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**CONNECTED TRANSACTIONS
IN RELATION TO THE HONG KONG UNDERWRITING AGREEMENT
AND THE INTERNATIONAL UNDERWRITING AGREEMENT
IN CONNECTION WITH THE GLOBAL OFFERING OF
YUEXIU SERVICES GROUP LIMITED**

Reference is made to the announcements of the Company dated 10 February 2021, 17 May 2021, 9 June 2021 and 16 June 2021 in relation to the Proposed Spin-off.

On 1 December 2020, the Company (as controlling shareholder of Yuexiu Services) and Yue Xiu Capital entered into the Sponsor Agreement in respect of the Proposed Spin-off and the Global Offering.

On 14 June 2021, the Company (as controlling shareholder of Yuexiu Services), Yuexiu Services (as the issuer), Yue Xiu Capital (as one of the Joint Sponsors) and Yue Xiu Securities (as one of the Joint Representatives), among others, entered into the Hong Kong Underwriting Agreement in respect of the Hong Kong Public Offering.

On 22 June 2021, the Company (as controlling shareholder of Yuexiu Services), Yuexiu Services (as the issuer), Yue Xiu Capital (as one of the Joint Sponsors) and Yue Xiu Securities (as one of the Joint Representatives), among others, entered into the International Underwriting Agreement in respect of the International Offering.

As at the date of this announcement, both Yue Xiu Capital and Yue Xiu Securities are indirectly wholly-owned subsidiaries of YXE, which is a wholly-owned subsidiary of GZYX, being the ultimate controlling shareholder of the Company.

Accordingly, Yue Xiu Capital and Yue Xiu Securities are connected persons of the Company pursuant to the Listing Rules and the transactions contemplated under the Sponsor Agreement and the Underwriting Agreements (including the payment of the sponsor fee to Yue Xiu Capital, any underwriting commission and incentive fees (if any) to Yue Xiu Securities, and its underwriting commitments of the Offer Shares under the Underwriting Agreements) constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

As each of the applicable percentage ratios calculated in accordance with the Listing Rules in respect of the International Underwriting Agreement (as aggregated with the Sponsor Agreement and the Hong Kong Underwriting Agreement) is less than 5% but more than 0.1%, the transactions contemplated under the International Underwriting Agreement are subject to the reporting and announcement requirements but exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

The Board wishes to emphasise that the Global Offering is subject to, among other things, the granting of the approval of the listing of, and permission to deal in, the Yuexiu Services Shares on the Stock Exchange, and the Hong Kong Underwriting Agreement and the International Underwriting Agreement becoming unconditional. Accordingly, Shareholders and potential investors of the Company should be aware that there is no assurance that the Proposed Spin-off and the Global Offering (including the Preferential Offering) will take place and, if so, when it may take place. Shareholders and potential investors of the Company should exercise caution when dealing in or investing in the securities of the Company.

INTRODUCTION

Reference is made to the announcements of the Company dated 10 February 2021, 17 May 2021, 9 June 2021 and 16 June 2021 in relation to the Proposed Spin-off.

On 1 December 2020, the Company (as controlling shareholder of Yuexiu Services) and Yue Xiu Capital (as one of the Joint Sponsors) entered into the Sponsor Agreement in respect of the Proposed Spin-off and the Global Offering.

On 14 June 2021, the Company (as controlling shareholder of Yuexiu Services), Yuexiu Services (as the issuer), Yue Xiu Capital (as one of the Joint Sponsors) and Yue Xiu Securities (as one of the Joint Representatives), among others, entered into the Hong Kong Underwriting Agreement in respect of the Hong Kong Public Offering.

On 22 June 2021, the Company (as controlling shareholder of Yuexiu Services), Yuexiu Services (as the issuer), Yue Xiu Capital (as one of the Joint Sponsors) and Yue Xiu Securities (as one of the Joint Representatives), among others, entered into the International Underwriting Agreement in respect of the International Offering.

Yue Xiu Capital is one of the Joint Sponsors while Yue Xiu Securities is one of the Joint Representatives, joint global coordinators, joint bookrunners, joint lead managers, Hong Kong Underwriters and International Underwriters of the Global Offering.

