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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)

VOLUNTARY ANNOUNCEMENT IN RELATION TO
AOYUAN BEAUTY VALLEY TECHNOLOGY CO., LTD.

This announcement is made by the Company on a voluntary basis.

The Board announces that Aoyuan Beauty Valley, an indirect non-wholly owned subsidiary of the Company, is considering a potential transfer of part or 100% of its equity interests in certain subsidiaries and/or associates which are principally engaged in property development (the “**Potential Transfer**”). As at the date of this announcement, the exact target companies in the Potential Transfer, the consideration for the Potential Transfer, the identity of the transferee and the manner of the transaction have not been confirmed.

INFORMATION ON AOYUAN BEAUTY VALLEY

Aoyuan Beauty Valley is a company established in the PRC with limited liability and the shares of which are listed on the Shenzhen Stock Exchange (stock code: 000615). Aoyuan Beauty Valley is principally engaged in property development, manufacture and sale of bio-based fibre materials, and medical beauty business.

As at the date of this announcement, Aoyuan Beauty Valley is owned as to approximately 29.34% by Shenzhen Aoyuan Kexing Investment Company Limited* (深圳奧園科星投資有限公司) (“**Aoyuan Kexing**”), an indirect wholly-owned subsidiary of the Company. As the Group is the single largest shareholder and obtains control of Aoyuan Beauty Valley, Aoyuan Beauty Valley is a non-wholly owned subsidiary of the Company and its financial results are consolidated into the financial statements of the Group under the International Financial Reporting Standards.

It is expected that, upon completion of the Potential Transfer, Aoyuan Beauty Valley and its subsidiaries will focus on the business of bio-based fibre materials and the medical beauty business, which is beneficial to the strategic transformation and sustainable development of Aoyuan Beauty Valley.

The Company will make further announcement(s) to keep the Shareholders and potential investors informed of the progress of the Potential Transfer as and when appropriate, in accordance with the Listing Rules.

DEFINITIONS

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

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|------------------------|--|
| “Aoyuan Beauty Valley” | Aoyuan Beauty Valley Technology Co., Ltd. (奧園美谷科技股份有限公司) (formerly known as Kinghand Industrial Investment Group Co., Ltd. (京漢實業投資集團股份有限公司)), a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 000615) |
| “Board” | the board of Directors |
| “Company” | China Aoyuan Group Limited (中國奧園集團股份有限公司), a company incorporated under the laws of the Cayman Islands, the shares of which are listed on the Stock Exchange (Stock code: 3883) |
| “Director(s)” | the director(s) of the Company |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “Listing Rules” | The Rules Governing the Listing of Securities on the Stock Exchange |
| “PRC” | the People’s Republic of China, which excludes Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan for the purpose of this announcement |

“Shareholders” the shareholders of the Company

“Stock Exchange” The Stock Exchange of Hong Kong Limited

“%” per cent.

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

Hong Kong, 29 April 2021

* *All of the English titles or names of the PRC entities, as well as certain items contained in this announcement have been included for identification purpose only. If there is any inconsistency, the Chinese titles or names shall prevail.*

As at the date of this announcement, the executive Directors are Mr. Guo Zi Wen, Mr. Guo Zi Ning, Mr. Ma Jun, Mr. Chen Zhi Bin, Mr. Chan Ka Yeung Jacky and Mr. Zhang Jun; and the independent non-executive Directors are Mr. Tsui King Fai, Mr. Cheung Kwok Keung and Mr. Lee Thomas Kang Bor.