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(a Hong Kong collective investment scheme authorised under section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong))
(Stock code: 00405)

Managed by



ANNOUNCEMENT

COMPLETION OF DISPOSAL OF NEO METROPOLIS PLAZA PROPERTY

The Manager is pleased to announce that Completion of the disposal of the Neo Metropolis Plaza Property (through its holding company) has taken place on 21 December 2018.

At Completion, the Purchaser has paid: (i) the amount of HKD1,030,479,343 (being the HKD equivalent of RMB1,025,192,083 based on an exchange rate of HKD1 to RMB0.88025, less the Initial Payment of HKD134,180,791) to GZI 2005 Company; and (ii) the Bulletin 7 Escrow Amount of RMB48,000,000 to the Escrow Agent for credit to the Escrow Account.

On 21 December 2018, the Manager used HKD935,538,210, which is part of the net proceeds from the Disposal (estimated in the Disposal Announcement to be RMB1,001,555,834, or HKD1,137,808,388 based on an exchange rate of HKD1 to RMB0.88025) to pay in full the deferred consideration (including interest thereon) for the acquisition by Yuexiu REIT of 67.0% of the holding company which owns the Wuhan Property.

Reference is made to the announcement dated 14 December 2018 made by Yuexiu REIT in relation to the disposal of the Neo Metropolis Plaza Property (through its holding company) by Yuexiu REIT (the “**Disposal Announcement**”). Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meanings as those defined in the Disposal Announcement.

COMPLETION OF THE DISPOSAL OF THE NEO METROPOLIS PLAZA PROPERTY

The Manager is pleased to announce that Completion of the disposal of the Neo Metropolis Plaza Property (through its holding company) pursuant to the terms of the Share Purchase Deed has taken place on 21 December 2018.

At Completion, the Purchaser has paid: (i) the amount of HKD1,030,479,343 (being the HKD equivalent of RMB1,025,192,083 based on an exchange rate of HKD1 to RMB0.88025, less the Initial Payment of HKD134,180,791) to GZI 2005 Company (in its own capacity as assignor of the Offshore Payable as to the Loan Consideration, and in its capacity as nominee of the Seller as to the Equity Consideration); and (ii) the Bulletin 7 Escrow Amount of RMB48,000,000 to the Escrow Agent for credit to the Escrow Account in accordance with the terms of the Escrow Agreement, which shall be used to settle the Seller’s Bulletin 7 tax obligations under the Share Purchase Deed. The Escrow Agent has released the Initial Payment of HKD134,180,791 to GZI 2005 Company. The Purchaser has also repaid the Onshore Payable of RMB100,000,000 to the Onshore Creditor on behalf of the Project Company.

Pursuant to the terms of the Share Purchase Deed, the Manager shall prepare and deliver to the Certifying Accountant (with a copy to the Purchaser) the Completion Financial Statement (being the consolidated financial statement for the Target Group as at the Completion Date and the profit and loss statement for the Target Group for the period from 1 January 2018 to the Completion Date) within 15 days after the Completion Date. The Purchaser and the Manager shall procure the Certifying Accountant to, as soon as possible and in any event within 30 days after receipt of the Completion Financial Statement: (a) complete an audit of the Completion Financial Statement and deliver to the Purchaser and the Manager the Audited Completion Financial Statement; and (b) based on the Audited Completion Balance Sheet, produce the Final Acquisition Price Statement as to the amount of the Final Acquisition Price calculated based on the agreed formula set out in the Share Purchase Deed, and deliver the Audited Completion Financial Statement and the Final Acquisition Price Statement to the Purchaser and Manager.

Within five business days after delivery of the Audited Completion Financial Statement and the Final Acquisition Price Statement by the Certifying Accountant: (a) the Purchaser shall pay one hundred percent (100%) of all costs and expenses of the Certifying Accountant for the preparation of the Audited Completion Financial Statements and the Final Acquisition Price Statement; (b) if the Final Acquisition Price minus fifty percent (50%) of the amount actually paid or payable by the Purchaser to the Certifying Accountant under the foregoing subparagraph (a) above

is higher than the Benchmark Date Estimated Acquisition Price, the Purchaser shall pay to the Seller or its nominee an amount equal to the excess; and (c) if the Final Acquisition Price minus fifty percent (50%) of the amount actually paid or payable by the Purchaser to the Certifying Accountant under the foregoing subparagraph (a) above is lower than the Benchmark Date Estimated Acquisition Price, the Manager shall refund or procure the refund to the Purchaser an amount equal to the shortfall.

Further announcement(s) will be made by Yuexiu REIT as and when required under the REIT Code, including when the amount of the Final Acquisition Price is determined. After the Bulletin 7 Tax Amount is finally assessed, if the final amount of the net proceeds from the Disposal is different from the amount stated in previous announcement(s), the Manager will also publish an announcement on the final amount of the net proceeds from the Disposal.

PAYMENT OF DEFERRED CONSIDERATION FOR WUHAN PROPERTY

On 21 December 2018, the Manager used HKD935,538,210, which is part of the net proceeds from the Disposal (estimated in the Disposal Announcement to be RMB1,001,555,834, or HKD1,137,808,388 based on an exchange rate of HKD1 to RMB0.88025) to pay in full the deferred consideration (including interest thereon) for the acquisition by Yuexiu REIT of 67.0% of the holding company which owns the Wuhan Property.

GENERAL

This announcement is made pursuant to paragraph 10.3 of the REIT Code.

By order of the board of directors of
Yuexiu REIT Asset Management Limited
(as manager of Yuexiu Real Estate Investment Trust)
YU Tat Fung
Company Secretary

Hong Kong, 21 December 2018

As at the date of this announcement, the board of directors of the Manager is comprised as follows:

Executive Directors: Mr. LIN Deliang (Chairman) and Mr. CHENG Jiuzhou

Non-executive Directors: Mr. LI Feng and Mr. LIANG Danqing

Independent Non-executive Directors: Mr. CHAN Chi On, Derek, Mr. CHAN Chi Fai, Brian, Mr. CHEUNG Yuk Tong and Mr. CHEN Xiaoou