廣州富力地產股份有限公司
GUANGZHOU R&F PROPERTIES CO., LTD.*

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock code: 2777)

EXEMPT CONNECTED TRANSACTION
DISPOSAL OF PROPERTY MANAGEMENT COMPANIES
AND
EXEMPT CONTINUING CONNECTED TRANSACTIONS
THE FRAMEWORK AGREEMENT

THE DISPOSALS

The Third Disposal

On 9 April 2020 (after trading hours), the Company and the Fourth Subsidiary entered into the Third Agreement with the Purchaser, pursuant to which the Company and the Fourth Subsidiary agreed to sell the entire equity interest in the Third Target Company to the Purchaser.

The First Disposal

On 23 December 2019, the First Subsidiary entered into the First Agreement with the Purchaser in relation to the disposal of the entire equity interest in the First Target Company to the Purchaser. Completion of the First Agreement took place on 23 December 2019.

The Second Disposal

On 30 December 2019, the Second Subsidiary and the Third Subsidiary entered into the Second Agreement with the Purchaser in relation to the disposal of the entire equity interest in the Second Target Company to the Purchaser. Completion of the Second Agreement took place on 31 December 2019.

Listing Rules Implications

The Purchaser is owned as to 50% by Dr. Li and as to 50% by Mr. Zhang. Each of Dr. Li and Mr. Zhang is an executive Director and a substantial shareholder of the Company and hence a connected person of the Company for the purpose of Chapter 14A of the Listing Rules. Accordingly, each of the Disposals constitutes a connected transaction for the Company under the Listing Rules.

The First Disposal and the Second Disposal were fully exempted under Chapter 14A of the Listing Rules.

The Third Disposal shall be aggregated with the First Disposal and the Second Disposal for the purpose of Rule 14A.81 of the Listing Rules as they are entered into within a 12-month period with the same connected person.

As the highest of the applicable percentage ratios in respect of the Third Disposal, after aggregation with the First Disposal and the Second Disposal, is more than 0.1% but less than 5%, the Third Disposal is subject to the reporting and announcement requirements but exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

THE PROVISION OF SERVICES

The Existing Service Agreements

As at the date of this announcement, the Existing Service Agreements have been entered into between certain members of the Group of one part and the First Target Company and the Third Target Company of the other part in relation to the provision of Services by the First Target Company and the Third Target Company to the Group.

The Framework Agreement

It is anticipated that after completion of the Third Disposal, the Group will continue to procure Services from the Target Group on a project by project basis in respect of additional or new property projects of the Group. In this connection, the Company entered into the Framework Agreement with the Target Companies on 9 April 2020.

Listing Rules Implications

Upon completion of the First Disposal and the Second Disposal, the First Target Company and the Second Target Company have become connected persons of the Company. The transactions contemplated under the Existing Service Agreement to which the First Target Company is a party have become continuing connected transactions of the Company. Prior to completion of the Third Disposal, the transactions under the Existing Service Agreement to which the First Target Company is a party are fully exempted under Chapter 14A of the Listing Rules.

Upon completion of the Disposals, the Target Companies will be connected persons of the Company, and the transactions under the Existing Service Agreements and the Framework Agreement will be continuing connected transactions of the Company.

As the highest of the applicable percentage ratios in respect of the transactions under the Existing Service Agreements and the Framework Agreement is more than 0.1% but less than 5% on an annual basis, the transactions contemplated under the Existing Service Agreements and the Framework Agreement are subject to the reporting, announcement and annual review requirements but exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

THE DISPOSALS

The Third Disposal

On 9 April 2020 (after trading hours), the Company and the Fourth Subsidiary entered into the Third Agreement with the Purchaser pursuant to which the Company and the Fourth Subsidiary agreed to sell the entire equity interest in the Third Target Company to the Purchaser.

The principal terms of the Third Agreement are summarized as follows:

Subject Matter: The entire equity interest in the Third Target Company.

