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*(Incorporated in Hong Kong with limited liability)*  
**(Stock code: 00123)**

## **INSIDE INFORMATION**

### **COMMENCEMENT OF THE PUBLIC TENDER PROCESS IN RELATION TO THE POTENTIAL DISPOSAL OF CERTAIN EQUITY INTEREST IN A SUBSIDIARY**

This announcement is made by Yuexiu Property Company Limited (“**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

Reference is made to the announcement of the Company dated 17 August 2018 (the “**Announcement**”) relating to the preliminary disclosure of information relating to the potential disposal of indirect equity interest in Guangzhou Yuehui through Public Tender. Unless defined herein, capitalised terms used in this announcement shall have the meanings as ascribed to it in the Announcement.

#### **Background**

Guangzhou Yuehui is a company established in the PRC and owed as to 77.79% by Kingwell and 22.21% by GCCD respectively.

The Board intends to dispose 77.79% equity interest held by Kingwell in Guangzhou Yuehui and related liabilities of Guangzhou Yuehui (“**Potential Disposal**”) by way of Public Tender process to be carried out via the Guangzhou Equity Exchange.

## **Reasons for and benefits of the Potential Disposal**

Guangzhou Yuehui mainly holds Fortune World Plaza. The Company considers that the proposed disposal is expected to improve the asset turnover rate and generate a significant cash inflow, thus enhancing the Group's ability to acquire additional land parcels or equity interests in other property companies.

## **Commencement of the Public Tender process for the Potential Disposal**

The Board is pleased to announce that the Public Tender via Guangzhou Equity Exchange in respect of Potential Disposal will commence on 22 November 2018 and end on 20 December 2018 (both days inclusive) (the “**Bidding Period**”). Interested parties may apply to bid in the Public Tender during the Bidding Period in accordance with the relevant requirements applicable to the Potential Disposal. Upon the expiry of the Bidding Period, the qualified bidder who offers the highest effective bid price will be the successful bidder. For further information, such as major terms for the Potential Disposal, qualifications required for potential bidders and detailed procedures of the Public Tender process, please refer to the website of the Guangzhou Equity Exchange (<http://gz.gemas.com.cn>).

The minimum consideration i.e. the initial bidding price (“**Minimum Consideration**”) for the Potential Disposal will be (i) RMB2,417,500,000 for acquisition of the 77.79% equity interest in Guangzhou Yuehui and (ii) undertaking 77.79% related liabilities of Guangzhou Yuehui. As of 20 November 2018, the 77.79% related liabilities amounted to RMB280,044,000. Shareholders shall note that the final consideration will depend on the final bid price offered by any successful bidder, which should be no less than the Minimum Consideration.

Taking into account the Minimum Consideration, the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) of the Potential Disposal is expected to be more than 5% but less than 25%. Therefore, the Potential Disposal, if materialised, may constitute a discloseable transaction of the Company and may be subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

**As at the date of this announcement, no binding agreement with respect to the Potential Disposal has been entered into by the Company. As the Potential Disposal may or may not proceed and accordingly, shareholders and potential investors of the Company are advised to exercise caution when dealing in the**

**securities of the Company. The Company will make further announcement(s) in compliance with the Listing Rules and/or Part XIVA of the SFO as and when appropriate.**

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

Hong Kong, 22 November 2018

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

*Executive Directors:*                      *LIN Zhaoyuan (Chairman), LIN Feng, LI Feng, CHEN Jing and LIU Yan*

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

*\* For identification purpose only*