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(Incorporated in Hong Kong with limited liability)

(Stock code: 00123)

ANNOUNCEMENT

PROPOSED ISSUE OF CNY700,000,000 4.00% GUARANTEED NOTES DUE 2026

**(TO BE CONSOLIDATED AND FORM A SINGLE SERIES WITH THE
CNY510,000,000 4.00% GUARANTEED NOTES DUE 2026 ISSUED BY
THE ISSUER ON 15 NOVEMBER 2023)**

This announcement is made pursuant to Rule 13.18 of the Listing Rules.

The Board wishes to announce that on 12 January 2024, the Issuer as issuer, the Company as guarantor and the Joint Lead Managers as joint lead managers entered into the Subscription Agreement, pursuant to which the Joint Lead Managers have severally and not jointly agreed to subscribe and pay for, or to procure subscribers to subscribe and pay for, the Additional Notes, and the Issuer has agreed to issue the Additional Notes on the Issue Date to the Joint Lead Managers or as the Joint Lead Managers may direct.

The Additional Notes will be consolidated and form a single series with the Original Notes upon issue.

The Additional Notes will be offered and issued to professional investors (as defined in Section 11 of the Guideline on Provision and Distribution of Financial Products (Circular no. 033/B/2010-DSB/AMCM dated 17 September 2010), Section 2.7 of the Guideline on Underwriting and Trustee Business of Corporate Bond (Circular no. 011/B/2023-DSB/AMCM dated 1 November 2023) and Section 2.7 of the Guideline on Issuance and Information Disclosure of Corporate Bond (Circular no. 011/B/2023-DSB/AMCM dated 1 November 2023)) only. The Issuer will apply for the listing of the Additional Notes on the MOX.

The gross proceeds of the Proposed Additional Notes Issue before deducting underwriting commissions to be charged by the Joint Lead Managers and other expenses incurred or to be incurred in connection with the Proposed Additional Notes Issue will amount to approximately CNY704.95 million. The net proceeds of the Proposed Additional Notes Issue are intended to be used in connection with the refinancing of certain offshore medium to long term debts maturing within one year of the Group.

Completion of the Subscription Agreement is subject to the satisfaction, or waiver, of the conditions precedent therein. In addition, the Subscription Agreement may be terminated under certain circumstances. As the Subscription Agreement may or may not be completed and the Proposed Additional Notes Issue may or may not proceed, Shareholders and prospective investors are reminded to exercise caution when dealing in the Shares.

This announcement is made pursuant to Rule 13.18 of the Listing Rules.

The Board wishes to announce that on 12 January 2024, the Issuer as issuer, the Company as guarantor and the Joint Lead Managers as joint lead managers entered into the Subscription Agreement.

SUBSCRIPTION AGREEMENT

Date: 12 January 2024

Parties: (1) the Issuer, as issuer
(2) the Company, as guarantor
(3) CLSA Limited, CMB International Capital Limited, Chong Hing Bank Limited, Yue Xiu Securities Company Limited, Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch, China Zheshang Bank Co., Ltd. (Hong Kong Branch), Nanyang Commercial Bank, Limited, Luso International Banking Limited, Industrial and Commercial Bank of China (Asia) Limited and ABCI Capital Limited, as joint lead managers

Subject to and in accordance with the provisions of the Subscription Agreement, the Joint Lead Managers have severally and not jointly agreed to subscribe and pay for, or to procure subscribers to subscribe and pay for, the Additional Notes, and the Issuer has agreed to issue the Additional Notes on the Issue Date to the Joint Lead Managers or as the Joint Lead Managers may direct.

The Issuer and the Company have agreed that the Issuer will (failing whom the Company will) pay the Joint Lead Managers management and underwriting commission and certain of their expenses in connection with the Proposed Additional Notes Issue.

The Additional Notes will be offered and issued to professional investors (as defined in Section 11 of the Guideline on Provision and Distribution of Financial Products (Circular no. 033/B/2010-DSB/AMCM dated 17 September 2010), Section 2.7 of the Guideline on Underwriting and Trustee Business of Corporate Bond (Circular no. 011/B/2023-DSB/AMCM dated 1 November 2023) and Section 2.7 of the Guideline on Issuance and Information Disclosure of Corporate Bond (Circular no. 011/B/2023-DSB/AMCM dated 1 November 2023)) only. The Additional Notes will be offered and sold only outside the United States in reliance on Regulation S under the Securities Act.

Conditions Precedent

The obligations of the Joint Lead Managers to subscribe and pay for, or to procure subscribers to subscribe and pay for, the Additional Notes, are conditional upon, among other things:

- (a) the Issuer and the Company, having performed all of their respective obligations under the Subscription Agreement to be performed on or before the Issue Date and upon the accuracy, on the Issue Date, of the representations and warranties of the Issuer and the Company; and
- (b) the MOX having agreed to list the Additional Notes, subject only to their issue.