Consideration: The consideration is RMB300,000,000 (equivalent to approximately HK$329,702,938).

The consideration was arrived at after arm's length negotiations between the parties with reference to the registered and paid-up capital amount of the Third Target Company of RMB300,000,000.

Completion: On the date of the Third Agreement, the Purchaser shall be entitled to the benefits of, and shall bear the obligations as, the sole shareholder of the Third Target Company.

After execution of the Third Agreement, the Company and the Fourth Subsidiary shall make necessary filings for registering the Purchaser as the sole shareholder of the Third Target Company with the local administration for industry and commerce.

Upon completion, the Third Target Company will cease to be a subsidiary of the Company and its financial results will no longer be consolidated by the Company.

The First Disposal

On 23 December 2019, the First Subsidiary entered into the First Agreement with the Purchaser in relation to the disposal of the entire equity interest in the First Target Company to the Purchaser.

The principal terms of the First Agreement are summarized as follows:

Subject Matter:	The entire equity interest in the First Target Company.
Consideration:	The consideration is RMB5,000,000 (equivalent to approximately HK$5,495,049). The consideration was arrived at after arm's length negotiations between the parties with reference to the registered and paid-up capital amount of the First Target Company of RMB5,000,000.
Completion:	Completion took place on 23 December 2019. The First Target Company has ceased to be a subsidiary of the Company and its financial results are no longer consolidated by the Company.

The Second Disposal

On 30 December 2019, the Second Subsidiary and the Third Subsidiary entered into the Second Agreement with the Purchaser in relation to the disposal of the entire equity interests in the Second Target Company to the Purchaser.

The principal terms of the Second Agreement are summarized as follows:

Subject Matter:	The entire equity interest in the Second Target Company.
Consideration:	The consideration is RMB5,000,000 (equivalent to approximately HK$5,495,049). The consideration was arrived at after arm's length negotiations between the parties with reference to the registered and paid-up capital amount of the Second Target Company of RMB5,000,000.
Completion:	Completion took place on 31 December 2019. The Second Target Company has ceased to be a subsidiary of the Company and its financial results are no longer consolidated by the Company.

INFORMATION ON THE TARGET COMPANIES

The Third Target Company

The Third Target Company is a limited liability company established in the PRC on 10 December 1997. It is owned by as to 90% by the Company and as to 10% by the Fourth Subsidiary. As at the date of this announcement, (i) the Third Target Company holds, directly or indirectly, the entire equity interest in seven subsidiaries which are companies established in the PRC with limited liability; and (ii) the Third Target Company together with its subsidiaries are principally engaged in the provision of Services with respect to property projects of the Group which are located in Guangzhou, Beijing, Shanghai and other cities.

The unaudited consolidated financial results of the Third Target Company for the two financial years ended 31 December 2019 are as follows:

	For the year ended 31 December	
	2018	2019
	RMB	*RMB*
Net profit (loss) before tax	(10,622,881)	77,078,846
Net profit (loss) after tax	(21,513,356)	54,181,552

The unaudited consolidated net liabilities of the Third Target Company as at 31 December 2019 were approximately RMB173,706,900.

The First Target Company

The First Target Company is a limited liability company established in the PRC on 20 December 2012. It was wholly-owned by the First Subsidiary prior to completion of the First Disposal. As at the date of this announcement, the First Target Company is principally engaged in the provision of Services with respect to a property project developed by the Group which is located in Datong.

The unaudited financial results of the First Target Company for the two financial years ended 31 December 2018 and the ten months ended 31 October 2019 are as follows:

	For the year ended 31 December 2017	For the year ended 31 December 2018	For the ten months ended 31 October 2019
	RMB	*RMB*	*RMB*
Net profit (loss) before tax	(3,046,984)	387	(857,255)
Net profit (loss) after tax	(2,311,937)	18,102	(649,586)

The unaudited net liabilities of the First Target Company as at 31 October 2019 were approximately RMB7,450,000.

