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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)

**DISCLOSEABLE TRANSACTIONS IN RELATION TO
PROVISIONS OF FINANCIAL ASSISTANCE**

PROVISIONS OF FINANCIAL ASSISTANCE

For the purpose of financing various property development projects of the Group, during the period from January 2020 to April 2021, the Group had made Advances to certain Entities.

The aggregate amount of the Advances granted by the Group to (a) Zhongyin Real Estate amounted to RMB1,107,795,000 as at 26 April 2021; (b) Guangzhou Aosheng amounted to RMB1,696,575,000 and approximately RMB1,802,155,000 as at 11 November 2020 and 9 December 2020 respectively; (c) Qingdao Haitang amounted to approximately RMB1,299,542,000 as at 7 December 2020; (d) Zhuhai Aoyuan Tianyuewan amounted to approximately RMB1,385,183,000 as at 3 March 2020; (e) Guangdong Shanshui Chanlin amounted to approximately RMB1,155,771,000 as at 24 December 2020; (f) Guangzhou Aocheng amounted to approximately RMB956,655,000 as at 28 October 2020; (g) Guangzhou Hongjun amounted to approximately RMB2,266,308,000 as at 22 June 2020; (h) Shanghai Aohui amounted to approximately RMB855,544,000 as at 29 December 2020; and (i) Chengdu Aoyuan Jingsheng amounted to approximately RMB836,566,000 as at 25 February 2021.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of each of the Advances exceeds 5%, but all are less than 25%, each of the Advances constituted a discloseable transaction for the Company and was subject to notification and announcement requirements pursuant to Chapter 14 of the Listing Rules.

INTRODUCTION

For the purpose of financing various property development projects of the Group, during the period from January 2020 to April 2021, the Group had made Advances to the following Entities, details of which are as follows:

PROVISIONS OF FINANCIAL ASSISTANCE

(a) Provision of Financial Assistance to Zhongyin Real Estate

For the purpose of property development projects located in Shandong Province, Jiangsu Province and Shanghai Municipality, the PRC held by Zhongyin Real Estate, the Group has agreed to provide advances in the form of shareholder's loan to Zhongyin Real Estate at different development stages. As at 26 April 2021, the aggregate amount of the advances provided by the Group amounted to RMB1,107,795,000. The amount of advances of RMB408,850,000 was provided by the Group to Zhongyin Real Estate at an interest rate of 4.45% per annum and repayable on 15 May 2021 and the remaining balance of the advances was provided by the Group to Zhongyin Real Estate at an interest rate of 4.68% per annum and repayable on 9 October 2021. Both interest rates were determined after arm's length negotiation among the parties with reference to the prevailing market rates.

As at the date of this announcement, save as disclosed above, the Group has not provided further advances to Zhongyin Real Estate.

(b) Provision of financial assistance to Guangzhou Aosheng

It is agreed between the joint venture partners of Guangzhou Aosheng that they shall provide advances to Guangzhou Aosheng on a pro-rata basis by reference to their respective percentage of shareholdings for its property development project situated in Panyu District, Guangzhou City of Guangdong Province, the PRC, when necessary. The aggregate amount of the advances provided by the Group to Guangzhou Aosheng amounted to RMB1,696,575,000 and approximately RMB1,802,155,000 as at 11 November 2020 and 9 December 2020, respectively, which are interest-free, unsecured and repayable on demand. As at the date of this announcement, the total outstanding amount of the advances due from Guangzhou Aosheng amounted to approximately RMB3,504,349,000. The Group and Guangzhou Aosheng did not enter into any loan agreements in relation to the provision of the advances.

As at the date of this announcement, save as disclosed above, the Group has not provided further advances to Guangzhou Aosheng.

(c) Provision of financial assistance to Qingdao Haitang

It is agreed between the joint venture partners of Qingdao Haitang that they shall provide advances to Qingdao Haitang on a pro-rata basis by reference to their respective percentage of shareholdings for its property development project situated in Laoshan District, Qingdao City of Shandong Province, the PRC, when necessary. The aggregate amount of the advances provided by the Group to Qingdao Haitang amounted to approximately RMB1,299,542,000 as at 7 December 2020. Out of the amount of approximately RMB1,299,542,000, as at the date of this announcement, a total amount of advance of RMB105,620,000, which is repayable on demand, has been provided by the Group at an interest rate of 12% per annum to Qingdao Haitang for repayment of the outstanding loan amount owed by Qingdao Haitang. Such interest rate was determined after arm's length negotiation among the parties with reference to prevailing market rates.

