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GUANGDONG LAND HOLDINGS LIMITED
粤海置地控股有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 00124)

Announcement

Connected Transaction in relation to the Assets Transfer Agreement

THE ASSETS TRANSFER AGREEMENT

Reference is made to the announcement of the Company dated 30 December 2022. On 30 December 2022, Guangdong Yuehai Land (an indirect wholly-owned subsidiary of the Company) (as tenant) and GD Teem (an indirect non-wholly owned subsidiary of Guangdong Holdings) (as landlord) entered into the Tenancy Agreement, pursuant to which GD Teem has agreed to lease the Premises to Guangdong Yuehai Land for use as commercial offices.

On 4 April 2023, Guangdong Yuehai Land (as purchaser) entered into the Assets Transfer Agreement with Guangdong Holdings (as seller), pursuant to which, Guangdong Holdings has agreed to sell, and Guangdong Yuehai Land has agreed to purchase the Office Assets in the Premises from Guangdong Holdings at the consideration of RMB9,949,230.

LISTING RULES IMPLICATIONS

Guangdong Holdings is the ultimate controlling shareholder of the Company, hence a connected person of the Company under Rule 14A.07(1) of the Listing Rules. Accordingly, the Assets Transfer Agreement and the transactions contemplated thereunder constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

On a standalone basis, as one of the applicable percentage ratios in respect of the transactions under the Assets Transfer Agreement is more than 0.1% but all of the applicable ratios are less than 5%, the Assets Transfer Agreement and the transactions contemplated thereunder are subject to the reporting and announcement requirements, but are exempt from the circular and independent shareholders' approval requirements under the Listing Rules.

As both the Assets Transfer Agreement and the Tenancy Agreement are related to acquisitions of assets by Guangdong Yuehai Land from the Guangdong Holdings Group concerning the Premises within a 12-month period, the Assets Transfer Agreement and the Tenancy Agreement have been aggregated pursuant to the Listing Rules. As the highest applicable percentage ratio (on an aggregated basis) in respect of the relevant transactions under the Assets Transfer Agreement and the Tenancy Agreement calculated pursuant to the Listing Rules is more than 0.1% but all of them are less than 5%, the Assets Transfer Agreement and the transactions contemplated thereunder are therefore subject to the reporting and announcement requirements, but are exempt from the circular and independent shareholders' approval requirements under the Listing Rules.

Reference is made to the announcement of the Company dated 30 December 2022. On 30 December 2022, Guangdong Yuehai Land (an indirect wholly-owned subsidiary of the Company) (as tenant) and GD Teem (an indirect non-wholly owned subsidiary of Guangdong Holdings) (as landlord) entered into the Tenancy Agreement, pursuant to which GD Teem has agreed to lease the Premises to Guangdong Yuehai Land for use as commercial offices.

On 4 April 2023, Guangdong Yuehai Land (an indirect wholly-owned subsidiary of the Company) entered into the Assets Transfer Agreement with Guangdong Holdings, pursuant to which, Guangdong Yuehai Land has agreed to purchase the Office Assets in the Premises from Guangdong Holdings at the consideration of RMB9,949,230.

THE ASSETS TRANSFER AGREEMENT

A summary of the salient terms of the Assets Transfer Agreement is set out below:

Date: 4 April 2023

Parties: (a) Guangdong Yuehai Land (as purchaser)
(b) Guangdong Holdings (as seller)

Subject matter

Guangdong Holdings has agreed to sell, and Guangdong Yuehai Land has agreed to purchase, the Office Assets in accordance with the terms of the Assets Transfer Agreement. Further details of the Office Assets are set out in the section headed "Information on the Office Assets" below.

The Office Assets shall be transferred from Guangdong Holdings to Guangdong Yuehai Land on 4 April 2023 (the "**Effective Date**").

Consideration and payment terms

Pursuant to the Assets Transfer Agreement, the consideration (the "**Consideration**") for the acquisition of the Office Assets is RMB9,949,230. The Consideration shall be payable by Guangdong Yuehai Land to Guangdong Holdings in cash on a one-off basis within 10 working days from the Effective Date.