The Second Target Company

The Second Target Company is a limited liability company established in the PRC on 23 December 2004. It was owned as to 90% by the Second Subsidiary and as to 10% by the Third Subsidiary prior to completion of the Second Disposal. As at the date of this announcement, the Second Target Company is principally engaged in the provision of Services to third parties with respect to property projects developed by the Group which are located in Tianjin.

The unaudited financial results of the Second Target Company for the two financial years ended 31 December 2018 and the ten months ended 31 October 2019 are as follows:

	For the year ended 31 December 2017 *RMB*	For the year ended 31 December 2018 *RMB*	For the ten months ended 31 October 2019 *RMB*
Net profit (loss) before tax	2,378,689	(11,766)	624,627
Net profit (loss) after tax	1,686,693	(16,050)	547,554

The unaudited net asset value of the Second Target Company as at 31 October 2019 was approximately RMB1,866,300.

REASONS FOR AND BENEFITS OF THE DISPOSALS

The Group is principally engaged in property development and investment as core business. Such core business is capital intensive and asset-heavy in nature. The Target Group is principally engaged in providing Services for the property projects developed by the Group. The property management business is characterized as asset-light, labour-intensive and service-oriented, and requires different management expertise, competencies and development strategy as compared to the Group's core business. Currently, the property management business has limited contribution to the overall profitability of the Group.

The Group believes that with the Disposals, the Group can focus on its core business, and the Target Group will be able to adopt different management system for its business. The Group will also be able to utilize the proceeds from the Disposals for its core business.

Given the above and that the consideration of each of the Disposals was determined based on the registered and paid-up capital amount of the relevant Target Company taking into account its net asset/liability position, the Directors (including the independent non-executive Directors but excluding the Interested Directors) are of the view that the Disposals are conducted on normal commercial terms and in the ordinary and usual course of business of the Group and their terms are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

FINANCIAL EFFECT OF THE DISPOSALS

A gain of approximately RMB11,980,673 from the First Disposal and the Second Disposal was recognized by the Company in its consolidated financial results for the year ended 31 December 2019 as announced on 26 March 2020.

Based on (i) the consideration for the Third Disposal in the amount of RMB300,000,000 and (ii) the unaudited consolidated net liabilities of the Third Target Company as at 31 December 2019 in the amount of approximately RMB173,706,983, the Group expects to record a gain of approximately RMB473,706,983 from the Third Disposal.

The Shareholders and potential investors of the Company should note that the above figures relating to the Third Disposal are for illustrative purpose only. The actual accounting gain or loss in connection with the Third Disposal may be different from the above and will be determined based on the financial position of the Third Target Company on the date of completion of the Third Disposal.

USE OF PROCEEDS

The Group intends to apply the proceeds from the Disposals as general working capital of the Group.

THE PROVISION OF SERVICES

The Existing Service Agreements

As at the date of this announcement, the Existing Service Agreements have been entered into between various members of the Group of one part and the First Target Company and the Third Target Company of the other part for the provision of Services to the Group.

All the Existing Service Agreements have a fixed term expiring on or before 31 December 2020. The fees payable for the Services thereunder have been determined taking into account historical transaction amounts, the scope of work involved, the anticipated operational costs (including labour costs, material costs and administrative costs) with reference to the fees for similar services and similar types of projects in the market and the standard fees designated by the relevant regulatory authority, if any.

The Framework Agreement

In addition to the Existing Service Agreements, it is anticipated that after completion of the Third Disposal, the Group will procure the Services from the Target Group in respect of additional or new property projects of the Group. In this connection, the Company entered into the Framework Agreement with the Target Companies on 9 April 2020.

The principal terms of the Framework Agreement are summarized as follows:

Term: From 9 April 2020 up to and including 31 December 2020 (both days inclusive).

