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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 – UPDATE ON LIQUIDITY OF OUR GROUP
AND FURTHER UPDATE ON PLANS AND MEASURES**

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

Reference is made to the annual report of the Company for the year ended 31 December 2024 (the “**Annual Report**”) and the announcements of the Company dated 29 November 2023, 4 December 2023, 10 January 2024, 12 January 2024, 29 January 2024, 20 March 2024, 25 March 2024, 10 September 2024, 11 March 2025, 4 July 2025, 28 August 2025, 19 September 2025, 30 September 2025, 19 December 2025, 31 December 2025, 27 February 2026 (the “**27 February 2026 Announcement**”) and 20 March 2026 (the “**20 March 2026 Announcement**”) (collectively, the “**Announcements**”). Unless otherwise stated, capitalised terms used in this announcement shall have the same meaning as ascribed thereto in the Announcements.

UPDATE ON LIQUIDITY OF OUR GROUP

On 20 March 2024, the Company consummated a holistic restructuring of the Group's material offshore indebtedness, implemented through parallel schemes of arrangement, namely the China Aoyuan Schemes and the Add Hero Schemes (the "**Schemes**") in Hong Kong, Cayman and the British Virgin Islands. Pursuant to the terms of the Schemes, the obligations of the Group under certain senior notes and bonds and borrowings were compromised in exchange for the affected creditors receiving various instruments and shares in the Company, and the Group achieved a significant deleveraging of its financial position.

However, the real estate sector in the PRC has continued to experience ongoing challenges and volatility, and the Group experienced a significant decline in its contracted sales of property, which adversely impacted the Group's cash receipts from sales and pre-sales of properties, resulting in worse than expected deterioration in its cashflow and threat to the Group's going concern. To mitigate the liquidity pressure of the Group and resolve the disclaimer of opinion relating to going concern as set out in the Annual Report, the Company has implemented or is in the process of implementing the Plans and Measures, as further updated at the relevant section below. Despite the Group's utmost effort to actively explore and implement various measures to generate liquidity for the Group, as announced in the 20 March 2026 Announcement, the Group records a net loss of approximately RMB19.1 billion for the year ended 31 December 2025, therefore comes under continued pressure to generate sufficient cash flows to meet its existing and future obligations.

As such, the Company has carefully considered the situation together with its advisers. In order to ensure fair and equitable treatment of all offshore creditors, the Group believes it is necessary and in the interests of all stakeholders to suspend payment of interest falling due and payable on 30 March 2026 in respect of the following notes (the "**Relevant Notes**"):

- (a) the 7.5% Senior Notes due 2029 issued by Add Hero Holdings Limited (ISIN: Regulation S: XS2785422895 | Rule 144A: XS2785422622 | IAI: XS2785422978);
- (b) the 8.0% Senior Notes due 2030 issued by Add Hero Holdings Limited (ISIN: Regulation S: XS2785423430 | Rule 144A: XS2785423273 | IAI: XS2785423604); and
- (c) the 8.8% Senior Notes due 2031 issued by Add Hero Holdings Limited (ISIN: Regulation S: XS2785423943 | Rule 144A: XS2785423786 | IAI: XS2785424081).

Pursuant to the terms of the relevant indentures governing the Relevant Notes, an Event of Default in respect of the non-payment of interest described above will not occur until the expiry of the 30-day grace period. The Company is implementing the relevant Plans and Measures to seek a holistic solution to the current situation to secure the long-term future development of the Company for the benefit of all of its creditors and other stakeholders.

FURTHER UPDATE ON PLANS AND MEASURES

The Company would like to provide a further update in relation to the Plans and Measures in resolving the Disclaimer of Opinion. The status of the implementation of the Plans and Measures up to the date of this announcement is summarized as follows:

- (a) The Group has been actively promoting a comprehensive restructuring of onshore debts of the Group to establish a long-term mechanism to alleviate debt pressure and strengthen the full-cycle cash flow risk control system to ensure operating security of the Group. The Group is close to the finalization of the onshore debts restructuring plan and is in the process of soliciting opinions from all parties (including onshore creditors). The company will make a timely announcement when substantial progress is made;
- (b) The Group has continued to implement measures to accelerate the pre-sales and sales of properties under development and completed properties. In the first three months of 2026, the Group achieved property contracted sales of approximately RMB381 million, with contracted gross floor area sold of approximately 48,400 sq.m.;
- (c) To control administrative expenses, the Group has been taking measures to optimize its workforce. Since January 2025 up to the date of this announcement, the Group has decreased total headcount of workforce by approximately 42%, and has streamlined the organizational structure to two regional offices; and
- (d) The Group has been actively exploring potential asset disposal opportunities to create liquidity. The Company will make a timely announcement when substantial progress is made.

The above-mentioned figures are based on the summary of internal information of the Company, which may differ from figures to be disclosed in the audited or unaudited consolidated financial statements to be published by the Company on an annual or interim basis due to various uncertainties during the process of collection and collating of such information. As such, the above figures are provided for reference only.

The Company will make further announcement(s) as and when appropriate in accordance with the Listing Rules and/or other applicable laws and regulations.

The implementation of any holistic solution will be subject to many factors not within the control of the Company. As there is no assurance that any holistic solution will be successfully implemented, 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 or any other announcements as may be issued by the Company from time to time and (ii) reminded to consider the related risks and exercise caution when dealing in the securities of the Company. When in doubt, holders of securities and other investors of the Company are advised to seek professional advice from their own professional or financial advisors.

By order of the Board
China Aoyuan Group Limited
Cheng Siu Fai
Executive Director

Hong Kong, 30 March 2026

As at the date of this announcement, the executive directors of the Company are Mr. Cheng Siu Fai, Mr. Jiang Zhan Hong and Ms. Shi Lili; the non-executive directors of the Company are Mr. Guo Zi Wen and Mr. Mohamed Obaid Ghulam Badakkan Alobeidli; 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.