The Consideration was determined after arm's length negotiations between Guangdong Yuehai Land and Guangdong Holdings, having taken into account the appraised value of the Office Assets as at 30 November 2022 in the amount of RMB12,517,990 according to the valuation report (the "**Valuation Report**") prepared by an independent valuer engaged by Guangdong Yuehai Land based on the cost approach.

The Consideration will be funded by internal resources of the Group.

INFORMATION ON THE OFFICE ASSETS

The assets to be transferred from Guangdong Holdings to Guangdong Yuehai Land pursuant to the Assets Transfer Agreement (the "**Office Assets**") consists of (i) renovation works and electronic systems (such as light-current systems, conferencing systems, renovation, electrical & mechanical works, staff canteen, access control and Wi-Fi systems, etc.) and (ii) furniture, installations and facilities (such as internet facilities, cabinets, office workstations, tables and chairs, etc.) located in the Premises.

Based on the Valuation Report, the appraised value of the Office Assets as at 30 November 2022 was RMB12,517,990. As advised by Guangdong Holdings, the original acquisition cost of the Office Assets was RMB19,622,548.29.

REASONS FOR AND BENEFITS OF ENTERING INTO THE ASSETS TRANSFER AGREEMENT

Reference is made to the announcement of the Company dated 30 December 2022 in relation to the lease of the Premises by Guangdong Yuehai Land from GD Teem for use as commercial offices. Guangdong Holdings is the original tenant of the Premises and has invested in various renovation works and electronic systems in the Premises and purchased a large number of office furniture and equipment for use thereof.

Upon arm's length negotiation, Guangdong Yuehai Land has agreed to purchase the Office Assets located in the Premises from Guangdong Holdings after considering that (i) the Office Assets are in good condition and function normally; (ii) the purchase of the Office Assets will save time and costs for carrying out fitting out works in the Premises and purchasing new office furniture and equipment; and (iii) the purchase price bargained by Guangdong Yuehai Land was lower than the appraised value of the Office Assets according to the Valuation Report.

In light of the above, the Directors (including the independent non-executive Directors) consider that the terms of the Assets Transfer Agreement and the transaction contemplated thereunder are normal commercial terms or better, in the ordinary and usual course of business of the Group, and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

INFORMATION ON GUANGDONG YUEHAI LAND AND THE GROUP

Information on Guangdong Yuehai Land

Guangdong Yuehai Land is a company established in the PRC with limited liability. It is principally engaged in property development and investment businesses in the PRC and is an indirect wholly-owned subsidiary of the Company.

Information on the Group

The Company is a company incorporated in Bermuda with limited liability and is principally engaged in investment holding. The Group is principally engaged in property development and investment businesses. The ultimate controlling shareholder of the Company is Guangdong Holdings.

INFORMATION ON GUANGDONG HOLDINGS

Guangdong Holdings is principally engaged in investment holding. The Guangdong Holdings Group's business activities include public utilities and infrastructure, manufacturing, real estate, hotel, property management, retail and wholesale, finance, etc. The Guangdong Holdings Group takes capital investment as its core business, and invests mainly in business sectors including water and water environment management, urban complex development and related services, modern industrial park development and investment. Guangdong Holdings is held as to 90% by the Guangdong Government and as to 10% by the Department of Finance of the Guangdong Government while the State-owned Assets Supervision and Administration Commission of the Guangdong Government has been performing ownership and control functions in respect of Guangdong Holdings with the authorisation of the Guangdong Government.

LISTING RULES IMPLICATIONS

Guangdong Holdings is the ultimate controlling shareholder of the Company and hence a connected person of the Company under Rule 14A.07(1) of the Listing Rules. Accordingly, the entering into of the Assets Transfer Agreement and the transactions contemplated thereunder constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

On a standalone basis, as one of the applicable percentage ratios in respect of the transactions under the Assets Transfer Agreement is more than 0.1% but all of the applicable ratios are less than 5%, the Assets Transfer Agreement and the transactions contemplated thereunder are subject to the reporting and announcement requirements, but are exempt from the circular and independent shareholders' approval requirements under the Listing Rules.