Subject: The Target Group is commissioned to provide various services for the property projects of the Group, including property management services, property developer services and commercial operation and consultation services (the "**Services**"). Specifically, the Company has commissioned the Target Group to provide the following services to the Group with the pricing policies and payment terms as listed below:

(a) Property management services

Scope of services: The Target Group will provide a wide range of property management services including, without limitation, property and equipment maintenance, security, cleaning and gardening services, maintenance of the public areas, vacant property unit and parking space management and other related services.

Pricing policy: The service fees for each project may be charged on a lump sum fee basis with reference to the total gross floor area multiplied by an agreed unit price, or such other basis as may be agreed between the parties with reference to the circumstances of such project. The service fees will be determined after taking into account the type of the development project, the standard fees designated by the relevant regulatory authorities (if any), the anticipated operational costs (including labour costs, material costs and administrative costs) and the anticipated increase in such costs due to costs inflation and other socio-economic factors.

Payment term: Payment shall be made annually, half-yearly, quarterly or monthly (as the case may be) pursuant to the relevant terms in the Individual Property Services Agreement to be entered into.

(b) Property developer services

Scope of services:	The Target Group will provide (i) consultancy services including review of drawings and tender agency services at the preliminary project planning stage; (ii) on-site consultancy services and construction site management services at the construction stage; (iii) inspection services in respect of the communal areas and the interior of property units at the delivery stage; (iv) assistance to the Group with respect to handover and delivery of properties to the owners; (v) sales assistance services, after-sales maintenance and engineering services at the post-delivery stage; and (vi) vacant properties management, conference facilities and concierge services and other ad hoc services such as temporary staffing services.
Pricing policy:	The service fees for each project may be charged on a lump sum fee basis with reference to the total gross floor area or the number of users multiplied by an agreed unit price, or such other basis as may be agreed between the parties with reference to the circumstances of such project. The service fees will be determined after taking into account the type of the development project, the standard fees designated by the relevant regulatory authorities (if any), the anticipated operational costs (including labour costs, material costs and administrative costs) and the anticipated increase in such costs due to costs inflation and other socio-economic factors.
Payment term:	Payment shall be made annually, half-yearly, quarterly or monthly (as the case may be) pursuant to the relevant terms in the Individual Property Services Agreement to be entered into.

(c) Commercial operation and consultation services

Scope of services: The Target Group will provide commercial operation and consultation services in respect of the clubhouses, hotels, shopping malls, offices and other properties owned by the Group. The Target Group will also provide sales agency services for the unsold property units and parking spaces at the post-delivery stage.

Pricing policy: The commercial operation and consultation services fees shall take into account the asset type, the standard fees designated by the relevant regulatory authority in respect similar type of development projects (if any), the anticipated operational costs (including labour costs, material costs and administrative costs) and the anticipated increase in such costs due to costs inflation and other socio-economic factors. The sales agency fees shall take into account the local market conditions of the parking space sales agency business and will be determined after arm's length negotiations. In general, the sales agency fees will represent a certain percentage of the sales price of the parking space.

Payment term: Payment shall be made annually, half-yearly, quarterly or monthly (as the case may be) pursuant to the relevant terms in the Individual Property Services Agreement to be entered into.

Individual Property Services Agreement(s) and guiding principles: For each development project of the Group which requires the Services under the Framework Agreement, the relevant member of the Group and the relevant member of the Target Group will enter into one or more individual property services agreements (the "**Individual Property Services Agreement(s)**") setting out the specific scope of services required, the amount of fees payable and the payment terms thereof.

Terms of an Individual Property Services Agreement shall be negotiated at arm's length and determined based on normal commercial terms and with reference to the terms and conditions of comparable services offered to the Group by independent third parties with reference to the prevailing terms and conditions of other comparable services in the market within the knowledge of the Company.

The terms of the Individual Property Services Agreements shall be determined in accordance with the conditions and principles set out in the Framework Agreement. In the event that there is any conflict between the Framework Agreement and any Individual Property Services Agreement, the conditions and principles of the Framework Agreement shall prevail.

