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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Aoyuan Group Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)**

## **PROPOSED RE-ELECTION OF RETIRING DIRECTORS PROPOSED GRANTING OF GENERAL MANDATES TO BUY BACK SHARES AND TO ISSUE SHARES AND NOTICE OF ANNUAL GENERAL MEETING**

The notice convening the Annual General Meeting of China Aoyuan Group Limited to be held at Fanling Room, Lower Level I, Kowloon Shangri-La, Hong Kong, 64 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Friday, 22 May 2020 at 2:00 p.m. is set out on pages 16 to 19 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company ([www.aoyuan.com.cn](http://www.aoyuan.com.cn)).

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 2:00 p.m. on Wednesday, 20 May 2020) or the adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the Annual General Meeting or any adjournment thereof if they so wish, and in such case, the form of proxy shall be deemed to be revoked.

#### **PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING**

**Please see page 1 of this document for measures being taken to try to prevent and control the spread of the Coronavirus at the Annual General Meeting, including:**

- **compulsory temperature checks and health declarations**
- **recommended wearing of surgical face masks**
- **no distribution of corporate gifts and refreshments**

**Any person who does not comply with the precautionary measures may be denied entry into the AGM venue. The Company encourages attendees to wear face masks and reminds Shareholders that they may appoint the Chairman of the meeting as their proxy to vote on the relevant resolutions at the AGM as an alternative to attending the AGM in person.**

References to time and dates in this circular are to Hong Kong time and dates.

This circular is in English and Chinese. In case of any inconsistency, the English version shall prevail.

20 April 2020

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## **PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING**

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In view of the ongoing Novel Coronavirus (COVID-19) epidemic and recent requirements for prevention and control of its spread, the Company will implement the following preventive measures at the Annual General Meeting to protect attending Shareholders, staff and other stakeholders from the risk of infection:

- (i) Compulsory body temperature checks will be conducted on every Shareholder, proxy and other attendee at the entrance of the AGM venue. Any person with a body temperature of over 37.5 degrees Celsius may be denied entry into the AGM venue or be required to leave the AGM venue;
- (ii) All Shareholders, proxies and other attendees are required to complete and submit at the entrance of the AGM venue a declaration form confirming their names and contact details, and confirming that they have not travelled to, or to their best of knowledge had close contact with any person who has recently travelled to, any affected countries or areas outside of Hong Kong as per guidelines issued by the Hong Kong government at any time in the preceding 14 days. Any person who does not comply with this requirement may be denied entry into the AGM venue or be required to leave the AGM venue;
- (iii) The Company encourages attendees to wear surgical face masks inside the AGM venue at all times, and to maintain a safe distance between seats; and
- (iv) No refreshments will be served, and there will be no corporate gifts.

To the extent permitted under law, the Company reserves the right to deny entry into the AGM venue or require any person to leave the AGM venue in order to ensure the safety of the attendees at the AGM.

In the interest of all stakeholders' health and safety and consistent with recent COVID-19 guidelines for prevention and control, the Company reminds all Shareholders that physical attendance in person at the Annual General Meeting is not necessary for the purpose of exercising voting rights. As an alternative, by using proxy forms with voting instructions inserted, Shareholders may appoint the Chairman of the Annual General Meeting as their proxy to vote on the relevant resolutions at the AGM instead of attending the AGM in person.

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:*

“AGM Notice”	the notice convening the Annual General Meeting as set out on page 16 to 19 of this circular
“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at Fanling Room, Lower Level I, Kowloon Shangri-La, Hong Kong, 64 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Friday, 22 May 2020 at 2:00 p.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 16 to 19 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company currently in force
“Board”	the board of Directors
“Company”	China Aoyuan Group Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“General Mandate(s)”	the Issuance Mandate and/or the Share Buy-back Mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issuance Mandate”	a general mandate proposed to be granted to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of the AGM notice as set out on pages 16 to 19 of this circular
“Latest Practicable Date”	15 April 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular

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## DEFINITIONS

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“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Share Buy-back Mandate”	a general mandate proposed to be granted to the Directors to buy back Shares on the Stock Exchange of not exceeding 10% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 5 of the AGM notice as set out on pages 16 to 19 of this circular
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers of Hong Kong issued by the Securities and Futures Commission of Hong Kong as amended, supplemented or otherwise modified from time to time
“%”	per cent