The Group and Qingdao Haitang did not enter into any loan agreements in relation to the provision of the remaining balance of the advances provided to Qingdao Haitang, which are interest-free, unsecured and repayable on demand. As at the date of this announcement, the total amount of the advances to Qingdao Haitang decreased to approximately RMB922,209,000.

As at the date of this announcement, save as disclosed above, the Group has not provided further advances to Qingdao Haitang.

(d) Provision of financial assistance to Zhuhai Aoyuan Tianyuewan

It is agreed between the joint venture partners of Zhuhai Aoyuan Tianyuewan that they shall provide advances to Zhuhai Aoyuan Tianyuewan on a pro-rata basis by reference to their respective percentage of shareholdings for its property development project situated in Jinwan District, Zhuhai City of Guangdong Province, the PRC, when necessary. The aggregate amount of the advances provided by the Group to Zhuhai Aoyuan Tianyuewan amounted to approximately RMB1,385,183,000 as at 3 March 2020, which are interest-free, unsecured and repayable on demand. The Group and Zhuhai Aoyuan Tianyuewan did not enter into any loan agreements in relation to the provision of the advances.

As at the date of this announcement, save as disclosed above, the Group has not provided further advances to Zhuhai Aoyuan Tianyuewan.

(e) Provision of financial assistance to Guangdong Shanshui Chanlin

It is agreed between the joint venture partners of Guangdong Shanshui Chanlin that they shall provide advances to Guangdong Shanshui Chanlin on a pro-rata basis by reference to their respective percentage of shareholdings for financing potential public auctions of the land use rights of several land parcels situated in Guangzhou City of Guangdong Province, the PRC. The aggregate amount of the advances provided by the Group to Guangdong Shanshui Chanlin amounted to approximately RMB1,155,771,000 as at 24 December 2020, which are interest-free, unsecured and repayable on demand. The Group and Guangdong Shanshui Chanlin did not enter into any loan agreements in relation to the provision of the advances.

As at the date of this announcement, Guangdong Shanshui Chanlin settled all advances provided by the Group previously because it did not successfully bid for the land use rights at the public auctions.

(f) Provision of financial assistance to Guangzhou Aocheng

It is agreed between the joint venture partners of Guangzhou Aocheng that they shall provide advances to Guangzhou Aocheng on a pro-rata basis by reference to their respective percentage of shareholdings for its property development project situated in Huangpu District, Guangzhou City of Guangdong Province, the PRC, when necessary. The aggregate amount of the advances provided by the Group to Guangzhou Aocheng amounted to approximately RMB956,655,000 as at 28 October 2020, which are interest-free, unsecured and repayable on demand. As at the date of this announcement, the total outstanding amount of the advances due from Guangzhou Aocheng amounted to approximately RMB956,662,000. The Group and Guangzhou Aocheng did not enter into any loan agreements in relation to the provision of the advances.

As at the date of this announcement, save as disclosed above, the Group has not provided further advances to Guangzhou Aocheng.

(g) Provision of financial assistance to Guangzhou Hongjun

It is agreed between the joint venture partners of Guangzhou Hongjun that they shall provide advances to Guangzhou Hongjun on a pro-rata basis by reference to their respective percentage of shareholdings for its property development project situated in Baiyun District, Guangzhou City of Guangdong Province, the PRC, when necessary. The aggregate amount of the advances provided by the Group to Guangzhou Hongjun amounted to approximately RMB2,266,308,000 as at 22 June 2020, which are interest-free, unsecured and repayable on demand. As at the date of this announcement, the total outstanding amount of the advances due from Guangzhou Hongjun amounted to approximately RMB133,576,000. The Group and Guangzhou Hongjun did not enter into any loan agreements in relation to the provision of the advances.

As at the date of this announcement, save as disclosed above, the Group has not provided further advances to Guangzhou Hongjun.

