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SUNac 融創中國
SUNAC CHINA HOLDINGS LIMITED
融創中國控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 01918)

DISCLOSEABLE TRANSACTION
FURTHER DISPOSAL OF CERTAIN LISTED SECURITIES IN BEIKE

THE DISPOSALS

During the period from 29 October 2021 (New York time) to 7 December 2021 (New York time), the Group disposed of an aggregate of approximately 26.713 million Beike ADSs (equivalent to approximately 80.140 million Beike Class A Ordinary Shares) for an aggregate consideration of approximately US\$530 million.

LISTING RULES IMPLICATIONS

Pursuant to Rule 14.22 of the Listing Rules, as one or more of the applicable percentage ratios in respect of the Disposals exceeds 5% and all of them are less than 25%, the Disposals constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and are therefore subject to the reporting and announcement requirements.

1. THE DISPOSALS

During the period from 29 October 2021 (New York time) to 7 December 2021 (New York time), the Group disposed of an aggregate of approximately 26.713 million Beike ADSs (equivalent to approximately 80.140 million Beike Class A Ordinary Shares) for an aggregate consideration of approximately US\$530 million.

During the period from 1 June 2021 (New York time) to 7 December 2021 (New York time), the Group has disposed an aggregate of approximately 45.352 million Beike ADSs, for a total consideration of approximately US\$1.084 billion. Details of the Previous Disposals are set out in the announcement of the Company dated 29 October 2021.

The considerations under the Disposals were determined based on the market price of the Beike ADSs as at the time of Disposals and would be paid in cash on settlement.

As the Disposals were made on the open market by the Company's stockbrokers, the Company is not aware of the identities of the purchasers of the Disposed Shares. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Company's stockbrokers and the purchasers under the Disposals and their respective ultimate beneficial owners are independent of the Company and connected persons of the Company.

2. FINANCIAL EFFECT OF AND THE USE OF PROCEEDS FROM THE DISPOSALS

The Group expects that a loss before taxation of approximately RMB5.63 billion will be recorded from the Disposals in 2021, which is calculated with reference to the carrying amounts of the Disposed Shares as shown in the Group's financial statements for the year ended 31 December 2020, subject to the final audit by the Company's auditors. However, the Group realized an aggregate profit before taxation of approximately RMB1.76 billion from the disposal of the Disposed Shares for the period from the Group's investment in Beike to the completion of the Disposals.

The net proceeds from the Disposals will be used as general working capital of the Group.

3. REASONS FOR THE DISPOSALS

The Company's investment in Beike ADSs is recorded on the statements as financial assets at fair value through profit or loss. The Group has invested in Beike for more than four years and has achieved good investment returns. The Group continues to be optimistic about the future development of Beike. The Disposals, realising its financial investment as scheduled, are conducive to the Group in focusing on the development of its main business and further optimizing the asset structure of the Group.

The Directors consider that the Disposals were carried out on normal commercial terms which are fair and reasonable and are in the interests of the Company and its shareholders as a whole.

4. INFORMATION ON BEIKE

Beike is listed on the New York Stock Exchange (stock code: BEKE.NYSE), which is the leading integrated online and offline platform for housing transactions and services in the PRC. It is a pioneer in building the industry infrastructure and standards in the PRC to reinvent how service providers and housing customers efficiently navigate and consummate housing transactions, ranging from existing and new home sales, home rentals, to home renovation, real estate financial solutions, and other services.

According to publicly available information, the unaudited consolidated net asset of Beike was approximately RMB69.45 billion as at 30 June 2021 and the profits of Beike for the two years ended 31 December 2020 were as follows:

	For the year ended 31 December 2019 <i>RMB billion</i> (audited)	For the year ended 31 December 2020 <i>RMB billion</i> (audited)
Profit/(loss) before taxation	(1.276)	4.387
Profit/(loss) after taxation	(2.180)	2.778

5. INFORMATION ON THE COMPANY

The Company is a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the main board of the Stock Exchange. With the brand philosophy of “passion for perfection”, the Group is committed to providing wonderful living environment and services for Chinese families and becoming the “Co-builder of a Better City” in China through high-quality products and services and integration of high-quality resources. With a focus on its core business of real estate, the Group implements its strategic layout in six business segments, namely Sunac Real Estate, Sunac Services, Sunac Culture & Tourism, Sunac Culture, Sunac Conference & Exhibition and Sunac Medical & Health Care. After 18 years of development, the Group has become a leading enterprise in China’s real estate industry, one of the largest culture and tourism industry operators and property owners in China, as well as one of the largest convention and exhibition property owners and operators in China, with nationwide leading capabilities in comprehensive urban development and integrated industrial operation.

6. LISTING RULES IMPLICATIONS

Pursuant to Rule 14.22 of the Listing Rules, as one or more of the applicable percentage ratios in respect of the Disposals exceeds 5% and all of them are less than 25%, the Disposals constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and are therefore subject to the reporting and announcement requirements.

DEFINITIONS

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

“Beike”	KE Holdings Inc., a company incorporated under the laws of the Cayman Islands with limited liability, the American depository shares of which are listed on the New York Stock Exchange (stock code: BEKE.NYSE)
“Beike ADS(s)”	the American depository shares publicly issued by Beike, each representing 3 Beike Class A Ordinary Shares
“Beike Class A Ordinary Shares”	Class A ordinary shares of Beike with par value of US\$0.00002 per share
“Board”	the board of Directors
“China” or “PRC”	the People’s Republic of China
“Company”	Sunac China Holdings Limited (融創中國控股有限公司), a company incorporated under the laws of the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 01918)
“Directors”	the directors of the Company
“Disposals”	the disposals by the Group of a total of 26,713,309 Beike ADSs at an average sales price of approximately US\$19.85 per Beike ADS, for an aggregate consideration of approximately US\$530 million during the period from 29 October 2021 (New York time) to 7 December 2021 (New York time)
“Disposed Shares”	an aggregate of approximately 26.713 million Beike ADSs under the Disposals
“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

“Previous Disposals”	the disposals by the Group of a total of 18,639,130 Beike ADSs at an average sales price of approximately US\$29.71 per Beike ADS, for an aggregate consideration of approximately US\$554 million during the period from 1 June 2021 (New York time) to 28 October 2021 (New York time), please refer to the announcement of the Company dated 29 October 2021 for details
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollar, the lawful currency of the United States of America
“%”	per cent.

By order of the Board
Sunac China Holdings Limited
SUN Hongbin
Chairman

Hong Kong, 8 December 2021

As at the date of this announcement, the executive directors of the Company are Mr. SUN Hongbin, Mr. WANG Mengde, Mr. JING Hong, Mr. CHI Xun, Mr. TIAN Qiang, Mr. SHANG Yu, Mr. HUANG Shuping and Mr. SUN Kevin Zheyi; and the independent non-executive directors of the Company are Mr. POON Chiu Kwok, Mr. ZHU Jia, Mr. MA Lishan and Mr. YUAN Zhigang.