

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

**ANNOUNCEMENT IN RELATION TO
ADVANCES TO AFFILIATED COMPANIES**

Reference is made to the annual report of China Aoyuan Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for the year ended 31 December 2023.

The Company hereby provides further information in relation to advances to affiliated companies of the Company in accordance with Rule 13.22 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

ADDITIONAL DISCLOSURE PURSUANT TO RULE 13.22

Set out below is (i) a combined statement of financial position of affiliated companies which had the benefit of financial assistance provided by the Group and/or guarantee(s) given by the Group in connection with facilities granted to them, and (ii) the Group’s attributable interests in such companies, in each case as at 31 December 2023:

	Combined statement of financial position (RMB’000)	The Group’s attributable interests (RMB’000)
Assets		
Non-current assets	3,102,663	1,447,935
Current assets	52,852,925	27,611,609
Total assets	55,955,588	29,059,544

	Combined statement of financial position <i>(RMB'000)</i>	The Group's attributable interests <i>(RMB'000)</i>
Liabilities		
Non-current liabilities	7,489,304	4,067,367
Current liabilities	43,497,850	23,035,841
Total liabilities	<u>50,987,154</u>	<u>27,103,208</u>
Total assets less current liabilities	12,457,738	6,023,703
Net assets	4,968,434	1,956,336

The combined statement of financial position of the affiliated companies was prepared by combining their statements of financial position, after making adjustments to conform with the Group's significant accounting policies and re-grouping into significant classification in the statement of financial position, as at 31 December 2023.

LISTING RULES IMPLICATIONS

As a result of, among other things, the disposal of a majority stake in a then subsidiary of the Company (the "**Target Company**") in 2023 as part of the ongoing debt restructuring process, upon completion of which the Target Company became an associate of the Company and intra-Group balances owed by the Target Company became amounts due from an associate, the financial assistance provided by the Group and guarantees given by the Group in connection with facilities granted to its affiliated companies as at 31 December 2023 (on an aggregated basis) exceeded 8% under the assets ratio (as defined under the Listing Rules). The Company inadvertently omitted to comply with the disclosure requirements under Rule 13.22 of the Listing Rules.

In order to prevent similar recurrence, the Company will take the following measures:

- (a) the Company will maintain and update its list of affiliated companies, both regularly and whenever the Company conducts a transaction which will entail update(s) to such list;
- (b) the Company will arrange additional manpower to closely monitor changes in advances to affiliated companies of the Company and the responsible officers will report movements to the Chief Financial Officer/Company Secretary monthly and/or whenever the list of affiliated companies changes. In case where the Chief Financial Officer/Company Secretary considers there to be a material increase in the amount of such advances, he/she would report such information to the board of directors of the Company (the "**Board**");

- (c) the Company will, together with its auditors, review advances made to entities which are not members of the Group against the list of affiliated companies of the Company to ensure that the disclosure in the interim report or annual report of the Company (as the case may be) complies with the requirements under Rule 13.22 of the Listing Rules. The management of the Company will specifically report the relevant amount of such advances to the Board when the interim report or annual report of the Company (as the case may be) is considered by the Board so as to ensure that the Board has the relevant information when approving the publication of such report; and
- (d) as the Chief Financial Officer/Company Secretary sees fit, he/she may consult the auditors or legal advisors for advice on accounting treatment or compliance requirements under the Listing Rules in respect of advances to affiliated companies.

By Order of the Board
China Aoyuan Group Limited
Chen Zhi Ben
Executive Director

Hong Kong, 23 July 2024

As at the date of this announcement, the executive directors of the Company are Mr. Guo Zi Wen, Mr. Chen Zhi Bin, Mr. Tan Yi and Mr. Cheng Siu Fai; 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.