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越秀地產股份有限公司
YUEXIU PROPERTY COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock code: 00123)

**DISCLOSEABLE TRANSACTION
IN RELATION TO THE DISPOSAL OF 65% EQUITY INTERESTS
IN THE TARGET COMPANY**

THE DISPOSAL

The Board is pleased to announce that on 19 May 2025, the Vendor (a non-wholly owned subsidiary of the Company) and the Purchaser entered into the Equity Transaction Agreement, pursuant to which the Vendor has agreed to sell, and the Purchaser has agreed to acquire, the Disposal Interests (i.e., 65% equity interests in the Target Company) at a consideration of RMB4,148,697,000.

IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio of the Disposal exceeds 5% but is less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. Accordingly, the Disposal is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As none of the Directors had a material interest in the Disposal, no Director has abstained from voting on the relevant board resolutions of the Company.

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The principal terms of the Equity Transaction Agreement are summarized as follows:

THE EQUITY TRANSACTION AGREEMENT

Date: 19 May 2025

Parties: (i) the Vendor (as vendor); and
(ii) the Purchaser (as purchaser).

Subject Matter

Since the Disposal Interests are deemed to be state-owned assets under the relevant laws and regulations of the PRC, the Disposal is conducted by way of a public tender on SUAEE in accordance with the relevant rules and regulations of the PRC governing the disposal of state-owned assets. Pursuant to the Equity Transaction Agreement, the Vendor has agreed to sell, and the Purchaser has agreed to acquire, 65% of the equity interests in the Target Company.

Consideration

The Purchaser has paid a transaction deposit in the amount of RMB10,000,000 to SUAEE upon its submission of bid in accordance with the applicable rules and procedures of SUAEE. SUAEE will refund the transaction deposit to the Purchaser within three (3) working days in the PRC from the date on which the Purchaser pays the Consideration to the Vendor.

The Consideration of the Disposal is RMB4,148,697,000, which was determined with reference to the appraised value of the Disposal Interests as at the Valuation Date by the Valuer using asset-based approach, and finalised based on the effective bid price determined in accordance with the rules and procedures of SUAEE in relation to the Disposal. The Consideration is equivalent to the appraised value of the Disposal Interests according to the valuation.

The Purchaser shall pay the Consideration to the Vendor within five (5) working days in the PRC after the signing date of the Equity Transaction Agreement.

Conditions Precedent and Completion of the Disposal

Completion of the Disposal is conditional on the Purchaser and Vendor having (i) obtained the transaction confirmation issued by SUAEE in respect of the Disposal and (ii) completed state-owned property rights registration procedures. Completion shall take place after the completion of the relevant business registration/filing procedures.

As of the date of this announcement, the Target Company is an indirect non-wholly owned subsidiary of the Company. Upon completion of the Disposal, the Company will indirectly hold approximately 34.87% equity interests in the Target Company, and the Target Company will cease to be a subsidiary of the Company.

INFORMATION OF THE PARTIES

The Target Company

The Target Company was established on 14 November 2024 and is the project company holding the Gongde Temple Area Land Parcel. As at the date of this announcement, the entire equity interests of the Target Company is held by the Vendor.

Since the Target Company was established in November 2024, net profit/loss is not applicable to the Target Company for the financial year ended 31 December 2023. For the financial year ended 31 December 2024, the Target Company has not recorded any revenue in accordance with PRC accounting standards, and has recorded a net profit before tax in the amount of RMB43,875.75, representing the interest income generated from its bank deposits. Set out below are the key audited financial information of the Target Company for the financial year ended 31 December 2024, prepared in accordance with PRC accounting standards:

	For the year ended 31 December 2024 <i>RMB</i> <i>(audited)</i>
Net assets	6,382,532,906.81
Net profit before tax	43,875.75
Net profit after tax	32,906.81

The Purchaser

The Purchaser is a company established in the PRC with limited liability, and is principally engaged in the business of real estate development and operation. It is a subsidiary of China Resources Land Limited, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 01109).

