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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
AND
INFORMATION UPDATE

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

References are made to the announcement of the Company dated 22 November 2021, 2 December 2021, 19 January 2022, 25 March 2022, 31 March 2022, 29 April 2022 and 30 June 2022 (together, the “**Announcements**”). Terms used in this announcement shall have the same respective meanings as those used in the Announcements.

BUSINESS UPDATE

As at the date of this announcement, nearly 90% of the Group’s real estate projects are progressing according to schedule, and the Group continues to ensure the completion and delivery of projects while consolidating resources to revitalize the construction and sales of projects, reducing its operating expenses and make every effort to improve the Group’s liquidity position. In July 2022, the Group signed a strategic cooperation and construction agreement with Greentown Management Holdings Company Limited (“**Greentown Management**”) for the construction of Guangzhou Yunhe Mansion (the “**Project**”), which leverages Greentown Management’s brand, management and resources, Greentown Management will construct the Project on behalf of the Group.

The Company 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. As at the date of this announcement, the Group has entered into contractual arrangements with certain onshore financial institutions to extend the maturity of existing onshore financing arrangements of over RMB20 billion in principal amount. The Group is also in further negotiations with its onshore creditors regarding the extension of the maturity date under other onshore financing arrangements.

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.

ENGAGEMENT OF EXTERNAL ADVISER

The Company has engaged KPMG Advisory (China) Limited (who was previously engaged to conduct an independent business review on the Group) as its main financial adviser. 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.

Offshore creditors of the Company may contact the following representatives:

KPMG Advisory (China) Limited

Address: 8/F, Prince's Building, 10 Chater Road, Hong Kong

Email: aoyuan.restructuring@kpmg.com

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on Friday, 1 April 2022, pending the publication of the 2021 Annual Results.

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

Hong Kong, 5 August 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 and Mr. Chen Zhi Bin; and the independent non-executive directors of the Company are Mr. Tsui King Fai, Mr. Cheung Kwok Keung and Mr. Lee Thomas Kang Bor.