Termination: The Company has the right to suspend the performance of its obligations thereunder from time to time if it reasonably determines that the applicable annual cap as may be announced by the Company for the transactions contemplated thereunder may be exceeded.

Historical transaction amounts

For each of the three years ended 31 December 2019, the aggregate amount of the fees paid by the Group to the Target Group for procuring the Services amounted to approximately RMB115,180,000, RMB195,440,000 and RMB512,700,000, respectively.

Annual cap and its basis

The annual cap of the service fees payable by the Group for the transactions contemplated under the Existing Service Agreements and the Framework Agreement for the year ending 31 December 2020 shall not exceed RMB1,000,000,000.

The above annual cap is determined principally with reference to the following factors:

(a) the aggregate amount of service fees paid by the Group to the Target Group for the Services for the three years ended 31 December 2019;

(b) the estimated demand of the Group for the Services for the year ending 31 December 2020 with reference to the Existing Service Agreements and the existing and future development projects of the Group; and

(c) other factors such as the Group's business plans and inflation.

Internal control

In determining the service fees payable to the Target Group for the Services, the internal control department of the Company will conduct regular research and study on market data such as (i) the prevailing terms and conditions of other comparable services in the market and (ii) the number and type of development projects which require property management services, and review and assess the reasonableness of the quotations and pricing terms provided by the Target Group to the Group.

In addition, the Group will obtain at least two quotations from other independent third parties providing similar services in the market (the "**Independent Quotations**") and conduct online research in the market in respect of similar services provided by other independent service providers, and make comparison with respect to the Independent Quotations. In the event that the Group is able to obtain a price from comparable independent third party service providers which is more favourable than those offered by the Target Group, the Group will negotiate the pricing terms with the Target Group. The Group will only procure for the Services from the Target Group if the service fees payable to the Target Group will not exceed those offered by other independent third party service providers in the market.

Subject to the general principles disclosed above, the pricing policy will be supervised and monitored by the relevant personnel from the finance department, the legal department and the management of the Group in charge to ensure the transactions contemplated under the Framework Agreement will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and the Shareholders as a whole. The relevant personnel and management of the Group will also conduct regular checks on a bi-annual basis to review and assess whether the transactions under the Individual Property Services Agreements are conducted in accordance with the terms of the Framework Agreement and in accordance with the aforesaid pricing policy.

The Company's external auditors will conduct an annual review of the transactions in relation to the Existing Service Agreements and the Framework Agreement to ensure the transaction amounts are within the annual cap and the transactions are in accordance with the terms of the Existing Service Agreements, the Framework Agreement and the relevant Individual Property Services Agreement(s).

The independent non-executive Directors will also conduct an annual review of the status of the transactions in relation to the Existing Service Agreements and the Framework Agreement to ensure that the Group has complied with its internal approval process, the terms of the Existing Service Agreements, the Framework Agreement and the relevant Individual Property Services Agreement(s), and the relevant requirements under the Listing Rules.

The Directors are of the view that the above internal control measures are appropriate in ensuring that the transactions in relation to the Existing Services Agreements and the Framework Agreement will be conducted on normal commercial terms, will not be prejudicial to the interests of the Company and the Shareholders, and will be in compliance with the relevant requirements under Chapter 14A of the Listing Rules.

REASONS AND BENEFITS OF ENTERING INTO THE FRAMEWORK AGREEMENT

The Target Group is experienced in providing property management services in the PRC. As at 31 December 2019, the Target Group managed in aggregate 224 property projects developed by the Group across a number of cities, including Guangzhou, Beijing, Shanghai and Tianjin, with a total gross floor area of approximately 70 million sq.m. The Board believes that given its experience, the Target Group can provide reliable support to the Group's property development business.

Following completion of the Disposals, the Target Group will continue to provide the Services to the Group in the ordinary and usual course of business. The Framework Agreement hence represents a stable and trustworthy business relationship which the Company can leverage to achieve its business objectives.

