarantors and the JV Subsidiary Guarantors (if any) will, jointly and severally, guarantee the due and punctual payment of the principal of, premium, if any, and interest on, and all other amounts payable under, the Notes, provided that any guarantee provided by the JV Subsidiary Guarantor will be limited to the relevant entitlement amount. The Issuer will also create (or procure its subsidiaries to create) certain collateral under the Notes.

Optional redemption:

On or after 28 June 2020, the Issuer may on any one or more occasions redeem all or any part of the Notes, at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest, if any, on the Notes redeemed, to (but not including) the applicable date of redemption, if redeemed during the twelve-month period beginning on 28 June of the years indicated below:

<b>Year</b>	<b>Redemption Price</b>
2020	103.75%
2021	101.875%
2022 and thereafter	100%

The Issuer may choose to redeem all instead of part of the Notes at any time prior to 28 June 2020 at a redemption price equivalent to 100% of the principal amount of the Notes redeemed plus the applicable premium as at (but not including) the redemption date and the accrued and unpaid interest (if any).

Subject to certain conditions, the Issuer may redeem up to 35% of the aggregate principal amount of the Notes at a redemption price of 107.50% of the principal amount of the Notes redeemed, plus accrued and unpaid interest, if any, with the proceeds from sales of certain kinds of its capital stock, at any time and from time to time prior to 28 June 2020.

Transfer restrictions:

The Notes will not be registered under the Securities Act or under any state securities laws of the United States and will be subject to customary restrictions on transfer and resale.

**Listing:** Application has been made to the Singapore Exchange Securities Trading Limited for the listing and quotation of the Notes on the Singapore Exchange Securities Trading Limited.

**Ratings:** The Notes are expected to be assigned a rating of B- by S&P, B3 by Moody's and B- by Fitch.

## **INFORMATION OF THE ISSUER**

As disclosed in the offering circular of the Notes issued by the Issuer, the Issuer is the largest real estate development company in China in terms of contracted sales and land reserves in 2016, according to China Real Estate Information Corporation and the land reserve data disclosed by relevant companies in their applicable stock exchange filings.

As at the date of this announcement, to the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Issuer and its ultimate beneficial owners are Independent Third Parties.

## **INFORMATION OF THE GROUP**

As at the date of this announcement, the Group is principally engaged in the business of brokerage and related services, securities investments and provision of finance.

## **REASONS AND BENEFITS FOR THE SUBSCRIPTION**

The Directors believe that the Subscription is complementary to the Group's development strategy and will generate stable income for the Group.

The Directors consider the terms of the Subscription are on normal commercial terms which are fair and reasonable and the Subscription is in the interests of the Company and its Shareholders as a whole.

## LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Subscription exceed(s) 5% but less than 25%, the Subscription constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## DEFINITIONS

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

“Company”	CMBC Capital Holdings Limited (民銀資本控股有限公司), a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Stock Exchange (stock code: 1141)
“Director(s)”	the director(s) of the Company
“Fitch”	Fitch Ratings Ltd., a subsidiary of the Fitch Group, a jointly owned subsidiary of Fimalae, S.A. and Hearst Corporation, and its successors
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any entity(ies) or person(s) which or who is/are not a connected person of the Company within the meaning ascribed thereto under the Listing Rules
“Issuer”	China Evergrande Group, formerly known as Evergrande Real Estate Group Limited, an exempted company incorporated with limited liability in the Cayman Islands, the shares of which are listed on the main board of the Stock Exchange (stock code: 3333)
“JV Subsidiary Guarantor(s)”	certain subsidiaries of the Issuer, other than the Subsidiary Guarantors, that guarantee the Issuer’s obligations under the Notes

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Moody’s”	Moody’s Investors Service, Inc. and its affiliates.
“Notes”	the notes in the aggregate principal amount of US\$1,000,000,000 due on the maturity date of the Notes
“S&P”	Standard & Poor’s Ratings Services and its affiliates
“Shareholder(s)”	holder(s) of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription for the Notes by the Company in the amount of US\$20,000,000
“Subsidiary Guarantor(s)”	certain existing subsidiaries of the Issuer providing guarantees for the Notes
“US\$”	US dollars, the lawful currency of the United States
“%”	per cent.

By order of the Board  
**CMBC Capital Holdings Limited**  
**Li Jinze**  
*Chairman*

Hong Kong, 22 June 2017

*As at the date of this announcement, the executive Directors are Mr. Li Jinze, Ms. Lin Yuehe and Mr. Wang Haixiong, the non-executive Directors are Mr. Ren Hailong and Mr. Liao Zhaohui, and the independent non-executive Directors are Mr. Chan Kwan Pak, Mr. Siu Gee Tai, Mr. Siu Siu Ling Robert, Mr. Lee, Cheuk Yin Dennis, Mr. Wu Bin and Mr. Wang Lihua.*