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, the Purchaser and its ultimate beneficial owner are third parties independent of the Company and its connected persons.

The Group and the Vendor

The Group is principally engaged in development, selling and management of properties and holding of investment properties. Guided by the core motto of "Where Good Living Starts", the Group has strategically established its business presence in 27 cities across China, with its business mainly based in the Greater Bay Area, Eastern China, Central and Western China and Northern China. The Company adheres to the Group's core brand value of "quality, responsibility, innovation and mutual development", dares to pioneer and invent, and is committed to building a remarkable and sustainable future for all.

The Vendor is an indirect non-wholly owned subsidiary of the Company, in which the Company holds 99.64% equity interests. It is principally engaged in the business of real estate development and operation.

FINANCIAL EFFECTS OF THE DISPOSAL

The book value and the valuation of the Disposal Interests were approximately RMB4,148,646,000 and RMB4,148,697,000, respectively. Such valuation of RMB4,148,697,000 was determined based on the appraised value of the Disposal Interests as at the Valuation Date by the Valuer using the asset-based approach (taking into account the value of the Gongde Temple Area Land Parcel). The Company is expected to record an estimated net gain before tax from the Disposal of approximately RMB51,000. The actual amount of the gain or loss from the Disposal to be recorded by the Group is subject to audit and will take into account any other costs and expenses incurred relating to the Disposal. Accordingly, it may be different from the above but such difference is not expected to be material.

USE OF PROCEEDS

The Company currently intends that the proceeds from the Disposal of approximately RMB4,148,697,000 will, after deducting all relevant expenses, be used by the Group for re-investments in the development of its core business operations.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Company expects that the Disposal will allow the Group to quickly recover its capital, thereby effectively improving its capital turnover efficiency. At the same time, the Disposal will support the continued development and expansion of the Group's new projects, thereby strengthening the Group's funding flexibility and market competitiveness.

The Directors (including the independent non-executive Directors) consider that the terms of the Disposal is fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio of the Disposal exceeds 5% but is less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. Accordingly, the Disposal is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As none of the Directors had a material interest in the Disposal, no Director has abstained from voting on the relevant board resolutions of the Company.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	Yuexiu Property Company Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 00123)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration for the Disposal Interests payable by the Purchaser to the Vendor under the Equity Transaction Agreement
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Disposal Interests by the Vendor to the Purchaser in accordance with the Equity Transaction Agreement
“Disposal Interests”	65% equity interests in the Target Company which are held by the Vendor as at the date of the announcement
“Equity Transaction Agreement”	the equity transaction agreement entered into between the Vendor and the Purchaser dated 19 May 2025 in respect of the Disposal
“Gongde Temple Area Land Parcel”	the land use rights of the land parcel No. HD-GDS-002 of the Shantytown Renovation Project for the Gongde Temple Area in Haidian District, Beijing
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“percentage ratios”	has the meaning ascribed to it under the Listing Rules
“PRC”	the People’s Republic of China
“Purchaser”	Beijing Runzhi Commercial Operations Management Co., Ltd.* (北京潤置商業運營管理有限公司), a company established in the PRC with limited liability
“RMB”	Renminbi, the lawful currency of the PRC

“Shareholder(s)”	holder(s) of shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“SUAEE”	Shanghai United Assets and Equity Exchange Co., Ltd. (上海聯合產權交易所有限公司)
“Target Company”	Beijing Haizhen Real Estate Co., Ltd.* (北京海臻置業有限公司), a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company
“Valuation Date”	31 December 2024
“Valuer”	Guangdong Kaitai Asset Assessment Land Real Estate Valuation Co., Ltd.* (廣東開泰資產評估與土地房地產估價有限公司), the independent professional business valuer appointed by the Company in relation to the Disposal
“Vendor”	Wuhan Kangjing Industrial Investment Co., Ltd.* (武漢康景實業投資有限公司), a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company
“%”	per cent

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

Hong Kong, 19 May 2025

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

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

Non-executive Directors: ZHANG Yibing and SU Junjie

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

* *For identification purposes only*