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(Incorporated in Hong Kong with limited liability)

(Stock code: 00123)

VOLUNTARY ANNOUNCEMENT

PUBLIC ISSUANCE BY A SUBSIDIARY OF GUARANTEED CORPORATE BONDS IN THE PRC

The board of directors (the “**Board**”) of Yuexiu Property Company Limited (the “**Company**”) is pleased to announce that Guangzhou City Construction & Development Company Limited (廣州市城市建設開發有限公司) (the “**Issuer**”), a 95%-owned indirect PRC subsidiary of the Company, has made an application to the Shanghai Stock Exchange and the China Securities Regulatory Commission to undertake public issuance of corporate bonds with an aggregate principal amount of up to RMB9,400,000,000 (the “**Corporate Bonds**”), which will be used for repayment of corporate bonds that were due and sold back and repayment of other interest-bearing borrowings. The Issuer’s obligations to pay the principal and interest under the Corporate Bonds are guaranteed by Guangzhou Yue Xiu Holdings Limited* (廣州越秀集團股份有限公司), the ultimate controlling shareholder of the Company.

The Issuer has received a credit rating of “AAA” from a credit rating agency, China Chengxin International Credit Rating Co., Ltd.* (中誠信國際信用評級有限責任公司).

The Company considers that the issuance of the Corporate Bonds for financing is conducted in its ordinary and usual course of business, and this announcement is made to keep investors informed of the Company’s business development.

FURTHER INFORMATION OF THE ISSUER

In anticipation of the proposed issuance of the Corporate Bonds, the Company would like to disclose the following unaudited condensed consolidated and company financial information of the Issuer for the nine months ended 30 September 2022:

GUANGZHOU CITY CONSTRUCTION & DEVELOPMENT COMPANY LIMITED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2022

(All amounts in RMB unless otherwise stated)

	As at 30 September 2022 (Unaudited)	As at 31 December 2021 (Audited)
Current assets:		
Cash and cash equivalents	27,767,600,920	34,318,478,400
Trade receivables	278,316,570	31,126,098
Notes receivables	65,087,582	—
Prepayments	17,140,496,287	10,626,853,406
Other receivables	49,079,843,716	39,732,235,520
Inventories	181,353,710,550	166,453,703,619
Other current assets	9,672,479,359	10,138,142,479
Total current assets	285,357,534,984	261,300,539,522
Non-current assets:		
Non-current inventories	5,318,973,132	5,178,140,143
Long investment	15,697,912,657	10,567,715,975
Investment in other equity instruments	1,054,485,929	1,055,245,071
Investment properties	5,217,390,000	5,186,380,000
Property, plant and equipment	1,494,847,031	1,578,981,729
Constructions under development	2,727,259,157	2,262,410,887
Right-of-use assets	854,205,611	792,936,322
Intangible assets	3,258,424,242	3,259,681,430
Deferred tax assets	1,317,937,949	1,118,204,620
Total non-current assets	36,941,435,708	30,999,696,177
TOTAL ASSETS	322,298,970,692	292,300,235,699

GUANGZHOU CITY CONSTRUCTION & DEVELOPMENT COMPANY LIMITED
CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2022 (Continued)

(All amounts in RMB unless otherwise stated)

	As at 30 September 2022 (Unaudited)	As at 31 December 2021 (Audited)
Current liabilities:		
Short-term borrowings	418,706,059	131,343,162
Notes payables	938,945,189	1,166,677,361
Accounts payable	24,052,179,748	21,634,512,227
Contract liabilities	74,714,936,359	71,936,534,040
Employee benefits payable	779,480,713	1,517,000,483
Taxation payable	14,851,257,041	9,709,915,051
Other payables	49,043,363,849	41,084,139,883
Current portion of non-current liabilities	8,306,122,034	20,954,613,128
Other current liabilities	<u>7,313,648,697</u>	<u>10,308,388,195</u>
Total current liabilities	180,418,639,689	178,443,123,530
Non-current liabilities:		
Long-term borrowings	31,282,116,936	20,489,164,598
Bonds payable	19,140,029,494	7,490,274,725
Lease liabilities	843,850,614	673,461,359
Deferred revenue	250,162,967	50,240,595
Deferred tax liabilities	1,439,771,828	2,173,150,693
Other non-current liabilities	<u>6,139,871,513</u>	<u>4,974,624,199</u>
Total non-current liabilities	59,095,803,352	35,850,916,169
Total liabilities	239,514,443,041	214,294,039,699
Owners' equity		
Paid-in capital	1,908,610,000	1,908,610,000
Capital surplus	19,766,042,095	19,771,736,726
Other comprehensive income	1,346,499,086	1,346,499,086
Surplus reserve	1,175,513,727	1,116,398,403
Undistributed profits	<u>29,000,430,048</u>	<u>28,455,150,094</u>
Total equity attributable to equity owners of the Company	53,197,094,956	52,598,394,309
Minority interests	<u>29,587,432,695</u>	<u>25,407,801,691</u>
Total owners' equity	82,784,527,651	78,006,196,000
TOTAL LIABILITIES AND OWNERS' EQUITY	322,298,970,692	292,300,235,699

