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(Incorporated in Bermuda with limited liability)

(Stock code: 00123)

VOLUNTARY ANNOUNCEMENT IN RELATION TO PROPOSED REAL ESTATE DEBT INVESTMENT SCHEMES

This is a voluntary announcement made by Yuexiu Property Company Limited (the “**Company**”).

The board of directors of the Company (the “**Board**”) is pleased to announce that an indirect PRC subsidiary of the Company (the “**Project Company**”) proposed to establish two 5-year real estate debt investment schemes (the “**Schemes**”) in the PRC for financing the development of two different phases of a commercial property development project in the PRC. The Schemes, targeting at insurance companies and other institutional investors (who are qualified investors in the PRC), are initiated by an independent asset management company as trustee and supervised by an independent supervisor to be appointed by the beneficiaries under the Schemes. The total amount of investment funds to be raised under the two Schemes shall be not more than RMB1.2 billion and RMB3.3 billion, respectively, and the interest rates applicable will be determined according to market responses when different tranches are launched under the Schemes.

The Project Company’s obligations to pay the principal and interest under the Schemes are guaranteed by the Company and a wholly-owned PRC subsidiary of the Company’s controlling shareholder as to approximately 99.64% and approximately 0.36% respectively, pro rata to their indirect effective interest in the Project Company. Such obligations of the Project Company are also fully guaranteed by Guangzhou City Construction & Development Co., Limited (廣州市城市建設開發有限公司), a 95%-owned indirect PRC subsidiary of the Company.

The Company considers that the establishment of the Schemes for financing its property development projects in the PRC is in its ordinary and usual course of business, and this announcement is made to keep investors informed of the Company’s business development.

The Schemes are subject to the approval of the institution designated by the China Banking and Insurance Regulatory Commission and the raising of the funds thereunder will be subject to a number of conditions and may or may not proceed.

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

Hong Kong, 6 May 2019

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*