As both the Assets Transfer Agreement and the Tenancy Agreement are related to the acquisitions of assets by Guangdong Yuehai Land from the Guangdong Holdings Group concerning the Premises within a 12-month period, the Assets Transfer Agreement and the Tenancy Agreement have been aggregated pursuant to the Listing Rules. As the highest applicable percentage ratio (on an aggregated basis) in respect of the relevant transactions under the Assets Transfer Agreement and the Tenancy Agreement calculated pursuant to the Listing Rules is more than 0.1% but all of them are less than 5%, the Assets Transfer Agreement and the transactions contemplated thereunder are therefore subject to the reporting and announcement requirements, but are exempt from the circular and independent shareholders' approval requirements under the Listing Rules.

As Mr. LAN Runing, Mr. LI Yonggang and Mr. LI Wenchang, being the Directors, are directors of certain subsidiaries of Guangdong Holdings, they have abstained from voting on the relevant board resolutions approving the Assets Transfer Agreement and the transaction contemplated thereunder. Save as disclosed, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no other Directors had any material interest in the Assets Transfer Agreement and the transaction contemplated thereunder.

DEFINITIONS

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

“Assets Transfer Agreement”	the agreement dated 4 April 2023 entered into between Guangdong Yuehai Land and Guangdong Holdings in respect of the acquisition of the Office Assets by Guangdong Yuehai Land from Guangdong Holdings
“Board”	the board of Directors
“Company”	Guangdong Land Holdings Limited (粵海置地控股有限公司), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Consideration”	has the meaning ascribed to it under the section “The Assets Transfer Agreement – Consideration and payment terms” in this announcement
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Effective Date”	has the meaning ascribed to it under the section “The Assets Transfer Agreement – Subject matter” in this announcement
“GD Teem”	廣東粵海天河城（集團）股份有限公司 (GDH Teem (Holdings) Limited), a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of Guangdong Holdings
“Group”	the Company and its subsidiaries from time to time
“Guangdong Government”	廣東省人民政府 (the People’s Government of Guangdong Province)
“Guangdong Holdings”	廣東粵海控股集團有限公司 (Guangdong Holdings Limited), a company established in the PRC with limited liability and the ultimate controlling shareholder of the Company
“Guangdong Holdings Group”	Guangdong Holdings and its subsidiaries from time to time
“Guangdong Yuehai Land”	廣東粵海置地集團有限公司 (Guangdong Yuehai Land Holdings Limited), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Office Assets”	has the meaning ascribed to it under the section “Information on the Office Assets” in this announcement
“PRC”	the People’s Republic of China and, for the purpose of this announcement, excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
“Premises”	Units 01, 02, 03 and 08 of the 42nd Floor, Unit 05-1 of the 43rd Floor, and the whole of the 44th and 45th Floors of Teem Tower, No. 208 Tianhe Road, Tianhe District, Guangzhou, Guangdong Province, the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenancy Agreement”	a tenancy agreement and its ancillary agreement both entered into on 30 December 2022 between GD Teem (as landlord) and Guangdong Yuehai Land (as tenant) in respect of the Premises, details of which are set out in the announcement of the Company dated 30 December 2022
“Valuation Report”	has the meaning ascribed to it under the section “The Assets Transfer Agreement – Consideration and payment terms” in this announcement
“%”	per cent.

In this announcement, the English names of the PRC entities are translations of their Chinese names, and are included herein for identification purposes only. In the event of any inconsistency, the Chinese names shall prevail.

By Order of the Board
Guangdong Land Holdings Limited
JIAO Li
Executive Director

Hong Kong, 4 April 2023

As at the date of this announcement, the Board comprises six Executive Directors, namely Mr. LAN Runing, Mr. KUANG Hu, Mr. LI Yonggang, Mr. WU Mingchang, Mr. LI Wenchang and Mr. JIAO Li; and three Independent Non-Executive Directors, namely Mr. Felix FONG Wo, Mr. Vincent Marshall LEE Kwan Ho and Mr. LEUNG Luen Cheong.