The Directors (including the independent non-executive Directors but excluding the Interested Directors) are of the view that the Framework Agreement has been entered into in the ordinary course of business of the Group and on normal commercial terms, and its terms are fair and reasonable, and are in the interests of the Company and the Shareholders as a whole.

GENERAL

The Group is principally engaged in the development and sale of properties, property investment, hotel operation and other property development related services in the PRC.

LISTING RULES IMPLICATIONS

The Third Disposal

The Purchaser is a company established in the PRC with limited liability and is principally engaged in investment holding, provision of corporate management consultancy services and provision of investment consultancy services. It is owned as to 50% by Dr. Li and as to 50% by Mr. Zhang. Each of Dr. Li and Mr. Zhang is an executive Director and a substantial shareholder and hence a connected person of the Company for the purpose of Chapter 14A of the Listing Rules. Accordingly, each of the Disposals constitute a connected transaction of the Company under the Listing Rules.

As all of the applicable percentage ratios in respect of the First Disposal and the Second Disposal are, on an aggregated basis, less than 0.1%, each of the First Disposal and the Second Disposal was exempted from the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Third Disposal shall be aggregated with the First Disposal and the Second Disposal for the purpose of Rule 14A.81 of the Listing Rules as they are entered into within a 12-month period with the same connected person.

As the highest of the applicable percentage ratios in respect of the Third Disposal, after aggregation with the First Disposal and the Second Disposal, is more than 0.1% but less than 5%, the Third Disposal is subject to the reporting and announcement requirements but exempted from independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

The provision of Services

Upon completion of the First Disposal and the Second Disposal, the First Target Company and the Second Target Company have become connected persons of the Company. The transactions contemplated under the Existing Service Agreement to which the First Target Company is a party have become continuing connected transactions of the Company. Prior to completion of the Third Disposal, the transactions under the Existing Service Agreement to which the First Target Company is a party are fully exempted under Chapter 14A of the Listing Rules.

Upon completion of the Disposals, the Target Companies will become connected persons of the Company. The transactions under the Existing Service Agreements and the Framework Agreement will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest of the applicable percentage ratios in respect of the transactions under the Existing Service Agreements and the Framework Agreement with reference to the proposed annual cap is more than 0.1% but less than 5% on an annual basis, the transactions contemplated under the Existing Service Agreements and the Framework Agreement are subject to the reporting, announcement and annual review requirements but exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

As Dr. Li and Mr. Zhang are the shareholders of the Purchaser, each of them is considered to have a material interest in the Disposals and the Framework Agreement. Ms. Li Helen and Ms. Zhang Lin are non-executive Directors and the sisters of Dr. Li and Mr. Zhang, respectively. Accordingly, each of Ms. Li Helen and Ms. Zhang Lin is also considered to be interested in the Disposals and the Framework Agreement. Each of Dr. Li, Mr. Zhang, Ms. Li Helen and Ms. Zhang Lin has abstained from voting on the relevant Board resolutions in relation to the Disposals and the Framework Agreement. Save as disclosed, no other Director has a material interest in the Disposals and the Framework Agreement.

DEFINITIONS

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

"Board"	the board of the Company
"Company"	Guangzhou R&F Properties Co., Ltd. (廣州富力地產股份有限公司), a joint stock company incorporated in the People's Republic of China with limited liability and the H shares of which are listed on the main board of the Stock Exchange (stock code: 2777)
"Directors"	the director(s) of the Company

