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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 TRANSACTION
DISPOSAL OF THE SALE SHARES

SUPPLEMENTAL AGREEMENT

Reference is made to the announcement published by China Aoyuan Group Limited (the “**Company**”) on 16 February 2023 (the “**Announcement**”) in relation to the disposal of 29.9% of the issued share capital of Aoyuan Healthy Life Group Company Limited (the “**Disposal**”). Capitalised terms used in this announcement shall have the same respective meanings as those defined in the Announcement unless otherwise stated.

THE SUPPLEMENTAL AGREEMENT

The Board wishes to announce that on 30 June 2023 (after trading hours), the Vendor, a wholly-owned subsidiary of the Company, and the Purchaser entered into a supplemental agreement in relation to the Disposal (the “**Supplemental Agreement**”). Set out below are the principal terms of the Supplemental Agreement:

(a) Amendments to the Conditions Precedent

- (i) As it is expected that additional time is required for the Purchaser Group to conduct internal reorganisation due to the review procedures of the relevant authorities, the Parties have agreed that completion of the internal reorganisation of Nanyue Star Bridge (the “**Purchaser Group’s Reorganisation**”) shall be removed from the Conditions Precedent. Concurrently, the Purchaser has given an undertaking to the Vendor that the Purchaser Group’s Reorganisation shall be completed within three (3) months from the date of Completion.
- (ii) To allow sufficient time for the Parties to prepare the Completion deliverables, trading of AHL Shares having been resumed on the Stock Exchange shall be removed from the Conditions Precedent and superseded by the condition precedent that the announcement in relation to the resumption of trading of AHL Shares on the Stock Exchange having been submitted by the Target Company to the Stock Exchange for pre-vetting.

(b) Adjustment to the payment terms

The Parties have agreed to adjust the payment terms in respect of the Disposal. The Consideration in the sum of HK\$256,000,000 shall be settled in cash in the following manner:

- (i) upon signing the Agreement, the Purchaser has paid the Deposit in the sum of HK\$5,000,000;
- (ii) the Purchaser has within fifteen (15) Business Days upon signing the Agreement deposited with the Escrow Agent an amount of HK\$51,200,000;
- (iii) the Purchaser shall deposit with the Escrow Agent a further amount of HK\$97,400,000 on or before 15 July 2023;
- (iv) on the date of Completion, the Parties shall jointly instruct the Escrow Agent to release the full amount held under escrow as specified in paragraphs (ii) and (iii) to the Vendor; and
- (v) within three (3) months from the date of Completion, the Purchaser shall pay the remaining balance of the Consideration in the sum of HK\$102,400,000 into the bank account(s) designated by the Vendor.

As at the date of this announcement, the amounts in paragraphs (i) and (ii) above have been paid by the Purchaser.

(c) Extension of the Long Stop Date

As additional time is required for the satisfaction of the Conditions Precedent, the Parties have agreed that the Long Stop Date shall be extended to 30 September 2023 (or such other date as the Parties may mutually agree in writing).

As at the date of this announcement, none of the Conditions Precedent have been satisfied or waived, except that (i) the Target Company has published its annual reports for the year ended 31 December 2021 and 31 December 2022; (ii) the Purchaser has entered into a PRC law governed strategic cooperation agreement with the Company or its designated member(s) of the Group in relation to the urban redevelopment projects; (iii) the Company having consulted its material creditors on the terms of the Agreement and the transaction contemplated thereunder; and (iv) the Company has complied with all relevant disclosure requirements and obtained Shareholders' approval (if applicable) under the Listing Rules in relation to the Disposal and has obtained the approval from regulatory authorities (if required).

(d) Date of Completion

The Parties have agreed to adjust the date of Completion. Completion shall take place within three (3) calendar days from the satisfaction or waiver (as the case may be) of all Conditions Precedent.

(e) Miscellaneous

If, after Completion, the application for resumption of trading of AHL Shares on the Stock Exchange is not successful, which consequently results in delisting of the Target Company, the Vendor shall compensate the Purchaser for all losses.

The Supplemental Agreement shall become effective and binding on the Parties on the date of the Supplemental Agreement. Save as amended by the Supplemental Agreement, all other terms and conditions of the Agreement will remain unchanged and continue in full force and effect.

The Board believes that terms of the Supplement Agreement furnish the Company with more flexibility and also considers that the terms are normal commercial terms, fair and reasonable and in the best interest of the Company and the Shareholders as a whole.

As Completion is subject to the terms and conditions under the Agreement, the Disposal may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on Friday, 1 April 2022 and will continue to be suspended until further notice.

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

Hong Kong, 30 June 2023

As at the date of this announcement, the executive directors of the Company are Mr. Guo Zi Wen, Mr. Ma Jun, Mr. Chen Zhi Bin and Mr. Tan Yi; and the independent non-executive directors of the Company are Mr. Cheung Kwok Keung, Mr. Lee Thomas Kang Bor and Mr. Wong Wai Keung Frederick.