GUANGZHOU CITY CONSTRUCTION & DEVELOPMENT COMPANY LIMITED
BALANCE SHEET OF THE COMPANY AS AT 30 SEPTEMBER 2022

(All amounts in RMB unless otherwise stated)

	As at 30 September 2022 (Unaudited)	As at 31 December 2021 (Audited)
Current assets:		
Cash and cash equivalents	3,433,632,656	3,007,678,018
Trade receivables	6,774,911	7,070,881
Prepayments	25,298,430	17,863,876
Other receivables	134,730,132,862	118,002,602,501
Inventories	920,696,317	1,039,754,072
Other current assets	<u>1,100,939</u>	<u>5,698,994</u>
Total current assets	<u>139,117,636,115</u>	<u>122,080,668,342</u>
Non-current assets:		
Long investment	26,037,228,963	25,937,581,634
Investment in other equity instruments	1,030,418,200	1,033,583,126
Investment properties	613,290,000	612,030,000
Property, plant and equipment	12,265,589	7,858,738
Right-of-use assets	54,797,975	19,135,987
Intangible assets	<u>3,116,231</u>	<u>11,759,654</u>
Total non-current assets	<u>27,751,116,958</u>	<u>27,621,949,139</u>
TOTAL ASSETS	<u><u>166,868,753,073</u></u>	<u><u>149,702,617,481</u></u>

GUANGZHOU CITY CONSTRUCTION & DEVELOPMENT COMPANY LIMITED
BALANCE SHEET OF THE COMPANY AS AT 30 SEPTEMBER 2022 (Continued)

(All amounts in RMB unless otherwise stated)

	As at 30 September 2022 (Unaudited)	As at 31 December 2021 (Audited)
Current liabilities:		
Notes payables	—	18,129,834
Accounts payable	1,007,116,471	1,108,820,563
Contract liabilities	406,615,953	449,741,475
Employee benefits payable	514,196,016	667,466,281
Taxation payable	712,259,219	886,195,787
Other payables	108,814,704,985	92,144,921,919
Current portion of non-current liabilities	7,298,879,357	10,382,842,210
Other current liabilities	—	4,830,594
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Total current liabilities	118,753,772,001	105,662,948,663
Non-current liabilities:		
Bonds payable	13,328,029,494	7,490,274,725
Lease liabilities	53,063,805	20,507,493
Deferred revenue	49,343,442	50,240,595
Deferred tax liabilities	429,283,380	538,751,142
Other non-current liabilities	776,130,151	955,510
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TOTAL NON-CURRENT LIABILITIES	14,635,850,272	8,100,729,465
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Total liabilities	133,389,622,273	113,763,678,128
Owners' equity:		
Paid-in capital	1,908,610,000	1,908,610,000
Capital surplus	25,856,226,328	25,856,226,328
Other comprehensive income	677,656,777	677,656,777
Surplus reserve	1,175,513,727	1,116,398,403
Undistributed profits	3,861,123,968	6,380,047,845
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Total owners' equity	33,479,130,800	35,938,939,353
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TOTAL LIABILITIES AND OWNERS' EQUITY	166,868,753,073	149,702,617,481
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GUANGZHOU CITY CONSTRUCTION & DEVELOPMENT COMPANY LIMITED
CONSOLIDATED INCOME STATEMENTS FOR THE NINE MONTHS ENDED
30 SEPTEMBER 2022

(All amounts in RMB unless otherwise stated)

	Nine months ended 30 September 2022 (Unaudited)
I, REVENUE	40,380,613,055
Less: Cost of sales	31,187,851,084
Taxes and surcharges	1,726,544,791
Selling and distribution expenses	1,103,041,527
General and administrative expenses	802,170,834
Financial expenses/ (income)	(55,934,649)
Including: Interest expense	—
Interest income	256,853,386
Add: Other gains	11,927,470
Investment income	503,591,165
Including: Share of profit of associates and joint ventures	171,752,730
Losses raising from changes in fair value	49,891,948
Impairment losses on assets	(234,424,899)
Gains on disposal of assets	<u>628,604</u>
II, Operating profit	5,948,553,756
Add: Non-operating income	55,399,911
Including: Government grants	495,962
Less: Non-operating expenses	<u>59,368,344</u>
III, Total profit	5,944,585,323
Less: Income tax expenses	<u>1,613,651,741</u>
IV, Net profit	<u>4,330,933,582</u>

