

SALES OVERVIEW

Aoyuan achieved contracted sales totaling approximately RMB25.6 billion in 2016, representing y-o-y increases of approximately 69% and a fivefold increase since 2012, and completed approximately 151% of its full year target.

In December of 2016, the Company recorded contracted sales totaling approximately RMB3.39 billion, with contracted gross floor area (GFA) sold amounting to approximately 409,000 sq.m., representing y-o-y increases of approximately 59% and 63% respectively.

Contracted Sales in January to December 2016:

Project	Contracted Sales (RMB million)	Contracted GFA Sold (sq.m.)	Average Selling Price (RMB/sq.m.)
Foshan Aoyuan Prime Palace	1,904	85,700	22,208
Zhuhai Aoyuan Plaza	1,780	92,100	19,319
Chongqing Aoyuan Panlong Yihao	1,697	221,800	7,649
Chengdu Chenghua Aoyuan Plaza	1,684	177,500	9,486
Foshan Aoyuan Central Parkview	1,626	158,400	10,266
Guangzhou Aoyuan International Center	1,237	46,600	26,560
Guangzhou Luogang Aoyuan Plaza	1,216	79,200	15,353
Jiaxing Aoyuan Gold Coast	984	161,300	6,100
Bengbu Aoyuan Hanlin Huafu	871	140,900	6,182
Nanhai Aoyuan	826	95,600	8,639
One30 Hyde Park Sydney	639	5,400	119,419
Maison188 Maroubra Sydney	217	3,700	58,284
Others	10,921	1,711,800	6,380
Total	25,602	2,980,000	8,591

COMPANY NEWS

Fitch Upgrades Aoyuan Credit Rating to “BB-” with Stable Outlook

On 30 Dec, Aoyuan announced that the Company’s long-term corporate credit rating has been upgraded to “BB-” from “B+” by Fitch Ratings (“Fitch”), a global leader in credit ratings, with a stable outlook.

According to Fitch, Aoyuan’s contracted sales have continued to increase robustly since Fitch upgraded its rating outlook to Positive earlier this year. Supported by its execution of fast-churning strategy and stable operating efficiency, Aoyuan achieved a y-o-y increase of approximately 70% in contracted sales totaling approximately RMB22.2 billion in the first eleven months of 2016 after the Company’s contracted sales tripled to RMB15.2 billion in 2015 from 2012. Fitch also expects contracted sales to continue to increase in 2017. In addition, Aoyuan has kept steady land acquisitions and maintained a healthy financial profile despite rapid expansion, which set Aoyuan apart from its fast-growing peers.

Aoyuan management commented, “We are pleased that Fitch has further upgraded our long-term corporate credit rating to ‘BB-’, following the upgrading of Aoyuan’s credit rating outlook to ‘Positive’ by the three major international rating agencies, namely Moody’s, S&P and Fitch this year, which has reaffirmed the wide recognition and confidence by capital markets and the public in Aoyuan’s business model, operational efficiency and financial strategy. Looking forward to 2017, Aoyuan will maintain its growth at a rate above industry average and continuously strengthen its financial position to achieve sustainable development, thus delivering excellent returns to its shareholders and investors.”

Aoyuan Granted Options to Subscribe for a Total of 10,000,000 Shares to two Vice Presidents

On 12 Dec, Aoyuan announced that the Company granted options to subscribe for a total of 10,000,000 ordinary shares of HK \$0.01 each of the Company shares to two Vice Presidents, Mr. Jacky Chan and Mr. Chen Yong. 50% of the options will be exercisable from 12 Dec 2016 to 31 Dec 2017, and the remaining options will be exercisable from 1 Jan 2018 to 31 Dec 2018, subject to all the vesting conditions specified by the Board having been satisfied.

Aoyuan Acquires Quality Commercial and Residential Project in Foshan Guangdong at RMB460 million

On 9 Dec, Aoyuan acquired the entire equity interest in a quality commercial and residential project in Foshan, Guangdong Province, for a total consideration of RMB460 million. The project has a total GFA of approximately 158,000 sq.m., representing an average land cost of approximately RMB2,912 per sq.m..

The project is well located at the north of Nanhai District, Foshan, adjacent to the arterial Chantan Road and enjoys easy access to public transportation. The project offers a nice living environment as it is in close proximity to Nanguo Taoyuan Tourism Resort, which is well known as one of the Best Eight Scenic Spots in Foshan, as well as an international standard 27-hole Taoyuan Golf Course. It is also served by comprehensive amenities including schools, shopping malls and a bus terminal.

Aoyuan’s management commented, “The economy of Foshan is strong with economic performance ranked third following Guangzhou and Shenzhen in Guangdong Province. In recent years, following the enhancement of the transportation network, the integration of Foshan and Guangzhou has accelerated with an aim to establish a metropolitan area where resources can be complemented to support a consolidated economic strength. The acquisition will further create synergy with the existing projects in Foshan as well as optimize Aoyuan’s strategic layout in the Pearl River Delta Region.”

COMPANY NEWS

Aoyuan Acquires Four Projects in Ningbo, Zhejiang at RMB710 million

On Dec 30, Aoyuan has acquired 100% equity interest in four quality projects in Ningbo, Zhejiang at a total consideration of RMB710 million.

With a total GFA of approximately 216,000 sq.m., two of the acquired land plots are well located at the eastern peninsula of Beilun District, Ningbo, which is only 1.5 kilometres away from Honglian Metro Station. The project is in close proximity to comprehensive amenities including schools, supermarkets, parks and hospitals.

The other two plots are located at Haishu District of the city center in Ningbo and have a total GFA of approximately 72,000 sq.m.. Enjoying convenient transportation, the project is only 400 metres away from Zemin Metro Station and is served by comprehensive amenities. The project offers amazing scenic views over the national scenic spot of Slender West Lake in the west side of the project.

Aomygod Awarded Two Awards at “Guangdong Cross-border E-commerce Industry Association Annual Ceremony”

On 16 Dec, Aomygod was awarded as the “Top 10 Guangdong Cross-border E-commerce Enterprises” and the “10 Most Popular Guangdong Cross-border E-commerce Enterprises” by Guangdong Cross-border E-commerce Industry Association. The selection was evaluated by a panel of judges comprised of the Association and industry professionals, drawing attention of millions of people.

Aoyuan Vice President Miao Si Hua commented, “Aomygod will continue to have in-depth collaboration with other cross-border e-commerce players and establish close cooperation with them, so as to facilitate healthy development of the industry, and to further enhance and consolidate the global supply chain, thus providing Chinese consumers with more quality and affordable cross-border goods.”



LAND BANK

As of 30 June 2016, Aoyuan had 61 projects with a total land bank of 13.76m sqm. of GFA located in Pearl River Delta, Core region of Central and Western China, Yangtze River Delta, Beibuwan and Bohai Rim in China and Sydney of Australia. Of the total land bank, 5.35 million sq.m. were properties under development, 1.83 million sq.m. were completed properties and the remaining 6.59 million sq.m. were held for future development. The current reserve will be sufficient to meet Aoyuan's development needs in over 5 years.

For details on the Aoyuan's land bank, please click on the following link:

<http://www.aoyuan.com.cn/siteen/asp/ProjectSingle.aspx>

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