The Global Offering comprises:

- (i) the Hong Kong Public Offering of initially 36,966,000 Yuexiu Services Shares (subject to reallocation) in Hong Kong, representing approximately 10% of the total number of Offer Shares initially available under the Global Offering; and
- (ii) the International Offering of initially 332,694,000 Yuexiu Services Shares (including 36,951,000 Reserved Shares under the Preferential Offering) (subject to reallocation and the Over-allotment Option), representing approximately 90% of the total number of Offer Shares initially available under the Global Offering.

KEY TERMS OF THE SPONSOR AGREEMENT

The principal terms of the Sponsor Agreement are as follows:

On 1 December 2020, the Company entered into the Sponsor Agreement with amongst others, Yue Xiu Capital pursuant to which Yue Xiu Capital agreed to act as one of the Joint Sponsors in respect to the Proposed Spin-off and the Global Offering. The sponsor fee payable to Yue Xiu Capital under the transactions contemplated under the Sponsor Agreement will be HK\$0.3 million.

KEY TERMS OF THE HONG KONG UNDERWRITING AGREEMENT

The principal terms of the Hong Kong Underwriting Agreement are as follows:

Conditions precedent: The obligations of Yue Xiu Securities and other Hong Kong Underwriters under the Hong Kong Underwriting Agreement are conditional upon amongst others, the following conditions being satisfied or, where applicable, waived:

- (a) the Joint Sponsors and Joint Representatives receiving certain designated Conditions Precedent Documents (as defined in the Hong Kong Underwriting Agreement) not later than the specified time on each of the business day immediately before the date of the Prospectus and the business day immediately before the date of Listing or such later time and/or date as the Joint Sponsors and the Joint Representatives (for themselves and on behalf of the Hong Kong Underwriters) may agree;
- (b) the issue by the Stock Exchange of a certificate of authorisation of registration in respect of the Prospectus and the registration by the Registrar of Companies in Hong Kong of the Prospectus and the accompanying application forms, having attached thereto all necessary consents and documents required by the applicable laws of Hong Kong not later than the specified time or such later time as agreed by the Stock Exchange or the Registrar of Companies in Hong Kong (as the case may be) on the business day before the date of the Prospectus;

- (c) the granting of the listing of and permission to deal in Yuexiu Services Shares on the Stock Exchange having occurred and become effective (either unconditionally or subject only to allotment and issue of the relevant Offer Shares, despatch or availability for collection of share certificates in respect of the Offer Shares and/or such other conditions as may be acceptable to the Joint Sponsors and the Joint Representatives (for themselves and on behalf of the Hong Kong Underwriters)) on or before the date of Listing (or such later date as the Joint Sponsors and the Joint Representatives may (for themselves and on behalf of the Hong Kong Underwriters) agree in writing) and not subsequently having been revoked prior to the commencement of trading of the Yuexiu Services Shares on the Stock Exchange;
- (d) the Offer Price having been fixed, and the Price Determination Agreement (as defined in the Hong Kong Underwriting Agreement) having been duly executed by Yuexiu Services and the Joint Representatives (for themselves and on behalf of the Underwriters) on the price determination date (as defined in the Hong Kong Underwriting Agreement) (or such later date as may be agreed between the Joint Representatives (for themselves and on behalf of the Underwriters) and Yuexiu Services) and such agreement not subsequently having been terminated; and
- (e) the execution and delivery of the International Underwriting Agreement and the Stock Borrowing Agreement (as defined in the Prospectus) on the Price Determination Date (as defined in the Prospectus) and such agreement(s) not subsequently having been terminated, the obligations of the International Underwriters under the International Underwriting Agreement having become unconditional in accordance with its terms, save for the condition therein relating to the obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement and the International Underwriting Agreement not having been terminated in accordance with its terms or otherwise prior to 8:00 a.m. on the date of Listing.