(h) Provision of financial assistance to Shanghai Aohui

It is agreed between the joint venture partners of Shanghai Aohui that they shall provide advances to Shanghai Aohui on a pro-rata basis by reference to their respective percentage of shareholdings for its property development project situated in Jiading District, Shanghai Municipality, the PRC, when necessary. The aggregate amount of the advances provided by the Group to Shanghai Aohui amounted to approximately RMB855,544,000 as at 29 December 2020, which are interest-free, unsecured and repayable on demand. As at the date of this announcement, the total outstanding amount of the advances due from Shanghai Aohui amounted to approximately RMB462,727,000. The Group and Shanghai Aohui did not enter into any loan agreements in relation to the provision of the advances.

As at the date of this announcement, save as disclosed above, the Group has not provided further advances to Shanghai Aohui.

(i) Provision of financial assistance to Chengdu Aoyuan Jingsheng

It is agreed between the joint venture partners of Chengdu Aoyuan Jingsheng that they shall provide advances to Chengdu Aoyuan Jingsheng on a pro-rata basis by reference to their respective percentage of shareholdings for its property development project situated in Tianfu New Area, Sichuan Province, the PRC, when necessary. The aggregate amount of the advances provided by the Group to Chengdu Aoyuan Jingsheng amounted to approximately RMB836,566,000 as at 25 February 2021, which are interest-free, unsecured and repayable on demand. The Group and Chengdu Aoyuan Jingsheng did not enter into any loan agreements in relation to the provision of the advances.

As at the date of this announcement, Chengdu Aoyuan Jingsheng settled all advances provided by the Group previously.

REASONS FOR AND BENEFITS OF PROVISION OF FINANCIAL ASSISTANCE

Each of the Entities is either an investment holding company of a project company or a project company principally engaged in the development and construction of land parcels in the PRC. It is agreed between the Group and the remaining joint venture partners of the respective Entities that each of the joint venture partners shall provide capital for the Entity in proportionate to their respective percentage of shareholdings for acquiring the land use rights and the future construction and property development costs of the land.

Maintaining adequate land bank is the foundation of the Group's sustainable growth and the Company has been striving to enrich the land bank and profits for the Group. The Board holds a positive outlook in relation to the property development project of each of the Entities. In order to allow the Entities to successfully bid for the land use rights in the PRC or have sufficient funds for future property development, the Board considers that the amount of the Advances was determined after arm's length negotiations having taking into consideration of the costs of the land and the capital needs of the relevant Entity for its respective property development project.

Each of the provision of the Advances was financed by the internal resources of the Group. The Directors are of the view that the provision of Advances did not have any material adverse effect on the financial position of the Group.

Taking into account of the aforesaid, the Directors consider that the terms and conditions of each of the Advances are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE GROUP AND THE ENTITIES

The Company is one of the leading property developers in the PRC. The Group is principally engaged in the businesses of property development and investment, urban redevelopment, property management, technology, cultural tourism, etc.

Zhongyin Real Estate is a limited liability company established under the laws of the PRC and is held as to 40% by the Group and 60% by Shandong Energy Group Co., Ltd.* (山東能源集團有限公司), which is a state-owned enterprise jointly owned by the State-owned Asset Supervision and Administration Commission of the People's Government of Shandong Province (山東省人民政府國有資產監督管理委員會) and the Department of Finance of Shandong Province (山東省財政廳). Zhongyin Real Estate is principally engaged in the property development projects in respect of several land parcels situated in Shandong Province, Jiangsu Province and Shanghai Municipality, the PRC.

Guangzhou Aosheng is a limited liability company established under the laws of the PRC and is held as to 50% by the Group and 50% by Yixing Hengjing Greening Engineering Co., Ltd.* (宜興恒景綠化工程有限公司), which is a limited liability company established under the laws of the PRC, and is an indirect wholly-owned subsidiary of Henderson Land Development Company Limited (恒基兆業地產有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange. Guangzhou Aosheng is principally engaged in the property development project in respect of a land parcel situated in Panyu District, Guangzhou City of Guangdong Province, the PRC.

