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中國奧園集團股份有限公司
China Aoyuan Group Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 3883)

**ISSUANCE OF FURTHER USD275,000,000 7.95% SENIOR NOTES DUE 2021
(TO BE CONSOLIDATED AND FORM A SINGLE SERIES WITH THE
USD225,000,000 7.95% SENIOR NOTES DUE 2021 ISSUED ON 7 SEPTEMBER 2018)**

Reference is made to the Announcements. Unless otherwise defined, terms that are defined in the Announcements shall have the same meanings in this announcement.

The Board is pleased to announce that on 3 January 2019, the Company and the Subsidiary Guarantors entered into the Purchase Agreement with AMTD, Bank of America Merrill Lynch, Deutsche Bank, Guotai Junan International, Haitong International, J.P. Morgan, OCBC Bank, Silk Road International and UBS in connection with the issue of USD275,000,000 7.95% senior notes due 2021.

AMTD, Bank of America Merrill Lynch, Deutsche Bank, Guotai Junan International, Haitong International, J.P. Morgan, OCBC Bank, Silk Road International and UBS are the joint lead managers and the joint bookrunners in respect of the offer and sale of the New Notes. They are also the initial purchasers of the New Notes.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, each of AMTD, Bank of America Merrill Lynch, Deutsche Bank, Guotai Junan International, Haitong International, J.P. Morgan, OCBC Bank, Silk Road International and UBS is an independent third party and not a connected person of the Company.

Principal terms of the New Notes

The principal terms of the New Notes are the same as the terms of the Original Notes as set forth in the announcement of the Company dated 29 August 2018, other than the following:

New Notes Offered

Subject to certain conditions to completion, the Company will issue the New Notes in the aggregate principal amount of USD275,000,000, to be consolidated and form a single series with the Original Notes. The New Notes will mature on 7 September 2021, unless earlier redeemed pursuant to the terms thereof.

Offer Price

The Offer Price of the New Notes will be 100% of the principal amount of the New Notes plus accrued interest from (and including) 7 September 2018 to (but excluding) 10 January 2019.

The estimated net proceeds of the New Notes Issue, after deduction of the underwriting discount and other estimated expense payable in connection with this offering, will amount to approximately USD278 million.

Reasons for the New Notes Issue

The Company intends to use the net proceeds of the New Notes to refinance the Group's existing indebtedness. The Company may adjust the foregoing plan in response to changing market conditions and reallocate the use of proceeds.

Listing

The Original Notes are listed on the SGX-ST. Approval in-principle has been received from the SGX-ST for the listing of the New Notes on the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Approval for the listing and quotation of the New Notes on the Official List of the SGX-ST is not to be taken as an indication of the merits of the Company, the Notes, the Subsidiary Guarantees, the Subsidiary Guarantors or their respective subsidiaries (if any).

The New Notes and the Subsidiary Guarantees have not been and will not be registered under the U.S. Securities Act or any state securities laws and, unless so registered, may not be offered or sold within the United States. Accordingly, the New Notes are being offered and sold only outside the United States in reliance on Regulation S under the U.S. Securities Act. None of the New Notes will be offered to the public in Hong Kong and none of the New Notes will be placed with any connected persons of the Company.

DEFINITIONS

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

“Announcements”	the announcements dated 29 August 2018 in respect of the issue of the Original Notes and 3 January 2019 in respect of the New Notes Issue
“Deutsche Bank”	Deutsche Bank AG, Singapore Branch, one of the joint lead managers and the joint bookrunners in respect of the offer and sale of the New Notes
“Purchase Agreement”	the agreement dated 3 January 2019 entered into by and among the Company, the Subsidiary Guarantors, AMTD, Bank of America Merrill Lynch, Deutsche Bank, Guotai Junan International, Haitong International, J.P. Morgan, OCBC Bank, Silk Road International and UBS, in relation to the New Notes Issue

By order of the Board
China Aoyuan Group Limited
Guo Zi Wen
Chairman

Hong Kong, 3 January 2019

As at the date of this announcement, the executive directors of the Company are Mr. Guo Zi Wen, Mr. Guo Zi Ning, Ms. Zhong Ping and Mr. Ma Jun; and the independent non-executive directors of the Company are Mr. Tsui King Fai, Mr. Cheung Kwok Keung and Mr. Hu Jiang.