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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)

PROPOSED ISSUE OF USD SENIOR NOTES

The Company proposes to conduct an international offering of USD senior notes.

The pricing of the Notes, including the aggregate principal amount, the Offer Price and the interest rate, will be determined through a book building exercise to be conducted by Bank of America Merrill Lynch, DBS Bank Ltd., Deutsche Bank, Goldman Sachs (Asia) L.L.C., J.P. Morgan, Morgan Stanley and UBS as the joint lead managers and the joint bookrunners of the Notes Issue. Upon finalising the terms of the Notes, it is expected that Bank of America Merrill Lynch, DBS Bank Ltd., Deutsche Bank, Goldman Sachs (Asia) L.L.C., J.P. Morgan, Morgan Stanley and UBS and the Company, among others, will enter into the Purchase Agreement with respect to the Notes Issue.

The Company intends to use the proceeds of the Notes to refinance the Group's existing offshore indebtedness and for general working capital. The pricing and completion of the Notes Issue are subject to market conditions and investor interest.

Application will be made to the SGX-ST for the listing of and quotation for the 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 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).

As no binding agreement in relation to the Notes Issue has been entered into as at the date of this announcement, the Notes Issue may or may not materialise. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company. A further announcement in respect of the Notes Issue will be made by the Company should the Purchase Agreement be signed.

THE NOTES ISSUE

Introduction

The Company proposes to conduct an international offering of USD senior notes.

The pricing of the Notes, including the aggregate principal amount, the Offer Price and the interest rate, will be determined through a book building exercise to be conducted by Bank of America Merrill Lynch, DBS Bank Ltd., Deutsche Bank, Goldman Sachs (Asia) L.L.C., J.P. Morgan, Morgan Stanley and UBS as the joint lead managers and the joint bookrunners of the Notes Issue. The terms and conditions of the Notes are still being determined and will likely include guarantees to be provided by certain Subsidiary Guarantors as well as pledges of shares held by the Company and certain of these subsidiaries. Upon finalising the terms of the Notes, it is expected that Bank of America Merrill Lynch, DBS Bank Ltd., Deutsche Bank, Goldman Sachs (Asia) L.L.C., J.P. Morgan, Morgan Stanley and UBS and the Company, among others, will enter into the Purchase Agreement with respect to the Notes Issue, pursuant to which Bank of America Merrill Lynch, DBS Bank Ltd., Deutsche Bank, Goldman Sachs (Asia) L.L.C., J.P. Morgan, Morgan Stanley and UBS will be the initial purchasers of the Notes. The Company will make a further announcement on the Notes Issue upon execution of the Purchase Agreement.

The 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 and may only be offered, sold or delivered outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act. Accordingly, the 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 Notes will be offered to the public in Hong Kong and none of the Notes will be placed with any connected persons of the Company.

Reasons for the Notes Issue

The Company intends to use the proceeds of the Notes to refinance the Group's existing offshore indebtedness and for general working capital. The Company may adjust the foregoing plan in response to changing market conditions and reallocate the use of proceeds.

Listing

Application will be made to the SGX-ST for the listing of and quotation for the 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 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).

GENERAL

As no binding agreement in relation to the Notes Issue has been entered into as at the date of this announcement, the Notes Issue may or may not materialise. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company. A further announcement in respect of the Notes Issue will be made by the Company should the Purchase Agreement be signed.

DEFINITIONS

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

“Board”	the board of Directors
“Bank of America Merrill Lynch”	Merrill Lynch (Asia Pacific) Limited, one of the joint lead managers and the joint bookrunners in respect of the offer and sale of the Notes
“Company”	China Aoyuan Group Limited, formerly known as China Aoyuan Property Group Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the HKSE
“connected person”	has the meaning ascribed to it under the Listing Rules
“DBS Bank Ltd.”	DBS Bank Ltd., one of the joint lead managers and the joint bookrunners in respect of the offer and sale of the Notes
“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 Notes
“Directors”	the directors of the Company

“Goldman Sachs (Asia) L.L.C.”	Goldman Sachs (Asia) L.L.C., one of the joint lead managers and the joint bookrunners in respect of the offer and sale of the Notes
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HKSE”	The Stock Exchange of Hong Kong Limited
“J.P. Morgan”	J.P. Morgan Securities (Asia Pacific) Limited, one of the joint lead managers and the joint bookrunners in respect of the offer and sale of the Notes
“Listing Rules”	the Rules Governing the Listing of Securities on the HKSE
“Morgan Stanley”	Morgan Stanley & Co. International plc, one of the joint lead managers and the joint bookrunners in respect of the offer and sale of the Notes
“Notes”	the USD senior notes to be issued by the Company subject to the terms and conditions of the Purchase Agreement
“Notes Issue”	the proposed issue of the Notes by the Company
“Offer Price”	the final price at which the Notes will be sold
“PRC”	the People’s Republic of China, excluding Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan for the purpose of this announcement
“Purchase Agreement”	the agreement proposed to be entered into by and among, inter alia, the Company, Bank of America Merrill Lynch, DBS Bank Ltd., Deutsche Bank, Goldman Sachs (Asia) L.L.C., J.P. Morgan, Morgan Stanley and UBS, in relation to the Notes Issue
“SGX-ST”	The Singapore Exchange Securities Trading Limited
“Subsidiary Guarantees”	the guarantees provided by certain Subsidiary Guarantors in respect of the Notes Issue
“Subsidiary Guarantors”	certain of the Company’s existing subsidiaries that will guarantee the Notes on the issue date of the Notes
“UBS”	UBS AG Hong Kong Branch, one of the joint lead managers and the joint bookrunners in respect of the offer and sale of the Notes

“USD” United States dollars

“U.S. Securities Act” the United States Securities Act of 1933, as amended

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

Hong Kong, 11 February 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.