- Underwriting commitment: Subject to the conditions set forth in the Hong Kong Underwriting Agreement, the Hong Kong Underwriters, severally (and not jointly or jointly and severally), agree to procure subscribers to, or failing which themselves as principal to, subscribe the Yuexiu Services Shares offered under the Hong Kong Public Offering (subject to adjustment, and any reallocation of Offer Shares between the Hong Kong Public Offering and the International Offering) in the agreed proportion as set out in the International Underwriting Agreement.
- Underwriting commission: Yuexiu Services shall pay the Joint Representatives (for themselves and on behalf of the Hong Kong Underwriters) an underwriting commission equal to 1.7% of the aggregate Offer Price in respect of all of the Offer Shares under the Hong Kong Public Offering (excluding any Offer Shares under the International Offering reallocated to and from the Hong Kong Public Offering). The respective entitlements of the Hong Kong Underwriters to the underwriting commission will be paid as separately agreed between the Joint Representatives and the Hong Kong Underwriters in the International Underwriting Agreement.
- Yuexiu Services may, at its sole and absolute discretion, pay to the Joint Global Coordinators a discretionary incentive fee of up to 0.5% of the Offer Price for each Offer Share, the amount of which will be determined separately between the Joint Representatives and Yuexiu Services.
- Termination: The Joint Representatives (for themselves and on behalf of the Hong Kong Underwriters) may, in their sole and absolute discretion and upon giving notice in writing to Yuexiu Services (or in the case of item (1) (f) below only, after consultation with Yuexiu Services) terminate the Hong Kong Underwriting Agreement if at any time prior to 8:00 a.m. on the date of Listing, among others:
- (1) there has come to the notice of the Joint Representatives (for themselves and on behalf of the Hong Kong Underwriters):
 - (a) any statement contained in the Offering Documents (as defined in the Hong Kong Underwriting Agreement) was or has become untrue, incorrect or misleading in any material respect or any forecast, estimate, expression of opinion, intention or expectation contained therein is not fair and honest and made on reasonable grounds or, where appropriate, based on reasonable assumptions, when taken as a whole; or
 - (b) any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of the Prospectus and not having been disclosed in the offering documents, constitutes a material omission therefrom; or

- (c) any event, act or omission which gives or is likely to give rise to any liability of Yuexiu Services, GCD China and the Company pursuant to the Hong Kong Underwriting Agreement; or
 - (d) any breach of any of the material obligations of any of Yuexiu Services, GCD China or the Company under the Hong Kong Underwriting Agreement; or
 - (e) any breach of the Warranties (as defined in the Hong Kong Underwriting Agreement); or
 - (f) a material portion of the orders placed or confirmed in the book-building process or the investment commitments by any cornerstone investor(s) after signing of the relevant cornerstone investment agreement(s) have been withdrawn, terminated or cancelled; or
 - (g) any expert, whose consent is required for the issue of the Prospectus with the inclusion of its reports, letters or opinions and references to its name included in the form and context in which it respectively appears, has withdrawn its respective consent (other than the Joint Sponsors) prior to the issue of the Prospectus; or
 - (h) any material adverse change in the assets, business, general affairs, management, profits, losses, results of operations, in the position or condition (financial or otherwise) or prospects of Yuexiu Services Group as a whole; or
 - (i) admission is refused or not granted, other than subject to customary conditions, on or before the date of Listing, or if granted, the admission is subsequently withdrawn, cancelled, qualified (other than by customary conditions), revoked or withheld; or
 - (j) Yuexiu Services has withdrawn the offering documents (and/ or any other documents issued or used in connection with the Global Offering) or the Global Offering; or
- (2) there develops, occurs, exists or comes into force, certain events specified in the Hong Kong Underwriting Agreement, which individually or in the aggregate, in the sole and absolute opinion of the Joint Representatives (for themselves and on behalf of the Hong Kong Underwriters),

- A. has or will have a material adverse effect on the assets, liabilities, business, management, profit, losses, results of operations, position or condition (financial or otherwise) of Yuexiu Services Group as a whole; or
- B. has or will have a material adverse effect on the success of the Global Offering or the level of applications under the Hong Kong Public Offering or the level of interest under the International Offering; or
- C. has made or will make it impracticable or incapable to proceed with the Global Offering or the delivery of the Offer Shares on the terms and in the manner contemplated by the Prospectus, the application forms, or the offering circular; or
- D. has or will have the effect of making a part of the Hong Kong Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or which prevents the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof.

