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越秀房地產投資信託基金

YUEXIU REAL ESTATE INVESTMENT TRUST

(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



越秀房託資產管理有限公司

YUEXIU REIT ASSET MANAGEMENT LIMITED

ANNOUNCEMENT

- (1) WAIVER IN RESPECT OF ORDINARY BANKING AND FINANCIAL SERVICES PROVIDED BY CHONG HING BANK GROUP;**
- (2) EXTRAORDINARY GENERAL MEETING; AND**
- (3) CLOSURE OF REGISTER OF UNITHOLDERS**

The Manager proposes to seek Independent Unitholders' approval by way of an Ordinary Resolution at the EGM for the Ordinary Banking Waiver in respect of the connected party transactions involving ordinary banking and financial services transactions to be entered into between Yuexiu REIT and the Chong Hing Bank Group. For further details regarding the Ordinary Banking Waiver, including its scope, terms and conditions, please refer to the Circular.

The Circular is to be despatched together with the notice of and the form of proxy for the EGM to the Unitholders on 10 May 2019, and uploaded on the websites of the Stock Exchange and Yuexiu REIT on 10 May 2019 (that is, the same date as this announcement). The EGM will be held at 11:00 a.m. on Tuesday, 28 May 2019 at Plaza 1 to 4, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong (or such time immediately following the conclusion (or adjournment) of the annual general meeting of the unitholders of Yuexiu REIT to be held on the same date and at the same place, whichever is later). For the purpose of ascertaining Unitholders' right to attend the EGM the register of Unitholders will be closed from Thursday, 23 May 2019 to Tuesday, 28 May 2019, both days inclusive, during which period no transfer of Units will be registered.

1. WAIVER IN RESPECT OF ORDINARY BANKING AND FINANCIAL SERVICES PROVIDED BY CHONG HING BANK GROUP

1.1 Ordinary Banking Waiver

Yuexiu REIT periodically requires ordinary banking and financial services to satisfy its day-to-day operational and financing needs. These services may include bank deposits, loan facilities, and other related banking and financial services (such as insurance and mandatory provident fund schemes) required in the ordinary and usual course of business of Yuexiu REIT.

As part of its obligations under the REIT Code to manage the cash flows and financial arrangements of Yuexiu REIT, the Manager may from time to time engage different financial institutions or their subsidiaries to provide the abovementioned services based on the merits of the terms offered by such financial institutions or their subsidiaries. Such financial institutions may include Chong Hing Bank, being an authorised institution supervised by the Hong Kong Monetary Authority under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong).

According to latest public disclosure, Yue Xiu Enterprises indirectly owns: (i) 75.0% of Chong Hing Bank; and (ii) approximately 39.8% of each of the Manager and Dragon Yield (the latter being a significant holder of Yuexiu REIT, as defined under the REIT Code) through Yuexiu Property. Chong Hing Bank is an associated company of the Manager, by virtue of Yue Xiu Enterprises controlling more than 20% of the voting rights of Chong Hing Bank and the Manager. Chong Hing Bank is also an associated company of a significant holder of Yuexiu REIT (being Dragon Yield), by virtue of Yue Xiu Enterprises controlling more than 20% of the voting rights of Chong Hing Bank and Dragon Yield. Accordingly, Chong Hing Bank is a connected person of Yuexiu REIT pursuant to paragraph 8.1(g) of the REIT Code, and the ordinary banking and financial services transactions to be entered into between Yuexiu REIT and the Chong Hing Bank Group would constitute connected party transactions of Yuexiu REIT under the REIT Code.

The Manager has applied to the SFC for a waiver from strict compliance with the requirements for announcements and Unitholders' approvals under Chapter 8 of the REIT Code in respect of the ordinary banking and financial services transactions to be entered into between Yuexiu REIT and the Chong Hing Bank Group. The disclosure and reporting requirements under Chapter 8 of the REIT Code with respect to such banking and financial services transactions shall be modified as described in the Circular. The grant of the Ordinary Banking Waiver is subject to Independent Unitholders' approval by way of an Ordinary Resolution at the EGM. For further details regarding the Ordinary Banking Waiver, including its scope, terms and conditions, please refer to the Circular.

1.2 Independent Board Committee and Independent Financial Adviser

The Independent Board Committee comprising all INEDs has been established by the Board to advise the Independent Unitholders on the Ordinary Banking Waiver. Somerley Capital Limited has been appointed as Independent Financial Adviser to provide its opinion on the Ordinary Banking Waiver to the Independent Board Committee, the Independent Unitholders and the Trustee.

Unitholders' attention is drawn to the "Letter from Independent Board Committee" set out in the Circular, which contains the Independent Board Committee's recommendation to the Independent Unitholders in respect of the Ordinary Banking Waiver, and the "Letter from Independent Financial Adviser" set out in the Circular, which contains the Independent Financial Adviser's advice to the Independent Board Committee, the Independent Unitholders and the Trustee in respect of the Ordinary Banking Waiver.