GUANGZHOU CITY CONSTRUCTION & DEVELOPMENT COMPANY LIMITED
CONSOLIDATED INCOME STATEMENTS FOR THE NINE MONTHS ENDED
30 SEPTEMBER 2022 (Continued)

(All amounts in RMB unless otherwise stated)

	Nine months ended 30 September 2022 (Unaudited)
IV, Net profit	4,330,933,582
(I) Classification according to ownership:	
Attributable to equity owners of the Company	2,978,055,551
Attributable to minority interests	1,352,878,031
(II) Classification according to the continuity of operations:	
Net profit from continuing operations	4,330,933,582
Net profit from discontinued operations	—
V, Other comprehensive income, net of tax	—
Attributable to equity owners of the Company, net of tax	—
Attributable to minority interests	—
VI, Total comprehensive income	<u>4,330,933,582</u>
Attributable to equity owners of the Company	2,978,055,551
Attributable to minority interests	1,352,878,031

GUANGZHOU CITY CONSTRUCTION & DEVELOPMENT COMPANY LIMITED
INCOME STATEMENTS OF THE COMPANY FOR THE NINE MONTHS ENDED
30 SEPTEMBER 2022

(All amounts in RMB unless otherwise stated)

	Nine months ended 30 September 2022 (Unaudited)
I, Revenue	262,374,002
Less: Cost of sales	(163,228,583)
Taxes and surcharges	(149,053,791)
Selling and distribution expenses	93,680,825
General and administrative expenses	143,069,705
Financial expenses	639,006,685
Including: Interest expense	528,330,024
Interest income	43,714,271
Add: Other gains	1,123,153
Investment income	971,147,962
Including: Share of profit /(loss) of associates and joint ventures	(33,067,797)
Gains raising from changes in fair value	1,260,000
Impairment losses on assets	(853,909)
Gains /(losses) on disposal of assets	<u>(297,783)</u>
II, Operating profit	671,278,584
Add: Non-operating income	1,370,340
Including: Government grants	—
Less: Non-operating expenses	<u>136,381</u>
III, Total profit	672,512,543
Less: Income tax expenses	<u>191,992,200</u>
IV, Net profit	480,520,343
Classification according to the continuity of operations:	
Net profit from continuing operations	480,520,343
Net profit from discontinued operations	—
V, Other comprehensive income, net of tax	<u>—</u>
VI, Total comprehensive income	<u><u>480,520,343</u></u>

GUANGZHOU CITY CONSTRUCTION & DEVELOPMENT COMPANY LIMITED
CONSOLIDATED CASH FLOW STATEMENTS FOR THE NINE MONTHS ENDED
30 SEPTEMBER 2022

(All amounts in RMB unless otherwise stated)

	Nine months ended 30 September 2022 (Unaudited)
I, Cash flows from operating activities:	
Cash received from sales of goods or rendering of services	42,080,099,405
Cash received relating to other operating activities	<u>741,673,531</u>
Sub-total of cash inflows	<u>42,821,772,936</u>
Cash paid for goods and service	(39,183,629,443)
Cash paid to and on behalf of employees	(2,326,921,119)
Payments of income taxes	(2,675,938,809)
Payments of value added taxes	(548,094,896)
Payments of other taxes other than value added taxes and income taxes	(3,141,602,778)
Cash paid relating to other operating activities	<u>(1,933,668,656)</u>
Sub-total of cash outflows	<u>(49,809,855,701)</u>
Net cash flows used in operating activities	<u>(6,988,082,765)</u>
II, Cash flows from investing activities:	
Cash received from returns on investments	331,838,435
Cash received from distribution of dividends or profits	48,510,000
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	<u>52,311,436</u>
Sub-total of cash inflows	<u>432,659,871</u>
Cash paid to acquire fixed assets, intangible assets and other long-term assets	(713,828,234)
Cash paid for equity investments	(5,055,463,954)
Other cash paid relating to investing activities	<u>(6,644,890,708)</u>
Sub-total of cash outflows	<u>(12,414,182,896)</u>
Net cash flows used in investing activities	<u>(11,981,523,025)</u>

GUANGZHOU CITY CONSTRUCTION & DEVELOPMENT COMPANY LIMITED
CONSOLIDATED CASH FLOW STATEMENTS FOR THE NINE MONTHS ENDED
30 SEPTEMBER 2022 (Continued)

(All amounts in RMB unless otherwise stated)