KEY TERMS OF THE INTERNATIONAL UNDERWRITING AGREEMENT

The principal terms of the International Underwriting Agreement are as follows:

- Conditions precedent: The performance of the obligations of Yue Xiu Securities and other International Underwriters pursuant to the International Underwriting Agreement is conditional upon satisfaction of, amongst others, the following conditions:
- (a) the delivery to the Joint Sponsors and the Joint Representatives of certain documents as required under the International Underwriting Agreement;
 - (b) no amendment or supplement to the disclosure package or the final offering circular (as defined in the International Underwriting Agreement) have been announced, issued, published or delivered to the investors without the prior approval by the Joint Representatives and the Joint Sponsors;
 - (c) none of the disclosure package and the final offering circular shall include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading;

- (d) none of the directors of Yuexiu Services has revoked or withdrawn the authority and confirmations in the responsibility letter, statement of interests and power of attorney issued by him or her to Yuexiu Services, the Joint Sponsors, the Joint Representatives, and such authority and confirmations remain in full force and effect;
- (e) none of the experts disclosed in the offering documents has withdrawn its consent to the issue of each of the disclosure package and the final offering circular with the inclusion of its reports, letters, summaries of valuations and legal opinions (as the case may be) and references to its names included in the form and context in which it appears in the disclosure package or in the final offering circular;
- (f) Yuexiu Services shall have obtained approval from the Stock Exchange granting the listing of, and permission to deal in, the Yuexiu Services Shares on the Stock Exchange, and such approval shall not have been revoked or suspended;
- (g) the Hong Kong Underwriting Agreement shall have been executed by the parties thereto, become unconditional (except with respect to the unconditionality of the International Underwriting Agreement) and not have been terminated or otherwise ceased to have effect, and the Hong Kong Public Offering contemplated by the Hong Kong Underwriting Agreement shall have become unconditional and shall be closing substantially concurrently with the closing contemplated under the International Underwriting Agreement; and
- (h) subsequent to the respective dates as of which information is given in the disclosure package and the final offering circular, Yuexiu Services shall not have purchased any of its issued capital stock, nor declared, paid or otherwise made any dividend or distribution of any kind on its capital stock of any class, nor transferred or distributed any cash or other assets to any third party or affiliate.

Underwriting
commitment:

Subject to the conditions set forth in the International Underwriting Agreement, each of the International Underwriters, severally (and not jointly or jointly and severally), agree to purchase itself or through its affiliates, or to procure purchasers for, the Yuexiu Services Shares offered under the International Offering (subject to adjustment, any reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering and the Over-allotment Option).

Yue Xiu Securities agrees to purchase itself or through its affiliates not exceeding 15% of Yuexiu Services Shares offered under the Global Offering (assuming the exercise of the Over-allotment Option in full).

On this basis, the underwriting commitments of Yue Xiu Securities under the International Underwriting Agreement (as aggregated with the Hong Kong Underwriting Agreement) will not exceed 63,766,350 Yuexiu Services Shares (assuming the exercise of the Over-allotment Option in full) which is equivalent to an amount not exceeding HK\$415.8 million, assuming the final Offer Price is determined at HK\$6.52 per Offer Share, being the high end of the indicative Offer Price range.

Underwriting
commission:

Yuexiu Services agrees to pay the International Underwriters an underwriting commission equal to 1.7% of the Offer Price for each Offer Shares under the International Offering (including any Offer Shares under the International Offering reallocated to and from the Hong Kong Public Offering, and the Yuexiu Services Shares from exercise of the Over-allotment Option). The respective entitlements of the International Underwriters to the underwriting commission will be determined and paid as separately agreed between the Joint Representatives and Yuexiu Services.

Yuexiu Services also agrees, at its sole and absolute discretion, pay to the Joint Global Coordinators a discretionary incentive fee of up to 0.5% of the Offer Price for each Offer Shares under the International Offering (including any Offer Shares under the International Offering reallocated to and from the Hong Kong Public Offering, and the Yuexiu Services Shares from exercise of the Over-allotment Option), the amount of which will be determined separately between the Joint Representatives and Yuexiu Services.