2. CIRCULAR AND NOTICE OF EGM

The Circular is to be despatched together with the notice of and the form of proxy for the EGM to the Unitholders on 10 May 2019, and uploaded on the websites of the Stock Exchange and Yuexiu REIT on 10 May 2019 (that is, the same date as this announcement). The EGM will be held at 11:00 a.m. on Tuesday, 28 May 2019 at Plaza 1 to 4, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong (or such time immediately following the conclusion (or adjournment) of the annual general meeting of the unitholders of Yuexiu REIT to be held on the same date and at the same place, whichever is later). Unitholders' attention is drawn to the "Notice of Extraordinary General Meeting" set out in the Circular, which contains the full text of the proposed Ordinary Resolution in relation to the approval of the Ordinary Banking Waiver.

3. CLOSURE OF REGISTER OF UNITHOLDERS

For the purpose of ascertaining Unitholders' right to attend the EGM, the register of Unitholders will be closed from Thursday, 23 May 2019 to Tuesday, 28 May 2019, both days inclusive, during which period no transfer of Units will be registered. For those Unitholders who are not on the register of Unitholders, in order to be qualified to attend and vote at the EGM, all unit certificates accompanied by the duly completed transfers must be lodged with the unit registrar of Yuexiu REIT, Tricor Investor Services Limited of Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 22 May 2019.

4. DEFINITIONS

“Board”	board of Directors
“Chong Hing Bank”	Chong Hing Bank Limited, a company incorporated in Hong Kong with limited liability and shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1111) and an authorised institution supervised by the Hong Kong Monetary Authority under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)
“Chong Hing Bank Group”	collectively, Chong Hing Bank Limited and its subsidiaries
“Circular”	the circular to be issued and despatched to the Unitholders on 10 May 2019, containing, among other things, details of the Ordinary Banking Waiver, the letter from the Independent Board Committee to the Independent Unitholders, the letter from the Independent Financial Adviser to the Independent Board Committee, the Independent Unitholders and the Trustee and the notice of the EGM
“Director(s)”	director(s) of the Manager
“Dragon Yield”	Dragon Yield Holding Limited, a limited company incorporated under the laws of the British Virgin Islands which is a wholly-owned subsidiary of Yuexiu Property

“EGM”	the extraordinary general meeting of the Unitholders to be held at Plaza 1 to 4, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Tuesday, 28 May 2019 at 11:00 a.m. (or such time immediately following the conclusion (or adjournment) of the annual general meeting of the unitholders of Yuexiu REIT to be held on the same date and at the same place, whichever is later)
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent board committee comprising all the INEDs, namely, Mr. Chan Chi On, Derek, Mr. Chan Chi Fai, Brian, Mr. Cheung Yuk Tong and Mr. Chen Xiaoou, established to advise the Independent Unitholders on the Ordinary Banking Waiver
“Independent Financial Adviser”	Somerley Capital Limited, a licensed corporation under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO, being the independent financial adviser appointed to advise the INEDs, the Trustee and the Independent Unitholders on the Ordinary Banking Waiver
“Independent Unitholder(s)”	Unitholders other than those who have a material interest in the relevant resolutions, within the meaning of paragraph 8.11 of the REIT Code, and who are entitled to vote at the EGM
“INED(s)”	independent non-executive Director(s)
“Manager”	Yuexiu REIT Asset Management Limited, a company incorporated under the laws of Hong Kong, in its capacity as the manager of Yuexiu REIT

“Ordinary Banking Waiver”	the waiver from strict compliance with the requirements for announcements and Unitholders’ approvals under Chapter 8 of the REIT Code in respect of the ordinary banking and financial services transactions to be entered into between Yuexiu REIT and Chong Hing Bank Group, as further described in the Circular
“Ordinary Resolution”	a resolution of Unitholders passed by a simple majority of those votes of those present, whether in person or by proxy, and entitled to vote, where the votes be taken by way of poll, but with a quorum of two or more Unitholders holding at least 10% of the Units in issue
“REIT Code”	the Code on Real Estate Investment Trusts published by the SFC (as amended from time to time)
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (as amended from time to time)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trustee”	HSBC Institutional Trust Services (Asia) Limited, in its capacity as the trustee of Yuexiu REIT. All references to the Trustee in this announcement are, as the context may require, to the Trustee acting on behalf of Yuexiu REIT and on the instruction of the Manager
“Unit(s)”	one undivided unit in Yuexiu REIT
“Unitholder(s)”	any person registered as holding a Unit on the register of unitholders of Yuexiu REIT
“Yue Xiu Enterprises”	Yue Xiu Enterprises (Holdings) Limited, a limited liability company incorporated in Hong Kong which is wholly-owned by Guangzhou Yue Xiu Holdings Limited* (廣州越秀集團有限公司)

“Yuexiu Property”	Yuexiu Property Company Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 00123)
“Yuexiu REIT”	Yuexiu Real Estate Investment Trust, a Hong Kong collective investment scheme constituted as a unit trust and authorised under section 104 of the SFO subject to applicable conditions from time to time (whose Units are listed on the Stock Exchange), and the companies controlled by it, as the context requires

** For identification purpose only*

Yours faithfully,
 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, 10 May 2019

As at the date of this announcement, the Board 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 Xiaou