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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)

INSIDE INFORMATION

This announcement is made by China Aoyuan Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) under Rule 13.09(2) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the inside information announcement of the Company dated 2 December 2021 (the “**December 2021 Announcement**”) and the inside information announcement of the Company dated 19 January 2022 in relation to certain updates of the Group (together with the December 2021 Announcement, the “**Announcements**”). The board of directors of the Company (the “**Board**”) would like to provide a further update on the Group as set out in this announcement.

Terms used in this announcement shall have the same respective meanings as those defined in the December 2021 Announcement unless otherwise stated.

RECENT UPDATES

The Company has been and continues to, with the assistance of its legal and financial advisers, evaluate the liquidity position of the Group and formulate a restructuring plan that provides for a consensual resolution for all its stakeholders. As at the date of this announcement, such work is ongoing. The Company also continues to engage in constructive dialogues with its onshore and offshore creditors, with a view to stabilize the situation and preserve value for the Group.

Moreover, given the liquidity issues faced by the Group, it has been actively engaged in discussions with potential investors in relation to a recapitalisation as part of the implementation of a debt restructuring. As at the date of this announcement, the Group has not entered into any legally binding agreement with any such investor. Further announcement(s) will be made in accordance with the Listing Rules and applicable laws as and when appropriate.

POSSIBLE DELAY IN PUBLICATION OF 2021 ANNUAL RESULTS AND DESPATCH OF 2021 ANNUAL REPORT

Due to the implementation of the COVID-19 prevention and control quarantine measures as a result of the recent surge of COVID-19 cases, the progress of financial reporting and the preparation of the Group's preliminary results in respect of the financial year ended 31 December 2021 (the "**2021 Annual Results**") have been significantly delayed. Further, in the light of the changes in the operational environment of the Group since the fourth quarter of 2021, the management of the Company needs more time to assess the potential provision for impairment which may have a significant impact on the 2021 Annual Results. As additional audit procedures are needed to be performed by the auditor of the Company by reason of the Group's current liquidity positions, it is possible that the 2021 Annual Results may not be ready for publication by 31 March 2022 in compliance with Rule 13.49(1) of the Listing Rules.

As a result of the possible delay in the publication of the 2021 Annual Results, there may also be a possible delay in the despatch of the Company's annual report for the financial year ended 31 December 2021 (the "**2021 Annual Report**"). The possible delay in the despatch of the 2021 Annual Report, if materialised, will constitute a non-compliance with Rule 13.46(2)(a) of the Listing Rules.

POSSIBLE POSTPONEMENT OF MEETING OF THE BOARD

If the 2021 Annual Results are not ready for publication by 31 March 2022, the meeting of the Board as announced by the Company to be held on 31 March 2022 for the purpose of, among other matters, considering and approving the 2021 Annual Results and its publication, will be postponed.

Notwithstanding the above and the disclosures in the Announcements, the Board wishes to emphasize that the operation of the Group remains normal and the Company remains actively engaged in discussions with potential investors in relation to recapitalisation. It will continue to work with its auditor closely to publish the 2021 Annual Results and despatch the 2021 Annual Report as soon as practicable.

POSSIBLE SUSPENSION OF TRADING

In the event that the Company is unable to publish the 2021 Annual Results on or before 31 March 2022, it is expected that trading in the shares of the Company on the Stock Exchange will be suspended with effect from 9:00 a.m. on 1 April 2022 as required under Rule 13.50 of the Listing Rules, pending the publication of the 2021 Annual Results.

The Company will publish further announcement(s) to inform the shareholders of the Company (the “**Shareholders**”) and potential investors of the Company of any update on (i) the date of the meeting of the Board to approve the 2021 Annual Results, (ii) the audit process of the 2021 Annual Results, (iii) the date of despatch of the 2021 Annual Report, and (iv) trading in the shares of the Company in accordance with the Listing Rules and applicable laws as and when appropriate.

The implementation of the proposed debt restructuring or strategic investment will be subject to many factors not within the control of the Company. As (a) there is no assurance that the debt restructuring or any strategic investment will be successfully implemented and (b) the Company may be unable to publish the 2021 Annual Results on or before 31 March 2022, Shareholders, holders of securities of the Company and other investors of the Company are (i) advised not to rely solely on the information contained in this announcement and such other announcements published by the Company and (ii) are reminded to consider the related risks and exercise caution when dealing in the shares and other securities of the Company. When in doubt, Shareholders, holders of securities of the Company and other investors of the Company are advised to seek professional advice from their own professional or financial advisers.

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

Hong Kong, 25 March 2022

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 and Mr. Chan Ka Yeung Jacky; the non-executive director of the Company is 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.