The maximum aggregate amount of the underwriting commission and incentive fees (if any) payable by Yuexiu Services to Yue Xiu Securities, under the International Underwriting Agreement (as aggregated with the Hong Kong Underwriting Agreement and assuming the exercise of the Over-allotment Option in full) shall not exceed HK\$9.2 million, assuming the final Offer Price is determined at HK\$6.52 per Offer Share, being the high end of the indicative Offer Price range.

Termination:

The International Underwriting Agreement may be terminated under the following circumstances, including but not limited to:

- (a) if any of the conditions precedent to the obligations of the International Underwriters has not been fulfilled when and as required under the International Underwriting Agreement (unless otherwise waived or modified by the Joint Representatives); or
- (b) the obligations of the International Underwriters shall be subject to termination in the sole and absolute discretion of the Joint Representatives (for themselves and on behalf of the International Underwriters) and upon giving notice in writing to Yuexiu Services (or, in the case of item F below only, after consultation with the Company) with immediate effect if prior to 8:00 a.m. on the date of Listing:

- A. any statement contained in the offering documents (as defined in the Hong Kong Underwriting Agreement) was or has become untrue, incorrect or misleading in any material respect or any forecast, estimate, expression of opinion, intention or expectation contained therein is not fair and honest and made on reasonable grounds or, where appropriate, based on reasonable assumptions, when taken as a whole; or
- B. any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of the Prospectus and not having been disclosed in the offering documents, constitutes a material omission therefrom; or
- C. any event, act or omission which gives or is likely to give rise to any liability of the warrantors (as defined in the International Underwriting Agreement) pursuant to the International Underwriting Agreement;
- D. any breach of any of the material obligations of any of Yuexiu Services or the warranting shareholders (as defined in the International Underwriting Agreement) under this Agreement; or
- E. any breach of the warranties (as defined in the International Underwriting Agreement); or
- F. a material portion of the orders placed or confirmed in the book-building process or the investment commitments by any cornerstone investor(s) after signing of the relevant cornerstone investment agreement(s) have been withdrawn, terminated or cancelled; or
- G. any expert, whose consent is required for the issue of the Prospectus with the inclusion of its reports, letters or opinions and references to its name included in the form and context in which it respectively appears, has withdrawn its respective consent (other than the Joint Sponsors) prior to the issue of the Prospectus; or
- H. any material adverse change in the assets, business, management, profits, losses results of operations, in the position or condition (financial or otherwise) of the Yuexiu Services Group as a whole; or
- I. admission is refused or not granted, other than subject to customary conditions, on or before the date of Listing, or if granted, the admission is subsequently withdrawn, cancelled, qualified (other than by customary conditions), revoked or withheld; or

- J. any breach of any of the obligations of Yuexiu Services and the warranting shareholders under the International Underwriting Agreement or the Hong Kong Underwriting Agreement; or
- K. Yuexiu Services has withdrawn the offering documents (and/or any other documents issued or used in connection with the Global Offering) or the Global Offering;
- L. there shall have developed, occurred, existed or come into force, certain events specified in the International Underwriting Agreement, which individually or in the aggregate, in the sole and absolute opinion of the Joint Representatives (for themselves and on behalf of the Hong Kong Underwriters),
 - i. has or will have a material adverse effect on the assets, liabilities, business, management, profit, losses, results of operations, position or condition (financial or otherwise), or of Yuexiu Services Group as a whole; or
 - ii. has or will have a material adverse effect on the success of the Global Offering or the level of applications under the Hong Kong Public Offering or the level of interest under the International Offering; or
 - iii. has made or will make it impracticable or incapable to proceed with the Global Offering or the delivery of the Offer Shares on the terms and in the manner contemplated by the Prospectus, the application forms, or the disclosure package; or
 - iv. has or will have the effect of making a part of the International Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or which prevents the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof.

REASONS FOR AND BENEFITS OF THE PROPOSED SPIN-OFF OF YUE XIU SERVICES

Please refer to the paragraph headed “Rationale and benefits of the Proposed Spin-off” in the announcement of the Company dated 10 February 2021 for details. The Board is also of the view that the engagement of Yue Xiu Capital and Yue Xiu Securities will facilitate the Proposed Spin-off and the Global Offering.