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## LETTER FROM THE BOARD

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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)

*Executive Directors:*

Mr. Guo Zi Wen (*chairman*)  
Mr. Guo Zi Ning (*vice chairman and  
chief executive officer*)  
Mr. Ma Jun (*chief operating officer*)  
Mr. Chan Ka Yeung Jacky  
Mr. Zhang Jun

*Independent Non-executive Directors:*

Mr. Tsui King Fai  
Mr. Cheung Kwok Keung  
Mr. Hu Jiang

*Registered Office:*

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

*Principal Place of Business in Hong Kong:*

Units 1901-2, 19th Floor  
One Peking, No. 1 Peking Road  
Tsim Sha Tsui, Kowloon  
Hong Kong

20 April 2020

*To the Shareholders*

Dear Sir/Madam,

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS  
PROPOSED GRANTING OF GENERAL MANDATES TO  
BUY BACK SHARES AND TO ISSUE SHARES  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting to be held on 22 May 2020.

**2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS**

In accordance with Article 87 of the Articles of Association, Mr. Guo Zi Wen, Mr. Ma Jun and Mr. Cheung Kwok Keung shall retire at the Annual General Meeting. In accordance with Article 86(3) of the Articles of Association, Mr. Zhang Jun who was appointed as

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## LETTER FROM THE BOARD

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director on 14 April 2020 shall retire at the Annual General Meeting. All of the above Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

Mr. Cheung Kwok Keung has extensive experience in auditing and accounting fields in various industries and adheres to the board diversity policy of the Company. The Company has confirmed the independence of Mr. Cheung Kwok Keung, who has been serving as an independent non-executive Director for more than 9 years, with reference to the factors set out in Rule 3.13 of the Listing Rules. Mr. Cheung Kwok Keung has provided an annual confirmation of independence to the Company. The Company considers Mr. Cheung Kwok Keung is still independent in accordance with the independence guidelines set out in the Listing Rules, his long service would not affect his exercise of independent judgement and will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning.

The nomination committee has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company's Board Diversity Policy and Director Nomination Policy and the Company's corporate strategy, and the independence of all independent non-executive directors. The nomination committee has recommended to the Board on re-election of all the retiring Directors including the aforesaid independent non-executive director who is due to retire at the annual general meeting. The Company considers that the retiring independent non-executive director is independent in accordance with the independence guidelines set out in the Listing Rules and will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity.

In accordance with the Corporate Governance Code as set out in the Listing Rules, the re-election of Mr. Cheung Kwok Keung, Eric will be subject to a separate resolution to be approved at the Annual General Meeting.

Details of the retiring Directors are set out in Appendix I to this circular.

### **3. PROPOSED GRANTING OF GENERAL MANDATE TO BUY BACK SHARES**

At the annual general meeting of the Company held on 29 May 2019, a general mandate was granted to the Directors to buy back Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to buy back Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Share Buy-back Mandate to the Directors to buy back Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 5 of the AGM notice as set out on pages 16 to 19 of this circular (i.e. a total of 270,288,335 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting and no further

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## LETTER FROM THE BOARD

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Shares are issued or bought back before the Annual General Meeting). The Directors wish to state that they have no immediate plan to buy back any Shares pursuant to the Share Buy-back Mandate.

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Share Buy-back Mandate is set out in Appendix II to this circular.

#### **4. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES**

At the annual general meeting of the Company held on 29 May 2019, a general mandate was granted to the Directors to issue Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 6 of the AGM notice as set out on pages 16 to 19 of this circular (i.e. a total of 540,576,670 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting and no further Shares are issued or bought back before the Annual General Meeting). An ordinary resolution to extend the Issuance Mandate by adding the number of Shares bought back by the Company pursuant to the Share Buy-back Mandate will also be proposed at the Annual General Meeting.

The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the Issuance Mandate.

#### **5. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT**

Pursuant to the Listing Rules and the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under the Listing Rules. The AGM notice is set out on pages 16 to 19 of this circular.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.aoyuan.com.cn>). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 2:00



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## LETTER FROM THE BOARD

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p.m. on Wednesday, 20 May 2020) or the adjourned meeting (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish.