"Disposals"	the First Disposal, the Second Disposal and the Third Disposal
"Dr. Li"	Dr. Li Sze Lim, an executive Director and a substantial shareholder of the Company
"Existing Service Agreements"	(1) the agreement between certain member of the Group and the First Target Company in relation to the provision of Services by the First Target Company to the Group; and (2) the 232 agreements between certain members of the Group and the Third Target Company in relation to the provision of Services by the Third Target Company to the Group
"First Agreement"	the agreement dated 23 December 2019 entered into between the First Subsidiary and the Purchaser in relation to the sale of the entire equity interest in the First Target Company to the Purchaser
"First Disposal"	the disposal of the entire equity interest in the First Target Company to the Purchaser
"First Subsidiary"	大同富力城房地產開發有限公司 (Datong R&F Real Property Development Co., Ltd.*), a company established in the PRC with limited liability and a subsidiary of the Company
"First Target Company"	大同恒富物業服務有限公司(Datong Hengfu Property Management Co., Ltd.*), a company established in the PRC with limited liability
"Fourth Subsidiary"	廣州鼎力創業投資有限公司 (Guangzhou Dingli Chuangye Investment Co., Ltd.*), a company established in the PRC with limited liability and a subsidiary of the Company
"Framework Agreement"	the agreement dated 9 April 2020 entered into among the Company and the Target Companies in respect of the provision of the Services by the Target Group to the Group
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollar, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China

"Independent Quotations"	as defined under the section headed "**Internal control**" of this announcement
"Individual Property Services Agreement(s)"	as defined under the section headed "**The Framework Agreement**" of this announcement
"Interested Directors"	Dr. Li, Mr. Zhang, Ms. Li Helen and Ms. Zhang Lin
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Mr. Zhang"	Mr. Zhang Li, an executive Director and a substantial shareholder of the Company
"PRC"	the People's Republic of China
"Purchaser"	廣州富星投資諮詢有限公司 (Guangzhou Fuxing Investment Consultation Co., Ltd.*), a company established in the PRC with limited liability
"RMB"	Renminbi, the lawful currency of the People's Republic of China
"Second Agreement"	the agreements dated 30 December 2019 entered into between (i) the Second Subsidiary and the Purchaser and (ii) the Third Subsidiary and the Purchaser, respectively, in relation to the sale of the entire equity interest in the Second Target Company to the Purchaser
"Second Disposal"	the disposal of the entire equity interest in the Second Target Company to the Purchaser
"Second Subsidiary"	天津耀華投資發展有限公司(Tianjin Yaohua Investment Development Co., Ltd.*), a company established in the PRC with limited liability and a subsidiary of the Company
"Second Target Company"	天津華信物業管理有限公司(Tianjin Huaxin Property Management Co., Ltd.*), a company established in the PRC with limited liability
"Services"	as defined under the section headed "**The Framework Agreement**" of this announcement
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Companies"	the First Target Company, the Second Target Company and the Third Target Company

"Target Group"	the Target Companies and their respective subsidiaries
"Third Agreement"	the agreements dated 9 April 2020 entered into between (i) the Company and the Purchaser and (ii) the Fourth Subsidiary and the Purchaser, respectively, in relation to the sale of the entire equity interest in the Third Target Company to the Purchaser
"Third Disposal"	the disposal of the entire equity interest in the Third Target Company to the Purchaser
"Third Subsidiary"	天津富力城房地產開發有限公司(Tianjin R&F Real Property Development Co., Ltd.*), a company established in the PRC with limited liability and a subsidiary of the Company
"Third Target Company"	廣州天力物業發展有限公司(Guangzhou Tianli Property Management Co., Ltd.*), a company established in the PRC with limited liability
"%"	per cent.

For illustration purposes, amounts in HK$ in this announcement have been translated at HK$1.00 = RMB0.90991. No representation is made that any amounts of RMB or HK$ have been, could have been or could be converted at the above rate or at any other rate or at all.

By order of the Board
Guangzhou R&F Properties Co., Ltd.
Cheung Sze Yin
Joint Company Secretary

9 April 2020, Hong Kong

As at the date of this announcement, the executive directors of the Company are Dr. Li Sze Lim, Mr. Zhang Li, Mr. Zhou Yaonan and Mr. Lu Jing; the non-executive directors are Ms. Zhang Lin and Ms. Li Helen; and the independent non-executive directors are Mr. Zheng Ercheng, Mr. Ng Yau Wah, Daniel and Mr. Wong Chun Bong.

* *For identification purposes only*