The Directors (including the independent non-executive Directors) are of the view that the Sponsor Agreement and the Underwriting Agreements and the transactions contemplated thereunder (including the payment of sponsor fee, any underwriting commission and incentive fees (if any), and the underwriting commitment of the Offer Shares) have been entered into on normal commercial terms that are fair and reasonable, in the ordinary and usual course of business of the Company, and in the interests of the Company and the Shareholders as a whole.

None of the Directors has a material interest in the Sponsor Agreement and the Underwriting Agreements or is required to abstain from voting on the resolutions in relation to such transactions.

LISTING RULES IMPLICATIONS

As at the date of this announcement, both Yue Xiu Capital and Yue Xiu Securities are indirectly wholly-owned subsidiaries of YXE, which is a wholly-owned subsidiary of GZYY, being the ultimate controlling shareholder of the Company.

Accordingly, Yue Xiu Capital and Yue Xiu Securities are connected persons of the Company pursuant to the Listing Rules and the transactions contemplated under the Sponsor Agreement and the Underwriting Agreements (including the payment of sponsor fee to Yue Xiu Capital and any underwriting commission and incentive fees (if any) to Yue Xiu Securities, and its underwriting commitments of the Offer Shares under the Underwriting Agreements) constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

As none of the applicable percentage ratios in respect of each of the Sponsor Agreement and the Hong Kong Underwriting Agreement exceeded 0.1%, the transactions contemplated under each of the Sponsor Agreement and the Hong Kong Underwriting Agreement were fully exempt from reporting and announcement requirements under Chapter 14A of the Listing Rules. Pursuant to Rule 14A.81 of the Listing Rules, the transactions under the Sponsor Agreement and the Underwriting Agreements are aggregated. As each of the applicable percentage ratios calculated in accordance with the Listing Rules in respect of the International Underwriting Agreement (as aggregated with the Sponsor Agreement and the Hong Kong Underwriting Agreement) is less than 5% but more than 0.1%, the transactions contemplated under the International Underwriting are subject to the reporting and announcement requirements but exempt from the independent Shareholders’ approval requirement under Chapter 14A of the Listing Rules.

INFORMATION ON THE COMPANY, YUEXIU SERVICES, YUE XIU CAPITAL AND YUEXIU SECURITIES

The Company is principally engaged in property development and investment, focusing on property development in the Guangdong-Hong Kong-Macau Greater Bay Area, Eastern China Region, Central China Region, Northern China Region and South Western China Region.

Yuexiu Services is an indirect non-wholly owned subsidiary of the Company and is an urban operation service provider in China and a key market player offering integrated property management services in the Greater Bay Area.

Both Yue Xiu Capital and Yue Xiu Securities are indirectly wholly-owned subsidiaries of YXE, which is a wholly-owned subsidiary of GZYY, being the ultimate controlling shareholder of the Company. Yue Xiu Capital is a corporation licensed to conduct Type 6 (advising on corporate finance) regulated activity (as defined under the SFO).

Yue Xiu Securities is a corporation licensed to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities) and Type 5 (advising on futures contracts) regulated activities (as defined under the SFO).

GENERAL

The Board wishes to emphasise that the Global Offering is subject to, among other things, the granting of the approval of the listing of, and permission to deal in, the Yuexiu Services Shares on the Stock Exchange, and the Hong Kong Underwriting Agreement and the International Underwriting Agreement becoming unconditional. Accordingly, Shareholders and potential investors of the Company should be aware that there is no assurance that the Proposed Spin-off and the Global Offering (including the Preferential Offering) will take place and, if so, when it may take place. Shareholders and potential investors of the Company should exercise caution when dealing in or investing in the securities of the Company.

Further announcement(s) will be made by the Company in relation to the Proposed Spin-off and the Global Offering as and when appropriate.