Qingdao Haitang is a limited liability company established under the laws of the PRC and is held as to 50% by the Group and 50% by Qingdao Datang Yixian Investment Co., Ltd.* (青島大唐怡賢投資有限公司) (“**Qingdao Datang Yixian**”), a limited liability company established under the laws of the PRC respectively. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, Qingdao Datang Yixian is directly held as to 70% by Qingdao Junyi Holdings Group Co., Ltd.* (青島君一控股集團有限公司) (“**Qingdao Junyi**”), a limited liability company established under the laws of the PRC. Qingdao Junyi is indirectly held as to approximately 49.5% by Haier Group Corporation* (海爾集團公司), a company established under the laws of the PRC, and is regarded as the single largest shareholder of Qingdao Junyi. Qingdao Haitang is principally engaged in the property development project in respect of a land parcel situated in Laoshan District, Qingdao City of Shandong Province, the PRC.

Zhuhai Aoyuan Tianyuewan is a limited liability company established under the laws of the PRC and is held as to 70% by the Group and 30% by Zhuhai Yongan Trading Co., Ltd.* (珠海永安貿易有限公司) (“**Zhuhai Yongan**”), a limited liability company established under the laws of the PRC respectively. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, Zhuhai Yongan is directly held as to 95% by Ms. Chen Jie (陳潔), who is an individual investor. Zhuhai Aoyuan Tianyuewan is principally engaged in the property development project in respect of a land parcel situated in Jinwan District, Zhuhai City of Guangdong Province, the PRC.

Guangdong Shanshui Chanlin is a limited liability company established under the laws of the PRC and is held as to 51% by the Group and 49% by Zhuhai Dingsheng Equity Investment Fund Management Co., Ltd.* (珠海鼎勝股權投資基金管理有限公司) (“**Zhuhai Dingsheng**”), a limited liability company established under the laws of the PRC respectively. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, Zhuhai Dingsheng is indirectly held as to 90% by Mr. Wu Pengfei (吳鵬飛) (“**Mr. Wu**”), who is an individual investor. Guangdong Shanshui Chanlin was established for the purpose of the potential acquisitions of land use rights of certain land parcels in Guangzhou City of Guangdong Province, the PRC, through public bidding process.

Guangzhou Aocheng is a limited liability company established under the laws of the PRC and is held as to 60% by the Group and 40% by Guangzhou Chengyi Real Estate Co., Ltd.* (廣州晟益房地產有限公司) (“**Guangzhou Chengyi**”), a limited liability company established under the laws of the PRC respectively. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, Guangzhou Chengyi is indirectly held as to 90% by Mr. Wu, who is an individual investor. Guangzhou Aocheng is an investment holding company of a project company which is principally engaged in the property development project in respect of a land parcel situated in Huangpu District, Guangzhou City of Guangdong Province, the PRC.

Guangzhou Hongjun is a limited liability company established under the laws of the PRC and is held as to 84% by the Group and 16% by Guangzhou Chengyi respectively. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, Guangzhou Chengyi is indirectly held as to 90% by Mr. Wu, who is an individual investor. Guangzhou Hongjun is principally engaged in the property development project in respect of a land parcel situated in Baiyun District, Guangzhou City of Guangdong Province, the PRC.

Shanghai Aohui is a limited liability company established under the laws of the PRC and is held as to 51% by the Group and 49% by Guangzhou Aohui Investment Co., Ltd.* (廣州奧惠投資有限公司) (“**Guangzhou Aohui**”), a limited liability company established under the laws of the PRC respectively. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, Guangzhou Aohui is indirectly held as to approximately 96.9% by Vision (Shenzhen) Software Technology Co., Ltd.* (深圳威新軟件科技有限公司) (“**Shenzhen Weixin**”) and approximately 3.1% by a limited partnership established under the laws of the PRC. Shenzhen Weixin is a limited liability company established under the laws of the PRC and an indirect wholly-owned subsidiary of Gemdale Properties and Investment Corporation Limited (金地商置集團有限公司), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange. Shanghai Aohui is principally engaged in the property development project in respect of a land parcel situated in Jiading District, Shanghai Municipality, the PRC.

Chengdu Aoyuan Jingsheng is a limited liability company established under the laws of the PRC and is held as to 60% by the Group, 30% by Chengdu Rongjiuxing Corporate Management Co., Ltd.* (成都榮久興企業管理有限公司) (“**Chengdu Rongjiuxing**”), a limited liability company established under the laws of the PRC, and 10% by Shanxi Hengtai Huaxia Investment Holdings Co., Ltd.* (陝西恒泰華夏投資控股有限公司), a limited liability company established under the laws of the PRC respectively. To

the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, Chengdu Rongjiuxing is ultimately and indirectly held as to 80% by Mr. Li Bin (李玢), who is an individual investor and is regarded as the ultimate single largest shareholder of Chengdu Rongjiuxing. Chengdu Aoyuan Jingsheng is principally engaged in the property development project in respect of a land parcel situated in Tianfu New Area, Sichuan Province, the PRC.