### 6. RECOMMENDATION

The Directors consider that the proposed re-election of retiring Directors and granting of the Share Buy-back Mandate and the Issuance Mandate are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors (including independent non-executive Directors) recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, there is no Shareholder who has any material interest in the matters proposed to be approved at the Annual General Meeting, therefore no Shareholder is required to abstain from voting on the resolutions to be proposed at the Annual General Meeting.

### 7. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,  
For and on behalf of the Board  
**China Aoyuan Group Limited**  
**Guo Zi Wen**  
*Chairman*

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## APPENDIX I      DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

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The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting.

**Mr. Guo Zi Wen (“Mr. Guo”)**, aged 55, is the founder of the Group, and holds a Master’s degree in business administration. He is an executive Director, the Chairman of the Board and the chairman of the nomination committee of the Company. Mr. Guo is also a director of certain subsidiaries of the Company. Mr. Guo is mainly responsible for the formulation of development strategies of the Company, as well as giving guidance to the Group’s project planning, financing and investment, and leads the overall administration management of the Group.

In 2001, Mr. Guo was honored by national mainstream media and China Real Estate Association as one of the Top 10 Persons in Real Estate Industry. In 2004, Mr. Guo received the China Real Estate Special Contribution Award, and the China Real Estate Theory Research Contribution Award and was named one of the Top 10 Outstanding Real Estate Entrepreneurs in the PRC in the same year. In 2008, Mr. Guo was awarded as one of the Top 10 Outstanding Entrepreneurs of the Past Three Decades in China Real Estate and was recognized as one of the Top 30 Leaders in the Residential Construction of Guangdong. In 2010, Mr. Guo was named “Outstanding Leader” in the event “Leaders of Real Estate of Guangdong in Ten Golden Years” and in 2011, Mr. Guo was named “CAPITAL Leader of Excellence 2011”. In 2014, Mr. Guo received the Award of “Outstanding Leaders for the Year” nominated by Nanfang Media and Peking University. In 2015, Mr. Guo was awarded “2015 Corporate Social Responsibility Outstanding Enterprise Award” (2015企業社會責任傑出企業家獎) by Xinhuanet.com (新華網).

Mr. Guo is subject to retirement by rotation and re-election at annual general meetings in accordance with the Articles of Association. Mr. Guo has entered into a service contract with the Company for a term of 3 years which will continue thereafter until terminated by either party thereto giving to the other party not less than three-month prior notice in writing. Mr. Guo’s existing remuneration is HK\$4,555,011 per annum, which is commensurate with his duties and responsibilities held, is approved by the Board with reference to the prevailing market situation for similar appointment.

Mr. Guo is the brother of Mr. Guo Zi Ning, an executive Director, a vice chairman and the chief executive officer of the Company. Mr. Guo is also the director of Ace Rise Profits Limited, a substantial shareholder of the Company.

Save as disclosed above, Mr. Guo did not hold any directorship in other public listed companies in the last three years, and he is not related to any Directors, senior management, other substantial or controlling shareholders (as defined in the Listing Rules) of the Company, nor does he hold any other positions with the Company or any of its subsidiaries.

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## **APPENDIX I      DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

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As at the Latest Practicable Date, Mr. Guo is deemed to be interested in 1,485,532,625 Shares representing approximately 54.96% of the issued share capital of the Company under Part XV of the SFO. The 1,485,532,625 ordinary shares of the Company comprise 1,395,201,062 ordinary shares registered in the name of Ace Rise Profits Limited and 90,331,563 ordinary shares registered in the name of Joy Pacific Group Limited. Ace Rise Profits Limited is owned as to 90% by Joy Pacific Group Limited (which in turn is wholly owned by Sturgeon Limited) and as to 10% by Hopka Investments Limited. Sturgeon Limited is wholly owned by Asia Square Holdings Ltd., as nominee and trustee for J. Safra Sarasin Trust Company (Singapore) Ltd. as the trustee holding such interests on trust for the beneficiaries of The Golden Jade Trust. The Golden Jade Trust is a discretionary family trust established under the laws and regulations of Singapore. The settlors of The Golden Jade Trust are Mr. Guo Zi Wen and Ms. Jiang Miner.

