

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**Evergrande Property Services Group Limited**  
**恒大物業集團有限公司**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 6666)**

**EXEMPT CONNECTED TRANSACTION**  
**ACQUISITION OF INSURANCE AGENCY COMPANY**

On 27 April 2021, the Group acquired 100% of the equity interests in Evergrande Insurance Agency Co., Ltd. for the total consideration of RMB39,198,300.

The Target Company is a wholly-owned subsidiary of the Vendor, Evergrande Internet Group Co., Ltd., and is an insurance agency company established in the PRC that is principally engaged in the insurance agency business.

Through this acquisition, the Group will give full play to its national scale advantages, massive customer base resources, and huge upstream and downstream cooperative enterprise channels to provide diversified, customized and cost-effective insurance product agency services, further tap the potential of community value-added business, and continue to improve profitability, continuously improve the Group's diversified property services business layout, and catapult the Group in becoming the world's largest property service group with the widest layout, the most comprehensive business format and the best efficiency.

**THE ACQUISITION**

**Date**

27 April 2021

**Parties**

- (i) the Purchaser, a subsidiary of the Company; and
- (ii) the Vendor.

**Subject matter**

100% equity interests in the Target Company.

## Consideration

The total consideration for the transaction is RMB39,198,300, which was determined after arm's length negotiations with reference to the valuation on the Target Company as determined by an independent valuer using the market approach, the prospects of the industry of the Target Company, its development potential and the benefits of the Acquisition being considered as a whole.

The consideration will be paid within three months of the Share Transfer Agreement becoming effective at the time of the entry of the Share Transfer Agreement. The consideration will be settled by the proceeds of the global offering of the Company.

## INFORMATION ABOUT THE TARGET COMPANY

The Target Company is an insurance agency company established in the PRC on 7 January 2016 by the Vendor with the registered capital of RMB100,000,000 and possesses the insurance license to carry out insurance agency business.

According to the financial information provided by the Target Company, the financial statements of the Target Group for the two years ended 31 December 2020 are as follows:

	<b>For the year ended 31 December</b>	
	<b>2020</b>	<b>2019</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Net profit before tax	<b>2,092.1</b>	(21,564.9)
Net profit after tax	<b>2,092.1</b>	(21,564.9)

The net asset value of the Target Company as at 31 March 2021 was approximately RMB5,516,000. After the completion of the transaction, the Purchaser will hold 100% interest in the registered capital of the Target Company. The Target Company will become a wholly-owned subsidiary of the Company, and its financial statements will be consolidated with that of the Group.

## REASONS FOR THE ACQUISITION

The Group is one of the largest and fastest-growing integrated property management service enterprise in the PRC. It is an all-round property manager and manages a diverse portfolio of properties (including mid-to-high-end residential properties, office buildings and commercial properties), and has been contracted to manage other types of properties (such as theme parks, industrial parks, healthcare complexes, themed towns and schools, etc.). The Group provides property management services, non-property owners and/or community value-added services to more than 2,800 projects in over 310 cities in 22 provinces, five autonomous regions, four directly administered municipalities and Hong Kong, with a total gross floor area under management of approximately 413.0 million sq.m. and contracted gross floor area of approximately 679 million sq.m., serving over three million households. The Group has always been adhering to the humanized service concept of “貼心服務、真誠相伴 (caring service and sincere companionship)”, and has won wide recognition from the market and customers with its high-quality service quality and leading service brand.

With the increasing demand from residents for diversified services, diversified community value-added services have become the new engine that drives the Group's development. Through the acquisition, the Group will further enrich the content of its community value-added services, tap the potential of community value-added businesses, and continue to improve profitability. In the future, Evergrande Insurance Agency will take advantage of the Group's national scale advantages, extensive cooperation channels, huge upstream and downstream resources, and massive customer groups, through technology-driven and resource synergy, adopt a fission-type nationwide expansion model to continue to upgrade the 恒智匯(Hengzhihui) APP platform. Through online and offline channels, it will provides pre-sales, in-sales, and after-sales full-cycle insurance agency services covering comprehensive product lines including property, vehicle, life, medical care, travel and pensions to the vast customers of the Group, and catapult the Group in becoming the world's largest property service group with the widest layout, the most comprehensive business format and the best efficiency.

Given that the Acquisition was made on fair and reasonable terms, the Directors (including the independent non-executive Directors) consider that the Acquisition was fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **INFORMATION ABOUT THE PARTIES**

### **The Company**

The Company is a company incorporated in the Cayman Islands. It is principally engaged in the integrated properties management services business.

### **The Purchaser**

The Purchaser is a limited liability company incorporated in the PRC and a wholly-owned subsidiary of the Company. It is principally engaged in the property management business.

### **The Target Company**

The Target Company is limited liability company incorporated in the PRC and is principally engaged in insurance agency services.

### **The Vendor**

The Vendor is the sole shareholder of the Target Company and is principally engaged in the internet and related services. The Vendor is a wholly-owned subsidiary of Evergrande Group Limited, which is principally engaged in investment holding. Evergrande Group Limited is an indirect wholly-owned subsidiary of China Evergrande Group. China Evergrande Group is a conglomerate and is principally engaged in the property development, property investment, property management, new energy vehicle business, hotel operations, finance business, internet business and health industry business in the PRC. The shares of China Evergrande Group are listed on the main board of the Stock Exchange (stock code: 3333).

## IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, China Evergrande Group is interested in approximately 60.86% of the issued share capital of the Company, and is the controlling shareholder and a connected person of the Company under Chapter 14A of the Listing Rules. As the Vendor is a subsidiary of China Evergrande Group, the entering into of the Share Transfer Agreement constitutes a connected transaction for the Company.

As the applicable percentage ratios in respect of the Acquisition are more than 0.1% but less than 5%, the Acquisition constitutes a connected transaction for the Company subject to the reporting and announcement requirements, and exempt from the requirement of independent shareholders' approval under Chapter 14A of the Listing Rules.

None of the Directors is considered to have a material interest in the Acquisition and therefore none of the Directors was required to abstain from voting on the resolutions of the Board approving the Acquisition.

## DEFINITIONS

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

“Acquisition”	the acquisition of 100% equity interests in the Target Company;
“Board”	the board of Directors;
“Company”	Evergrande Property Services Group Limited, a company incorporated in the Cayman Islands, the shares of which are listed on the main board of the Stock Exchange;
“connected person”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China and, for the purpose of this announcement, excludes Hong Kong, Taiwan and the Macau Special Administration Region;
“Purchaser”	恒大恒康物業有限公司(Evergrande Hengkang Property Co., Ltd.*), a subsidiary of the Company;

“RMB”	Renminbi, the lawful currency of the People’s Republic of China;
“Shareholder(s)”	shareholder(s) of the Company;
“Share Transfer Agreement”	the share transfer agreement dated 27 April 2021 entered into between the Purchaser and the Vendor in relation to the Acquisition;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Target Company”	恒大保險經紀有限公司(Evergrande Insurance Agency Co., Ltd.*);
“Vendor”	恒大互聯網集團有限公司(Evergrande Internet Group Co., Ltd.*); and
“%”	per cent.

By order of the Board  
**Evergrande Property Services Group Limited**  
**Zhao Changlong**  
*Chairman*

Hong Kong, 27 April 2021

*As at the date of this announcement, the Board comprises Mr. Zhao Changlong, Mr. Hu Liang, Mr. Wang Zhen and Ms. An Lihong as executive Directors, and Mr. Chan Chun Hung, Vincent, Mr. Victor Huang and Mr. Guo Zhaohui as independent non-executive Directors.*

\* *For identification only*