To the best knowledge, information and belief of the Directors having made all reasonable enquiry, each of the remaining shareholders of the Entities and their respective ultimate beneficial owners is an Independent Third Party.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of each of the Advances exceeds 5%, but all are less than 25%, each of the Advances constituted a discloseable transaction for the Company under the Listing Rules, and was therefore subject to notification and announcement requirements pursuant to Chapter 14 of the Listing Rules.

Further announcement(s) will be made by the Company if additional financial assistance granted by the Group constitutes notifiable transaction pursuant to the Listing Rules.

DEFINITIONS

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

“Advances”	collectively, the advances on an aggregate basis made by the Group to the Entities in a number of tranches, details of which are set out in the section headed “Provisions of Financial Assistance” in this announcement
“Board”	the board of Directors
“Chengdu Aoyuan Jingsheng”	Chengdu Aoyuan Jingsheng Real Estate Development Co., Ltd.* (成都奧園景盛房地產開發有限公司), a limited liability company established under the laws of the PRC and a joint venture held as to 60% by the Group
“Company”	China Aoyuan Group Limited (中國奧園集團股份有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 3883)
“Directors”	the directors of the Company

“Entity(ies)”	collectively, Zhongyin Real Estate, Chengdu Aoyuan Jingsheng, Guangdong Shanshui Chanlin, Guangzhou Aocheng, Guangzhou Aosheng, Guangzhou Hongjun, Qingdao Haitang, Shanghai Aohui and/or Zhuhai Aoyuan Tianyuewan
“Group”	the Company and its subsidiaries
“Guangdong Shanshui Chanlin”	Guangdong Shanshui Chanlin Cultural Industry Co., Ltd.* (廣東山水禪林文化產業有限公司), a limited liability company established under the laws of the PRC and a joint venture held as to 51% by the Group
“Guangzhou Aocheng”	Guangzhou Aocheng Technology Co., Ltd.* (廣州奧晟科技有限公司), a limited liability company established under the laws of the PRC and a joint venture held as to 60% by the Group
“Guangzhou Aosheng”	Guangzhou Aosheng Real Estate Co., Ltd.* (廣州奧昇置業有限公司), a limited liability company established under the laws of the PRC and a joint venture held as to 50% by the Group
“Guangzhou Hongjun”	Guangzhou Hongjun Real Estate Co., Ltd.* (廣州鴻珺房地產有限公司), a limited liability company established under the laws of the PRC and a joint venture held as to 84% by the Group
“Independent Third Party(ies)”	a party(ies) who is/are not connected person(s) (as defined in the Listing Rules) of the Company and who together with its/their ultimate beneficial owner(s) are independent of the Company and of connected persons (as defined in the Listing Rules) of the Company
“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, Macao Special Administrative Region and Taiwan for the purpose of this announcement
“Qingdao Haitang”	Qingdao Haitang Real Estate Co., Ltd.* (青島海唐置業有限公司), a limited liability company established under the laws of the PRC and a joint venture held as to 50% by the Group
“RMB”	Renminbi, the lawful currency of the PRC

“Shanghai Aohui”	Shanghai Aohui Real Estate Co., Ltd.* (上海奧匯置業有限公司), a limited liability company established under the laws of the PRC and a joint venture held as to 51% by the Group
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Zhongyin Real Estate”	Zhongyin Real Estate Co., Ltd.* (中垠地產有限公司), a limited liability company established under the laws of the PRC held as to 40% by the Group
“Zhuhai Aoyuan Tianyuewan”	Zhuhai Aoyuan Tianyuewan Property Development Co., Ltd.* (珠海市奧園天悅灣房地產開發有限公司), a limited liability company established under the laws of the PRC and a joint venture held as to 70% by the Group
“%”	per cent.

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

Hong Kong, 28 May 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 of the Company 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 of the Company are Mr. Tsui King Fai, Mr. Cheung Kwok Keung and Mr. Lee Thomas Kang Bor.