RATING OF THE ADDITIONAL NOTES

The Original Notes were assigned a rating of “Baa3” by Moody’s. The Additional Notes are expected to have the same rating of “Baa3” assigned and/or confirmed by Moody’s.

PRINCIPAL TERMS OF THE ADDITIONAL NOTES

Additional Notes Offered

The Additional Notes will comprise CNY700,000,000 4.00% guaranteed notes to be subscribed, or procured to be subscribed, severally and not jointly by the Joint Lead Managers, which will mature in 2026. The Additional Notes will be consolidated and form a single series with the Original Notes upon issue.

Issue Price

The Additional Notes shall be issued at a price equal to 99.995% of the principal amount of the Additional Notes plus accrued interest from (and including) 15 November 2023 to (but excluding) the Issue Date.

Interest Rate

The Additional Notes will bear interest on their outstanding principal amount from and including 15 November 2023 at the rate of 4.00% per annum, payable semi-annually in arrear on the Interest Payment Date (as defined in the Terms and Conditions) falling on, or nearest to, 15 May and 15 November in each year.

Ranking of the Additional Notes and Guarantee

The Additional Notes will constitute direct, unsubordinated, unconditional, and (subject to the negative pledge covenant set out in the Terms and Conditions) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Additional Notes and of the Company under the guarantee given by the Company under the Trust Deed shall, save for such exceptions as may be provided by applicable legislation and subject to the negative pledge covenant set out in the Terms and Conditions, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer and the Company, respectively, present and future.

Redemption Right

The Noteholders are entitled to redemption right pursuant to the Change of Control Put Option (as defined below) under the Terms and Conditions.

If, at any time while any of the Notes remains outstanding, a Change of Control Put Event (as defined in the Terms and Conditions) occurs, then the holder of each such Note will have the option (a “**Change of Control Put Option**”), subject to certain conditions, to require the Issuer to redeem or otherwise purchase that Note at the price set out in the Terms and Conditions.

A “**Change of Control Put Event**” includes, among others, the State-owned Assets Supervision and Administration Commission of the Guangzhou Municipal People’s Government, GZYX or their respective successors ceasing to have, either directly or indirectly or as the beneficiary of a trust, acting individually or together, Control of the Company.

Accordingly, the condition described above imposes an obligation on GZYX to maintain Control of the Company, which constitutes a specific performance obligation on a controlling shareholder under Rule 13.18 of the Listing Rules, the breach of which would cause a default under the Terms and Conditions whereby the Noteholders are entitled to exercise their Change of Control Put Options.

The aggregate amount of the Notes that may be affected if the Noteholders exercise their Change of Control Put Options is CNY1,210,000,000, being the aggregate principal amount of the Original Notes and the Additional Notes. The life of the facility for the purpose of Rule 13.18 of the Listing Rules is a period of three years from 15 November 2023 to the Interest Payment Date (as defined in the Terms and Conditions) falling on, or nearest to, 15 November 2026 in respect of the Notes.

LISTING

The Original Notes are listed on the MOX effective from 16 November 2023. The Issuer will apply for the listing of the Additional Notes on the MOX by way of debt issues to professional investors (as defined in Section 11 of the Guideline on Provision and Distribution of Financial Products (Circular no. 033/B/2010-DSB/AMCM dated 17 September 2010), Section 2.7 of the Guideline on Underwriting and Trustee Business of Corporate Bond (Circular no. 011/B/2023-DSB/AMCM dated 1 November 2023) and Section 2.7 of the Guideline on Issuance and Information Disclosure of Corporate Bond (Circular no. 011/B/2023-DSB/AMCM dated 1 November 2023)) only.

USE OF PROCEEDS

The gross proceeds of the Proposed Additional Notes Issue before deducting underwriting commissions to be charged by the Joint Lead Managers and other expenses incurred or to be incurred in connection with the Proposed Additional Notes Issue will amount to approximately CNY704.95 million. The net proceeds of the Proposed Additional Notes Issue are intended to be used in connection with the refinancing of certain offshore medium to long term debts maturing within one year of the Group.

LISTING RULES IMPLICATIONS

Each of Chong Hing Bank Limited and Yue Xiu Securities Company Limited is a subsidiary of GZYY, which is the ultimate controlling shareholder of the Company. As such, each of Chong Hing Bank Limited and Yue Xiu Securities Company Limited is a connected person of the Company.

