



TAHOE GROUP CO., LTD.

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FURTHER ANNOUNCEMENT

This announcement is made by Tahoe Group Co., Ltd. 泰禾集团股份有限公司 (the “**Company**”, SZSE: 000732, together with its subsidiaries, the “**Group**”).

Reference is made to the announcement of the Company on July 14, 2020 with respect to the Company’s recent development and review of strategic alternatives (the “**Announcement**”). Since the release of the Announcement, certain Chinese media has misunderstood the Company’s intentions. The Company would like to clarify that it sincerely intends to honor its debt obligations and has made significant efforts in recent months to enhance its liquidity position, but due to a mismatch of its cash flows and debt repayment obligations, the Company does not have sufficient cash resources to make certain interest and principal payments according to existing terms. The Company extends its sincere apologies.

In an effort to properly address its liquidity issues and improve its business operations, the Company has appointed financial and legal advisors as well as other professional parties to assist in reviewing and assessing various options and in formulating a plan for a consensual debt restructuring. The Company believes this will maximize the long-term value of its business and best protect interests of all stakeholders. The Company and its financial advisors will proactively communicate with all creditors on the restructuring proposal and the progress of its work. As such, the Company seeks the support and cooperation from all creditors to complete a consensual restructuring as soon as practicable for mutual benefit.

For further information, please contact:

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