Save as disclosed above, as at the Latest Practicable Date, Mr. Guo was not interested or deemed to be interested in any Shares or underlying Shares pursuant to Part XV of the SFO.

In relation to the re-election of Mr. Guo as Directors, there is no information which is discloseable nor is Mr. Guo involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules, and there is no other matter concerning Mr. Guo that needs to be brought to the attention of the Shareholders.

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## APPENDIX I      DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

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**Mr. Ma Jun (“Mr. Ma”)**, aged 43, is an executive Director and chief operating officer of the Group. He is also a director of certain subsidiaries of the Company. Mr. Ma is mainly responsible for the management of Property Group, International Investment Group and Cultural Tourism Group. Mr. Ma holds a Master degree in civil engineering construction from Chongqing University, and a Bachelor degree in environmental engineering from Tianjin University in the PRC. Before joining the Group in March 2015, Mr. Ma worked at 中海地產天津公司 (in English, for identification purpose only, China Overseas Land Tianjin Company) as deputy general manager and Autren Real Estate (Group) Co., Ltd. as an executive vice president and possesses more than 15 years of experience in the real estate industry. He was appointed as executive Director of the Company on 28 August 2015.

Mr. Ma is subject to retirement by rotation and re-election at annual general meetings in accordance with the Articles of Association. Mr. Ma has entered into a service contract with the Company for a term of 3 years which will continue thereafter until terminated by either party thereto giving to the other party not less than three-month prior notice in writing. Mr. Ma is entitled to receive a salary being RMB3,950,000 per annum and discretionary bonuses pegged to performance, which is commensurate with his duties and responsibilities held, is approved by the Board with reference to the prevailing market situation for similar appointment.

Save as disclosed above, Mr. Ma did not hold any directorship in other public listed companies in the last three years, and he is not related to any Directors, senior management, other substantial or controlling Shareholders (as defined in the Listing Rules) of the Company, nor does he hold any other positions with the Company or any of its subsidiaries.

As at the Latest Practicable Date, Mr. Ma beneficially holds a total of 3,500,000 Shares, representing approximately 0.13% of the issued share capital of the Company. Save as disclosed above, as at the Latest Practicable Date, Mr. Ma was not interested or deemed to be interested in any Shares or underlying Shares pursuant to Part XV of the SFO.

In relation to the re-election of Mr. Ma as Director, there is no information which is disclosable nor is Mr. Ma involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules, and there is no other matter concerning Mr. Ma that needs to be brought to the attention of the Shareholders.

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## APPENDIX I      DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

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**Mr. Cheung Kwok Keung (“Mr. Cheung”)**, aged 53, was appointed as an independent non-executive Director on 20 January 2011. Mr. Cheung is the chairman of audit committee, member of remuneration committee and nomination committee of the Company. He is a fellow member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants. Mr. Cheung has over 20 years of experience in auditing, accounting and financial management. Mr. Cheung is the chief financial officer and company secretary of Lee & Man Paper Manufacturing Limited (2314.HK), which is listed on the Main Board of Stock Exchange, and is an independent non-executive director of DCB Holdings Limited (8040.HK), which is listed on the GEM of the Stock Exchange. Mr. Cheung has resigned as the company secretary of Lee & Man Chemical Company Limited (746.HK) on 1 January 2020.

Mr. Cheung is subject to retirement by rotation and re-election at annual general meetings in accordance with the Articles of Association. Pursuant to the appointment letter made between the Company and Mr. Cheung, the appointment of Mr. Cheung is for a term of one year which can be terminated by either party giving one-month written notice, and his term of office may be extended for such period as the Company and Mr. Cheung may agree in writing. The existing Director’s fee of Mr. Cheung is HK\$424,000 per annum, which is commensurate with his duties and responsibilities held, is approved by the Board with reference to the prevailing market situation for similar appointment.

Save as disclosed above, Mr. Cheung did not hold any directorship in other listed public companies in the last three years, and he is not related to any Directors, senior management, other substantial or controlling shareholders (as defined in the Listing Rules) of the Company, nor does he hold any other positions with the Company or any of its subsidiaries.

