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INSIDE INFORMATION
POTENTIAL DISPOSAL OF 100% EQUITY INTEREST
IN A SUBSIDIARY THROUGH PUBLIC TENDER

The Board announces that the Company intends to dispose of its 100% indirect equity interest in Guangzhou Yuehui through the Public Tender to be conducted on the Guangzhou Equity Exchange. The Pre-Listing Disclosure will be made on the website of the Guangzhou Equity Exchange at <http://gz.gemas.com.cn> on 17 August 2018 in compliance with the relevant regulatory requirements in the PRC.

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

THE POTENTIAL DISPOSAL THROUGH PUBLIC TENDER

The board of directors (the “**Board**”) of the Company announces that the Company intends to, through two of its subsidiaries Kingwell Investment Ltd. (慶和投資有限公司) (“**Kingwell**”) and Guangzhou City Construction & Development Co., Ltd. (廣州市城市建設開發有限公司) (“**GCCD**”) respectively, dispose of its 100% indirect equity interest in Guangzhou Yuehui Property Co. Ltd.* (廣州市越滙房地產有限公司) (“**Guangzhou Yuehui**”) (the “**Potential Disposal**”) through a public tender process (the “**Public Tender**”) to be conducted on the Guangzhou Enterprises Mergers and Acquisition Services* (廣州產權交易所) (the “**Guangzhou Equity Exchange**”). As at the date of this announcement, Guangzhou Yuehui is held as to 77.79% and 22.21% by Kingwell and GCCD respectively. Accordingly, Kingwell will dispose of its 77.79% equity interest and GCCD will dispose of its 22.21% equity interest in Guangzhou Yuehui respectively under the Potential Disposal. A

preliminary disclosure of information relating to the Potential Disposal is made to the public on the Guangzhou Equity Exchange at the date of this announcement (the “**Pre-Listing Disclosure**”) and it is expected that the formal Public Tender process would commence 20 working days later.

The base price for the transfer of the 100% equity interest in Guangzhou Yuehui through the Public Tender will be determined based on the asset appraisal on Guangzhou Yuehui to be conducted by a qualified appraisal institution and subject to the approvals from the relevant regulatory authorities of State-owned assets in the People’s Republic of China (“**PRC**”).

REASONS FOR THE POTENTIAL DISPOSAL

Guangzhou Yuehui mainly holds Yuexiu Fortune World Plaza* (越秀財富天地廣場) (“**Fortune World Plaza**”), which is located in Guangzhou City. The Company considers that the proposed disposal is expected to improve the asset turnover rate and generate a significant cash inflow, thus enhancing the Group’s ability to acquire additional land parcels or equity interests in other property companies.

INFORMATION ABOUT THE COMPANY AND GUANGZHOU YUEHUI

The Company

The Company is principally engaged in property development and investment, mainly focusing on properties in Guangzhou and gradually expanding into the Pearl River Delta, Yangtze River Delta, Bohai Rim Economic Zone and Central Region.

Guangzhou Yuehui

Guangzhou Yuehui is principally engaged in leasing of premises (excluding warehouse storage) and residential properties.

Kingwell and GCCD

Kingwell is an indirectly wholly-owned subsidiary of the Company which is principally engaged in investment holding.

GCCD is an indirectly owned as to 95% by the Company and as to 5% by 廣州市城市建設開發集團有限公司 (Guangzhou City Construction & Development Group Company Limited*) respectively, the latter of which is in turn indirectly wholly-owned by 廣州越秀集團有限公司 (Guangzhou Yue Xiu Holdings Limited*), the controlling shareholder of the Company. GCCD is principally engaged in the development, operation, leasing and management of properties.

GENERAL

The Potential Disposal, if materialised, may constitute a notifiable transaction of the Company.

As the Potential Disposal is only at the Pre-Listing Disclosure stage, the Potential Disposal may or may not proceed and accordingly, shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company. The Company will make further announcement(s) in compliance with the Listing Rules and/or Part XIVA of the SFO as and when appropriate or required.

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

Hong Kong, 17 August 2018

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

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

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

** For identification purpose only*