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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 ACQUISITION OF YUEXIU FINANCIAL TOWER IN GUANGZHOU

The Manager is pleased to announce that completion of the acquisition of the Property, known as Yuexiu Financial Tower, took place on 23 December 2021 (being the Acquisition Completion Date). On the Acquisition Completion Date, the Completion Payment of RMB4,341,057,000 (being approximately HKD5,316,500,000) was settled by the Purchaser in accordance with the Acquisition Deed.

The sum of HKD4,500,000,000 (equivalent to approximately RMB3,673,628,000) was partially drawn down under the New Bank Facility (together with Yuexiu REIT's internal resources) to finance the Completion Payment and the One-Off Fees and Charges. The Deferred Offshore Repayment Amount and the True-up Payment (if any) will be settled using primarily the net proceeds from the Rights Issue, which is expected to complete on or about 26 January 2022.

Reference is made to the circular of Yuexiu Real Estate Investment Trust (“**Yuexiu REIT**”) dated 13 November 2021 (“**Circular**”) and the announcements of Yuexiu REIT dated 24 October 2021 and 6 December 2021, respectively, each relating to, among other things, the acquisition of the office property known as “Yuexiu Financial Tower” in Guangzhou, the PRC. Unless the context requires otherwise, terms used in this announcement shall have the same meaning as those defined in the Circular.

COMPLETION OF THE ACQUISITION

The Manager is pleased to announce that completion of the Acquisition pursuant to the terms of the Acquisition Deed took place on 23 December 2021 (“**Acquisition Completion Date**”) following the satisfaction of all Acquisition Conditions under the Acquisition Deed. Accordingly, Yuexiu REIT has, through the Purchaser and the Target Group, become the sole owner of the Property.

On the Acquisition Completion Date, the Purchaser paid and procured the repayment of (as the case may be) the aggregate amount of RMB4,341,057,000 (being approximately HKD5,316,500,000) (“**Completion Payment**”), which comprises:

- (a) the Initial Payment of RMB41,057,000, being the sum of: (i) the Agreed Acquisition Amount of RMB7,800,000,000; and (ii) the Target Group Adjusted NAV of negative RMB7,748,943,000 as set out in the Pro Forma Completion Statement; minus the EIT Withheld Amount of RMB10,000,000;
- (b) the Onshore Repayment Amount of RMB800,000,000; and
- (c) 50% of the Offshore Repayment Amount, being RMB3,500,000,000, as the Rights Issue Completion has not taken place by Acquisition Completion.

Pursuant to the Acquisition Deed, the remaining 50% of the Offshore Repayment Amount (plus the interest accrued on such amount) shall be deferred and settled by the Purchaser within ten Business Days after Rights Issue Completion. The Deferred Offshore Repayment Amount and the True-up Payment (if any) will be settled using primarily the net proceeds from the Rights Issue, which is expected to complete on or about 26 January 2022.

DRAWDOWN UNDER THE NEW BANK FACILITY

On 17 December 2021, Yuexiu REIT Secure Shell Limited, a special purpose vehicle and subsidiary of Yuexiu REIT, as borrower entered into a facility agreement (“**Facility Agreement**”) with lender banks, which are independent third parties of Yuexiu REIT, with respect to the New Bank Facility denominated in Hong Kong dollars of an aggregate principal amount equivalent to RMB4,000 million. On 23 December 2021, the sum of HKD4,500,000,000 (equivalent to approximately RMB3,673,628,000) was partially drawn down under the New Bank Facility to finance the Completion Payment and the One-Off Fees and Charges. There are no material changes to the terms of the New Bank Facility as disclosed in the Circular.

The sum of RMB800,000,000 was also paid from the internal resources of Yuexiu REIT to finance the Completion Payment.

GENERAL

Further announcement(s) in relation to the Acquisition will be made by the Manager in accordance with all applicable requirements of the REIT Code as and when appropriate, including as soon as practicable following the determination and payment of the Deferred Offshore Repayment Amount and the True-up Payment.

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, 23 December 2021

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

Executive Directors

Mr. LIN Deliang (Chairman) and Ms. OU Haijing

Non-executive Directors:

Mr. LI Feng and Mr. ZENG Zhizhao

*Independent Non-executive
Directors:*

*Mr. CHAN Chi On, Derek, Mr. CHAN Chi Fai, Brian, Mr.
CHEUNG Yuk Tong and Mr. CHEN Xiaoou*