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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)

QUARTERLY UPDATE ON RESUMPTION PROGRESS

This announcement is made by China Aoyuan Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09(2)(a) and 13.24A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated (i) 25 March 2022, 31 March 2022 and 29 April 2022 in relation to, among others, the delay in publication of the 2021 Annual Results and despatch of the 2021 Annual Report; (ii) 30 June 2022 in relation to, among others, the resumption guidance issued by the Stock Exchange; (iii) 5 August 2022 in relation to, among others, business update of the Group; and (iv) 31 August 2022 in relation to the delay in publication of the 2022 Interim Results and despatch of the 2022 Interim Report (together, the “**Announcements**”). Terms used in this announcement shall have the same respective meanings as those defined in the Announcements unless otherwise stated.

UPDATE INFORMATION

As disclosed in the announcement of the Company dated 30 June 2022, the Stock Exchange has set out the Resumption Guidance for the Company. The Company has continuously been making efforts in taking steps to fulfill the Resumption Guidance. In compliance with Rule 13.24A of the Listing Rules, the board of directors (the “**Board**”) of the Company would like to provide the shareholders (the “**Shareholders**”) and potential investors of the Company with the following updates on the latest resumption progress as at the date of this announcement.

Business Operations

The Group's accumulated unaudited property contracted sales for January to August 2022 was approximately RMB17.25 billion. 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 its projects while consolidating resources to revitalize the construction and sales of its projects, reduce its operating expenses and make every effort to improve the Group's liquidity position.

Following the implementation of the cooperative project, Guangzhou Yunhe Mansion, that Greentown Management Holdings Company Limited will construct on behalf of the Group, the Group entered into a strategic cooperation and construction agreement with Greentown Real Estate Development Group Co. Ltd ("**Greentown Development**") on 31 August 2022, in which Greentown Development will be responsible for the development and management of projects such as Xi'an Aoyuan Glorious Peak, Chongqing Nanchuan Aoyuan Central Parkview, etc.. Greentown Development will be responsible for the planning and design, construction supervision, building construction and marketing planning of these projects.

Debt Restructuring

The Company continues to work closely with its financial and legal advisors to analyze the financial position of the Group and formulate a consensual restructuring proposal. The Company's financial advisor KPMG Advisory (China) Limited ("**KPMG**") is assisting the Company in its discussion with all relevant stakeholders. As at the date of this announcement, the relevant work in respect of the Group's potential restructuring plan is ongoing.

The Company also continues to engage in constructive discussions with its onshore and offshore creditors, with a view to stabilize the situation and preserve value for the Group and its creditors. 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 RMB23 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. The Company maintains an ongoing dialogue with potential investors in relation to a recapitalization as part of the implementation of a consensual 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.

Offshore creditors of the Company are encouraged to contact the following representatives to facilitate the Company's efforts to implement a potential restructuring plan:

KPMG Advisory (China) Limited

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

Email: aoyuan.restructuring@kpmg.com

2021 Annual Results and 2022 Interim Results

The auditor of the Company is still in the course of preparing the 2021 Annual Results and the 2022 Interim Results. The timing for the release of the 2021 Annual Results and the 2022 Interim Results is yet to be confirmed. The Board and the management of the Company will continue to work with its auditor closely to finalize and publish the 2021 Annual Results and the 2022 Interim Results, and despatch the 2021 Annual Report and 2022 Interim Report as soon as practicable.

Resumption Plan

The Company is still in the process of devising and considering its resumption plan. In order to satisfy the requirements under the Resumption Guidance and the Listing Rules, the Company will continue to work with its professional advisors to advance the resumption progress.

The Company will publish further announcement(s) to keep the Shareholders and its potential investors informed of the status and development of the Company as and when appropriate, as well as announce quarterly updates on its development of the resumption status pursuant to Rule 13.24A of the Listing Rules.

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 and will continue to be suspended until further notice.

The implementation of the proposed debt restructuring will be subject to many factors not within the control of the Company. As there is no assurance that the proposed debt restructuring will be successfully implemented, Shareholders, 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 and (ii) reminded to consider the related risks and exercise caution when dealing in the shares and other securities of the Company. When in doubt, Shareholders, holders of securities of the Company and other investors of the Company are advised to seek professional advice from their own professional or financial advisers.

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

Hong Kong, 30 September 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.