As the Subscription Agreement has been entered into between (among others) the Company, the Issuer, Chong Hing Bank Limited and Yue Xiu Securities Company Limited on normal commercial terms, and the highest applicable percentage ratio as calculated in accordance with Chapter 14 of the Listing Rules using the maximum aggregate amount of management and underwriting commission, fees and expenses (if any) payable to Chong Hing Bank Limited and Yue Xiu Securities Company Limited under the Subscription Agreement is less than 0.1%, the transactions in respect of the payment of management and underwriting commission, fees and expenses (if any) by the Issuer to each of Chong Hing Bank Limited and Yue Xiu Securities

Company Limited (whether on a standalone or aggregated basis) contemplated under the Subscription Agreement will be regarded as *de minimis* connected transactions and are fully exempt from announcement, reporting and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Completion of the Subscription Agreement is subject to the satisfaction, or waiver, of the conditions precedent therein. In addition, the Subscription Agreement may be terminated under certain circumstances. As the Subscription Agreement may or may not be completed and the Proposed Additional Notes Issue may or may not proceed, Shareholders and prospective investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Additional Notes”	CNY700,000,000 4.00% guaranteed notes due 2026 (to be consolidated and form a single series with the Original Notes upon issue)
“Board”	the board of directors of the Company
“Change of Control Put Event”	has the meaning given to it in the paragraph headed “Redemption Right” of this announcement
“Change of Control Put Option”	has the meaning given to it in the paragraph headed “Redemption Right” of this announcement
“Chong Hing Bank Limited”	Chong Hing Bank Limited (創興銀行有限公司), a limited liability company incorporated under the laws of Hong Kong
“CNY”	the lawful currency of the PRC
“Company”	Yuexiu Property Company Limited (越秀地產股份有限公司), a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (Stock Code: 00123)
“Control”	the acquisition or control of more than 30% of the voting rights of the issued share capital of the Company or the right to appoint and/or remove all or the majority of the members of the Board or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise
“Group”	the Issuer, the Company and its subsidiaries taken as a whole

“GZYX”	廣州越秀集團股份有限公司 (Guangzhou Yue Xiu Holdings Limited), a limited liability company established in the PRC which is directly majority owned by the Guangzhou Municipal People’s Government of the PRC
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Date”	19 January 2024, or such later date, not being later than 2 February 2024, as the Issuer and the Joint Lead Managers may agree
“Issuer”	JOY DELIGHT INTERNATIONAL LIMITED 愉欣國際有限公司, a company incorporated in the British Virgin Islands with limited liability and which is an indirect wholly-owned subsidiary of the Company
“Joint Lead Managers”	CLSA Limited, CMB International Capital Limited, Chong Hing Bank Limited, Yue Xiu Securities Company Limited, Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch, China Zheshang Bank Co., Ltd. (Hong Kong Branch), Nanyang Commercial Bank, Limited, Luso International Banking Limited, Industrial and Commercial Bank of China (Asia) Limited and ABCI Capital Limited, and “ Joint Lead Manager ” shall mean any one of them
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Macau”	the Macao Special Administrative Region of the PRC
“Moody’s”	Moody’s Investors Service, Inc.
“MOX”	Chongwa (Macao) Financial Asset Exchange Co., Ltd.
“Noteholders”	the holders of the Notes
“Notes”	the Original Notes together with the Additional Notes
“Offering Circular”	the offering circular of the Issuer dated 12 January 2024 in relation to the Additional Notes
“Original Notes”	CNY510,000,000 4.00% guaranteed notes due 2026 issued by the Issuer on 15 November 2023
“Original Trust Deed”	the trust deed entered into between the Issuer as issuer, the Company as guarantor and China CITIC Bank International Limited as trustee on 15 November 2023 relating to the Original Notes

“ PRC ”	the People’s Republic of China and for geographical reference only (unless otherwise stated) excludes Hong Kong, Macau and Taiwan
“ Proposed Additional Notes Issue ”	the proposed issue of the Additional Notes
“ Shareholder(s) ”	the shareholder(s) of the Company
“ Shares ”	the shares of the Company
“ Subscription Agreement ”	the subscription agreement dated 12 January 2024 entered into between the Issuer as issuer, the Company as guarantor and the Joint Lead Managers as joint lead managers in relation to the Proposed Additional Notes Issue
“ Supplemental Trust Deed ”	the supplemental trust deed to be entered into between the Issuer as issuer, the Company as guarantor and China CITIC Bank International Limited as trustee on or around the Issue Date relating to the Additional Notes
“ Terms and Conditions ”	the terms and conditions of the Notes contained in the Offering Circular
“ Trust Deed ”	the Original Trust Deed together with the Supplemental Trust Deed
“ Yue Xiu Securities Company Limited ”	Yue Xiu Securities Company Limited, a limited liability company incorporated under the laws of Hong Kong

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

Hong Kong, 15 January 2024

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

Executive Directors: *LIN Zhaoyuan (Chairman), LIN Feng, ZHU Huisong, HE Yuping, CHEN Jing and LIU Yan*

Non-executive Director: *ZHANG Yibing*

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