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**禹洲集團控股有限公司**

**YUZHOU GROUP HOLDINGS COMPANY LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Equity Stock Code: 01628)**

**(Debt Security Stock Codes: 05798, 40043, 40159, 40079, 40112, 40343, 40517 and 05287)**

## **VOLUNTARY ANNOUNCEMENT UPDATE ON THE DEBT RESTRUCTURING AND BUSINESS DEVELOPMENT**

This is a voluntary announcement made by Yuzhou Group Holdings Company Limited (the “**Company**”, together with its subsidiaries and affiliated companies, “**Yuzhou Group**” or the “**Group**”).

Reference is made to the announcement of the Company dated 6 August 2023 (the “**Announcement**”). Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement.

### **1. UPDATE ON THE DEBT RESTRUCTURING**

As stated in the Announcement, the Company has been actively working with its financial advisors, Alvarez & Marsal Corporate Finance Limited, BOCI Asia Limited and Haitong International Securities Company Limited, and its legal advisor, Linklaters, to address its current liquidity issues through a consensual and holistic arrangement with its stakeholders. The Company’s objective is to ensure the long-term sustainable development of its business while safeguarding the interests of all stakeholders and preserving value.

Since the release of the Announcement, the Company and its advisors have made further meaningful progress on the restructuring proposal, and are close to reaching an agreement with the AHG and its advisors, PJT Partners and Kirkland & Ellis, on the key commercial terms of the restructuring proposal. The Company and its advisors are also actively engaging with other key creditor constituents in parallel on the proposed restructuring terms. The Company and its advisors will continue to work diligently and expeditiously towards finalizing the restructuring proposal with the AHG and other key creditor constituents, and enter into restructuring support agreements with its creditors once such proposal has been finalized, in order to implement the proposed restructuring proposal. The Company is confident of securing the support of all important stakeholders for the proposed restructuring proposal and will continue to provide significant updates on the progress of the restructuring to all stakeholders in a timely manner.

## 2. UPDATE ON THE BUSINESS DEVELOPMENT

The Group is principally engaged in property development, commercial investment and operations and hotel operations in the People's Republic of China. Based on the recent real estate data from January to November 2023 released by the National Bureau of Statistics, the real estate market continues to be in a cycle of adjustment, and the market remains under downward pressure. National policy support to promote stable development of the real estate market has continually increased, aiming to restore confidence of all parties in the stabilization and recovery of the real estate market. The work of “guaranteeing housing delivery” which is crucial to restoring home buyers' confidence has played a very positive guiding role in stabilizing the market's expectations.

In 2023, with the core operational goal of “guaranteeing project completion, guaranteeing housing delivery, improving efficiency and stabilizing operation”, the Group actively promoted the orderly resumption of work and production of various projects, and comprehensively pushed for the implementation of the “Yuzhou Well-pleasing 1628” Delivery Guarantee System. From the group headquarters and regional companies to the front line of the project, the Group developed good pre-planning, coordinated and solved difficulties in the work of guaranteeing housing deliveries, steadily advanced and completed the operational engineering node of each project. At the same time, whilst ensuring construction progress of each project, the Group guaranteed safety management and quality control, strictly implemented the system requirements of the Company's relevant operation and management regulations, carried out pre-delivery quality control of the projects in six key points, and conducted strict risk screening of the projects to ensure the smooth and high-quality completion of the project delivery.

Throughout 2023, the Group is expected to complete approximately 60 batches of projects with delivery of nearly 30,000 residential units in more than 26 cities including Beijing, Hefei, Hangzhou, Chongqing, Qingdao, Suzhou, Yangzhou, Tangshan and Foshan, achieving a completion rate of 100% and a 30-day delivery rate of nearly 80% in the projects that have been delivered this year. Among them, many projects, such as Yuzhou Honor Hill in Shijiazhuang, Yuzhou Kingdom Mansion in Yangzhou, Yuzhou Langham Bay in Foshan, Yuzhou City Plaza in Quanzhou and Yuzhou Castle above City in Zhangzhou, have achieved a record high in delivery satisfaction. Recently, the Company has also been awarded the “2023 Real Estate Delivery Satisfaction Model Enterprise\* (2023年樓盤交付滿意度典範企業)” by Leju Finance\*(樂居財經). The Group has always been actively coordinating resources from all parties, overcoming numerous difficulties, prioritizing the smooth completion and delivery of the projects, continuously improving the delivery capacity in multiple dimensions, systematically guaranteeing the ideal home, and firmly fulfilling its commitment to the owners.

In addition, the Group has been making every effort to respond to the current marketing environment in an active way and adopting all marketing strategies to boost sales and speed up cash collection. From January to November 2023, the Group's accumulated contracted sales amounted to RMB17,233 million, and the corresponding GFA of contracted sales amounted to 1,049,441 sq.m.. The Company has been actively trying to stabilize the Company's cash flow through guaranteeing housing delivery, stabilizing operations, ensuring sales, revitalizing project assets and other positive measures, so that the Company can continue as a going concern for a long time whilst making continuous efforts to safeguard the interests of all investors.

**Shareholders and other investors of the Company are advised not to rely solely on the information contained in this announcement and should exercise caution when dealing in the securities of the Company. When in doubt, the shareholders and other investors of the Company are advised to seek professional advice from their own professional or financial advisors.**

By Order of the Board  
**Yuzhou Group Holdings Company Limited**  
**Kwok Ying Lan**  
*Chairman*

Hong Kong, 22 December 2023

*As at the date of this announcement, the executive directors of the Company are Ms. Kwok Ying Lan (Chairman) and Mr. Lin Conghui, the non-executive directors of the Company are Mr. Lam Lung On (J.P.) and Mr. Song Jiajun, and the independent non-executive directors of the Company are Mr. Lam Kwong Siu, Mr. Wee Henny Soon Chiang and Mr. Yu Shangyou.*

\* *For identification purpose only*