	Nine months ended 30 September 2022 (Unaudited)
III, Cash flows from financing activities:	
Cash received from equity investments	1,483,805,245
Cash received from bond issues	9,840,000,000
Cash received from borrowings	24,686,206,343
Cash received relating to other financing activities	1,562,246,710
Sub-total of cash inflows	<u>37,572,258,298</u>
Cash repayments of borrowings	(23,796,004,480)
Cash payments for distribution of dividends or profits	(20,722,486)
Cash repayments of interests	(2,158,628,446)
Cash paid relating to other financing activities	(2,821,068,098)
Sub-total of cash outflows	<u>(28,796,423,510)</u>
Net cash flows from financing activities	<u>8,775,834,788</u>
IV, Effect of foreign exchange rate changes on cash	<u>174,935</u>
V, Net decrease in cash and cash equivalents	(10,193,596,067)
Add: Cash at beginning of year	<u>26,749,224,460</u>
VI, Cash at end of period	<u><u>16,555,628,393</u></u>

GUANGZHOU CITY CONSTRUCTION & DEVELOPMENT COMPANY LIMITED
CASH FLOW STATEMENTS OF THE COMPANY FOR THE NINE MONTHS ENDED
30 SEPTEMBER 2022

(All amounts in RMB unless otherwise stated)

	Nine months ended 30 September 2022 (Unaudited)
I, Cash flows from operating activities:	
Cash received from sales of goods or rendering of services	291,435,319
Cash received relating to other operating activities	<u>1,309,857,405</u>
Sub-total of cash inflows	<u>1,601,292,724</u>
Cash paid for goods and service	153,044,755
Cash paid to and on behalf of employees	(162,572,045)
Payments of income taxes	(449,672,952)
Payments of value added taxes	(10,655,793)
Payments of other taxes other than value added taxes and income taxes	134,910,777
Cash paid relating to other operating activities	<u>(235,539,717)</u>
Sub-total of cash outflows	<u>(570,484,975)</u>
Net cash flows from operating activities	<u>1,030,807,749</u>
II, Cash flows from investing activities:	
Cash received from returns on investments	662,489,745
Cash received from distribution of dividends or profits	370,869,350
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	<u>740,141</u>
Sub-total of cash inflows	<u>1,034,099,236</u>
Cash paid to acquire fixed assets, intangible assets and other long-term assets	(5,644,154)
Cash paid for equity investments	(355,677,889)
Other cash paid relating to investing activities	<u>(7,674,830,933)</u>
Sub-total of cash outflows	<u>(8,036,152,976)</u>
Net cash flows used in investing activities	<u>(7,002,053,740)</u>

GUANGZHOU CITY CONSTRUCTION & DEVELOPMENT COMPANY LIMITED
CASH FLOW STATEMENTS OF THE COMPANY FOR THE NINE MONTHS ENDED
30 SEPTEMBER 2022 (Continued)

(All amounts in RMB unless otherwise stated)

	Nine months ended 30 September 2022 (Unaudited)
III, Cash flows from financing activities:	
Cash received from equity investments	—
Cash received from bond issues	9,840,000,000
Cash received from borrowings	—
Cash received relating to other financing activities	<u>3,702,097,794</u>
Sub-total of cash inflows	<u>13,542,097,794</u>
Cash repayments of debts	(6,500,000,000)
Cash payments for distribution of dividends or profits	—
Cash repayments of interests	(559,031,522)
Cash paid relating to other financing activities	<u>(11,165,672)</u>
Sub-total of cash outflows	<u>(7,070,197,194)</u>
Net cash flows from financing activities	<u>6,471,900,600</u>
IV, Effect of foreign exchange rate changes on cash	<u>(1,804)</u>
V, Net increase in cash and cash equivalents	500,652,805
Add: Cash at beginning of year	<u>2,932,540,542</u>
Cash at end of period	<u><u>3,433,193,347</u></u>

GENERAL

The Company would like to remind the shareholders of the Company and potential investors that the extract of the unaudited condensed consolidated and company financial information of the Issuer as disclosed in this announcement were prepared under the People's Republic of China Accounting Standards for Business Enterprises.

Shareholders of the Company and potential investors are reminded that the financial information disclosed in this announcement is the financial information of a subsidiary of the Company, rather than that of the Company. Shareholders of the Company and investors are also reminded that the Company prepares its financial statements in accordance with the Hong Kong Financial Reporting Standards.

FURTHER ANNOUNCEMENTS

The Company will make further announcement(s) in respect of the issuance and listing of the Corporate Bonds as and when appropriate in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

As the issuance of the Corporate Bonds is subject to a number of conditions, including but not limited to approvals of the Shanghai Stock Exchange and any other relevant governmental or regulatory authorities, it may or may not proceed. Shareholders of the Company and potential investors should exercise caution when dealing in the securities of the Company.

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

Hong Kong, 9 February 2023

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

<i>Executive Directors:</i>	<i>LIN Zhaoyuan (Chairman), LIN Feng, LI Feng, CHEN Jing and LIU Yan</i>
<i>Non-Executive Director:</i>	<i>ZHANG Yibing</i>
<i>Independent Non-executive Directors:</i>	<i>YU Lup Fat Joseph, LEE Ka Lun and LAU Hon Chuen Ambrose</i>