As at the Latest Practicable Date, Mr. Cheung was not interested or deemed to be interested in any Shares or underlying Shares of the Company or its associated corporations pursuant to Part XV of the SFO.

In relation to the re-election of Mr. Cheung as Director, there is no information which is disclosable nor is Mr. Cheung involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter concerning Mr. Cheung that needs to be brought to the attention of the Shareholders.

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## APPENDIX I      DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

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**Mr. Zhang Jun** (“**Mr. Zhang**”), aged 44, is an executive Director, senior vice president of the Group and the president of the Company’s Commercial Property Group. He graduated from Zhongnan University of Economics and Law, majoring in Marketing and studied in Wuhan University with a minor in Industrial and Civil Architecture. He had served as a deputy general manager of operation and marketing and vice president in renowned companies such as Dalian Wanda Group Company Limited and China Yurun Food Group Limited, with extensive management experiences in project development, operation and marketing of the real estate industry. He joined the Group in February 2015 and is now mainly responsible for the overall operational management of the Company’s Commercial Property Group. He was appointed as executive Director of the Company on 14 April 2020. He is also a director of certain subsidiaries of the Company.

Mr. Zhang did not hold any directorship in other public listed companies in the last three years and he is not related to any Directors, senior management, other substantial or controlling shareholders (as defined in the Listing Rules) of the Company, nor does he hold any other positions with the Company or any of its subsidiaries.

Mr. Zhang is subject to retirement by rotation and re-election at annual general meetings in accordance with the Articles. Mr. Zhang has entered into a service contract with the Company for a term of 3 years and which will continue thereafter unless and until terminated by either party giving 3 months’ written notice. He is entitled to receive salary being RMB3,300,000 per annum and discretion bonuses pegged to performance. Mr. Zhang’s remuneration, which is commensurate with his duties and responsibilities held, is approved by the Board with reference to the prevailing market situation for similar appointment.

Mr. Zhang holds a total of 2,989,000 Shares representing approximately 0.11% issued share capital of the Company within the meaning of Part XV of the SFO. Save as disclosed above, as far as the Directors are aware, as at the Latest Practicable Date, Mr. Zhang was not interested or deemed to be interested in any Shares or underlying Shares pursuant to Part XV of the SFO.

There is no information which is disclosable nor is Mr. Zhang involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Zhang that need to be brought to the attention of the Shareholders.

The above Director does not have any relationship with other Directors, senior management, substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company.

Save as disclosed above, there is no other matter concerning the re-election of the Director above that needs to be brought to the attention of the Shareholders and there is no other information relating to the above Director which is required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Share Buy-back Mandate.

## **1. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,702,883,354 Shares.

Subject to the passing of the ordinary resolution set out in item 5 of the AGM notice in respect of the granting of the Share Buy-back Mandate and on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting and no further Shares are issued or bought back before the Annual General Meeting, i.e. being 2,702,883,354 Shares, the Directors would be authorised under the Share Buy-back Mandate to buy back, during the period in which the Share Buy-back Mandate remains in force, a total number of 270,288,335 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting.

## **2. REASONS FOR SHARE BUY-BACK**

The Directors believe that the granting of the Share Buy-back Mandate is in the best interests of the Company and the Shareholders.

Shares buy-back may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a buy-back will benefit the Company and the Shareholders.

## **3. FUNDING OF SHARE BUY-BACK**

The company may only apply funds legally available for share buy-back in accordance with its Articles of Association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

## **4. IMPACT OF SHARE BUY-BACK**

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2019) in the event that the Share Buy-back Mandate was to be carried out in full at any time during the proposed buy-back period. However, the Directors do not intend to exercise the Share Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

**5. MARKET PRICES OF SHARES**

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange during each of the previous 12 months up to and including the Latest Practicable Date were as follows:

<b>Month</b>	<b>Highest HK\$</b>	<b>Lowest HK\$</b>
<b>2019</b>		
April	10.28	8.88
May	10.16	8.13
June	11.12	8.28
July	12.14	9.85
August	11.06	8.71
September	9.85	8.59
October	10.44	8.71
November	11.64	9.98
December	12.84	11.22
<b>2020</b>		
January	13.12	10.32
February	12.00	9.99
March	11.84	7.17
April (up to the Latest Practicable Date)	9.54	8.71

**6. GENERAL**

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Share Buy-back Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Share Buy-back Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to buy back Shares pursuant to the Share Buy-back Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.