DEFINITION

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

“Assured Entitlement”	the entitlement of the Qualifying Shareholders to apply for the Yuexiu Services Shares on an assured basis pursuant to the Preferential Offering determined on the basis of their respective shareholdings in the Company at 4:30 p.m. on the Record Date;
“Board”	the board of Directors;
“Company”	Yuexiu Property Company Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 00123);

“Director(s)”	the director(s) of the Company;
“GCD China”	Guangzhou Construction & Development Holdings (China) Limited, a company with limited liability incorporated in the British Virgin Islands on September 20, 2001 and is directly wholly-owned by the Company, and is one of the controlling shareholders of Yuexiu Services;
“Global Offering”	the Hong Kong Public Offering and the International Offering (including the Preferential Offering);
“GZYX”	Guangzhou Yue Xiu Holdings Limited* (廣州越秀集團股份有限公司), a company established in the PRC with limited liability on 25 December 2009, which is beneficially wholly-owned by the Guangzhou Municipal People’s Government of the PRC and is the ultimate controlling shareholder of the Company;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Hong Kong Public Offering”	the offer for subscription of the Offer Shares to the public in Hong Kong at the Offer Price, subject to and in accordance with the terms and conditions set out in the Prospectus and application forms of Yuexiu Services;
“Hong Kong Underwriters”	the underwriters of the Hong Kong Public Offering;
“Hong Kong Underwriting Agreement”	the underwriting agreement dated 14 June 2021 in relation to the Hong Kong Public Offering entered into by, among others, Yuexiu Services and the Hong Kong Underwriters;
“International Offer Shares”	the 332,694,000 Yuexiu Services Shares being initially offered for subscription and purchased at the Offer Price under the International Offering (including, for the avoidance of doubt, 36,951,000 Reserved Shares for the Preferential Offering), subject to reallocation as described in the Prospectus;
“International Offering”	the conditional placing of the International Offer Shares at the Offer Price outside the United States in offshore transactions in accordance with Regulation S (for the avoidance of doubt, the International Offer Shares initially being offered under the International Offering, the Reserved Shares are made available for subscription by the Qualifying Shareholders under the Preferential Offering);
“International Underwriters”	the underwriters of the International Offering;

“International Underwriting Agreement”	the underwriting agreement in relation to the International Offering which is expected to be entered into by, among others, the Company (as controlling shareholder of Yuexiu Services), Yuexiu Services (as the issuer), Yue Xiu Capital (as one of the Joint Sponsors) and Yue Xiu Securities (as one of the Joint Representatives and International Underwriters);
“Joint Global Coordinators”	joint global coordinators of the Global Offering, being ABCI Capital Limited, China Securities (International) Corporate Finance Company Limited, CCB International Capital Limited, Yue Xiu Securities Company Limited and BOCOM International Securities Limited;
“Joint Representatives”	Joint Global Coordinators’ representatives, being ABCI Capital Limited, China Securities (International) Corporate Finance Company Limited, CCB International Capital Limited and Yue Xiu Securities Company Limited;
“Joint Sponsors”	joint sponsors of the Global Offering, being ABCI Capital Limited, China Securities (International) Corporate Finance Company Limited, CCB International Capital Limited and Yue Xiu Capital Limited;
“Listing”	the listing of the Yuexiu Services Shares on the Main Board of the Stock Exchange;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time;
“Non-qualifying Shareholders”	Shareholders whose name appear in the register of members of the Company on the Record Date and whose address as shown in such register is in any of the Specified Territories and any Shareholders or beneficial Shareholders at that time who is otherwise known by the Company to be resident in any of the Specified Territories;
“Offer Price”	the final offer price per Offer Share (exclusive of brokerage fee of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%);
“Offer Shares”	the 36,966,000 Yuexiu Services Shares being initially offered by Yuexiu Services for subscription at the Offer Price pursuant to the Hong Kong Public Offering and the 332,694,000 Yuexiu Services Shares being initially offered for subscription and purchased at the Offer Price pursuant to the International Offering (including, for the avoidance of doubt, 36,951,000 Reserved Shares for the Preferential Offering), together with any additional Yuexiu Services Shares issued by Yuexiu Services pursuant to the Over-allotment Option;

“Over-allotment Option”	the option to be granted by Yuexiu Services to and exercisable by the Joint Representatives, pursuant to which Yuexiu Services may be required to allot and issue up to an aggregate of 55,449,000 additional Yuexiu Services Shares (representing approximately 15% of the Yuexiu Services Shares initially being offered under the Global Offering) to cover over-allocations in the International Offering;
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region and Taiwan;
“Preferential Offering”	the preferential offering of the Yuexiu Services Shares to the Qualifying Shareholders as the Assured Entitlement in the Global Offering;
“Proposed Spin-off”	the proposed spin-off and separate listing of the Yuexiu Services Shares on the Main Board of the Stock Exchange by way of Global Offering, including the Preferential Offering;
“Prospectus”	the prospectus of Yuexiu Services being issued in connection with the Hong Kong Public Offering dated 16 June 2021;
“Qualifying Shareholders”	Shareholders whose name appear on the register of members of the Company as at 4:30 p.m. on the Record Date, other than the Non-qualifying Shareholders;
“Record Date”	2 June 2021, being the record date for determining the Assured Entitlement of the Qualifying Shareholders to the Reserved Shares;
“Regulation S”	Regulation S under the United States Securities Act of 1933, as amended and the rules and regulations promulgated thereunder;
“Reserved Shares”	the 36,951,000 Yuexiu Services Shares being offered by Yuexiu Services pursuant to the Preferential Offering at the Offer Price to the Qualifying Shareholders as the Assured Entitlement, which are to be allocated out of the International Offer Shares;
“SFC”	the Securities and Futures Commission of Hong Kong;
“SFO”	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 the Company;
“Shareholder(s)”	holder(s) of the Share(s);

“Specified Territories”	jurisdictions outside Hong Kong, namely PRC, United Kingdom, Malaysia and Singapore where, taking into account the legal restrictions under the applicable laws or requirements of the relevant regulatory body or stock exchange of such jurisdictions, the Company and Yuexiu Services consider the exclusion of the Shareholders with registered addresses in, or who are otherwise known by the Company to be residents of, such jurisdictions from the Preferential Offering to be necessary or expedient;
“Sponsor Agreement”	the sponsor agreement entered into between Yue Xiu Capital (as one of the Joint Sponsors) and the Company (as the controlling shareholder of Yuexiu Services) dated 1 December 2020 in respect of the Proposed Spin-off and the Global Offering;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Underwriters”	the Hong Kong Underwriters and the International Underwriters;
“Underwriting Agreements”	the Hong Kong Underwriting Agreement and the International Underwriting Agreement;
“United States”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction;
“Yue Xiu Capital”	Yue Xiu Capital Limited, a company incorporated under the laws of Hong Kong, licensed to conduct Type 6 (advising on corporate finance) regulated activity (as defined under the SFO), and an indirectly wholly-owned subsidiary of YXE, which is a wholly-owned subsidiary of GZYY, being the ultimate controlling shareholder of the Company;
“Yue Xiu Securities”	Yue Xiu Securities Company Limited, a company incorporated under the laws of Hong Kong, licensed to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities) and Type 5 (advising on futures contracts) regulated activities (as defined under the SFO), and an indirectly wholly-owned subsidiary of YXE, which is a wholly-owned subsidiary of GZYY, being the ultimate controlling shareholder of the Company;
“Yuexiu Services”	Yuexiu Services Group Limited (越秀服務集團有限公司) (formerly known as Yuexiu Property Management Holding Limited (越秀物業管理股份有限公司)), a limited company incorporated in Hong Kong on 8 October 2020 and is an indirect non wholly-owned subsidiary of the Company as at the date of this announcement;
“Yuexiu Services Group”	Yuexiu Services and its subsidiaries;

“Yuexiu Services Shares”	ordinary shares in the share capital of Yuexiu Services;
“YXE”	Yue Xiu Enterprises (Holdings) Limited (越秀企業(集團)有限公司), a company incorporated in Hong Kong with limited liability on 28 December 1984 and which is a wholly-owned subsidiary of GZYX;
“%”	per cent.

By Order of the Board
Yuexiu Property Company Limited
Yu Tat Fung
Company Secretary

Hong Kong, 23 June 2021

As at the date of this announcement, the Board comprises:

Executive Directors: *LIN Zhaoyuan (Chairman), LIN Feng, LI Feng,
CHEN Jing and LIU Yan*

Non-executive Director: *OUYANG Changcheng*

Independent Non-executive Directors: *YU Lup Fat Joseph, LEE Ka Lun and
LAU Hon Chuen Ambrose*