**7. TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING**

If, as a result of a buy-back of Shares pursuant to the Share Buy-back Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

The Directors are not aware of any consequences which may give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeover Code as a result of any Share buy-back made pursuant to the Share Buy-back Mandate.

The Directors have no intention to exercise the Share Buy-back Mandate to such an extent that it will trigger the mandatory general offer under the Takeover Code or will result in the number of Shares in the hands of public falling below the prescribed minimum percentage of 25%.

**8. SHARE BUY-BACK MADE BY THE COMPANY**

During the 6 months prior to the Latest Practicable Date, the Company had not bought back any of the Shares (whether on the Stock Exchange or otherwise).

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## NOTICE OF ANNUAL GENERAL MEETING

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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)**

Notice is hereby given that the Annual General Meeting of China Aoyuan Group Limited (the “**Company**”) will be held at Fanling Room, Lower Level I, Kowloon Shangri-La, Hong Kong, 64 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Friday, 22 May 2020 at 2:00 p.m. for the following purposes:

1. To consider and adopt the audited consolidated financial statements of the Company, the report of the directors and independent auditors’ report for the year ended 31 December 2019.
2. To declare a final dividend of RMB55 cents per share for the year ended 31 December 2019. Payable in Hong Kong dollars in the amount equivalent to HK60.1 cents per share.
3.
  - (a) To re-elect Mr. Guo Zi Wen as executive director.
  - (b) To re-elect Mr. Ma Jun as executive director.
  - (c) To re-elect Mr. Cheung Kwok Keung as independent non-executive director.
  - (d) To re-elect Mr. Zhang Jun as executive director.
  - (e) To authorise the board of directors to fix the respective directors’ remuneration.
4. To re-appoint Messrs Deloitte Touche Tohmatsu as auditors and to authorise the board of directors to fix their remuneration.
5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

**“THAT:**

- (a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to buy back its shares in accordance with all applicable laws, rules and regulations;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (b) the total number of shares of the Company to be bought back pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be bought back under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and

- (c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

- 6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

**“THAT:**

- (a) subject to paragraph (c) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company during the Relevant Period (as defined below) to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers;
- (b) the mandate in paragraph (a) above shall authorise the directors of the Company to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
  - (i) a Rights Issue (as defined below);
  - (ii) the exercise of options under a share option scheme of the Company; and

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## NOTICE OF ANNUAL GENERAL MEETING

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- (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be issued under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and

- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors to holders of shares of the Company or any class thereof on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”

- 7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the resolutions set out in items 5 and 6 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 6 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of the number of shares bought back by the Company pursuant to the mandate referred to in resolution set out in item 5 of the Notice, provided that such number of shares shall not exceed 10% of the total

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## NOTICE OF ANNUAL GENERAL MEETING

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number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution).”

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

Hong Kong, 20 April 2020

*Notes:*

1. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or more than one proxy to attend and vote instead of him. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company’s branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the meeting (i.e. not later than 2:00 p.m. on Wednesday, 20 May 2020) or the adjourned meeting (as the case may be). Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For determining the entitlement to attend and vote at the meeting, the Register of Members of the Company will be closed from Tuesday, 19 May 2020 to Friday, 22 May 2020, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 18 May 2020.
5. For determining the entitlement to the proposed final dividend (subject to approval by the shareholders at the Annual General Meeting), the Company will pay the proposed final dividends to Shareholders whose names appear on the register of members of the Company on Thursday, 11 June 2020 and the Register of Members of the Company will be closed from Tuesday, 9 June 2020 to Thursday, 11 June 2020, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 8 June 2020.
6. The interest of all stakeholders’ health and safety and consistent with the guidelines for the prevention and control of COVID-19, the Company encourages Shareholders, particularly those who are subject to quarantine in relation to COVID-19, to appoint the Chairman of the above meeting as their proxy to vote at the above meeting as an alternative to attending in person.
7. References to time and dates in this notice are to Hong Kong time and dates.