

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



(Incorporated in Hong Kong with limited liability)

(Stock code: 00123)

VOLUNTARY ANNOUNCEMENT

ACCEPTANCE OF THE LAND EXCHANGE OFFER

ACCEPTANCE OF THE LAND EXCHANGE OFFER

The Board wishes to announce that on 3 November 2023, Charm Smart, an indirect wholly-owned subsidiary of the Company, accepted the Land Exchange Offer under the Offer Letter, pursuant to which Charm Smart will surrender the Surrendered Lots to the Government and the Government will grant the Re-granted Lot in situ to Charm Smart for a premium of HK\$1,346,090,000, subject to the terms and conditions of the Memorandum of Agreement.

LISTING RULES IMPLICATIONS

As all the applicable percentage ratios in respect of the Land Exchange are below 5%, the Land Exchange does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

The Company would like to make this voluntary announcement to update its shareholders and potential investors of the recent developments of the Group.

LAND EXCHANGE

The Board wishes to announce that on 3 November 2023, Charm Smart, an indirect wholly-owned subsidiary of the Company, accepted the Land Exchange Offer under the Offer Letter, pursuant to which Charm Smart will surrender the Surrendered Lots to the Government and the Government will grant the Re-granted Lot in situ to Charm Smart for a premium of HK\$1,346,090,000, subject to the terms and conditions of the Memorandum of Agreement.

The principal terms of the Land Exchange are summarised as follows:

The Surrendered Lots

The Surrendered Lots are located at Tung Yuen Street and Shung Yiu Street, Yau Tong, Kowloon, with site area of about 5,437.888 square metres, 52,120 square feet and 15,810 square feet, respectively.

The Regranted Lot

The Regranted Lot is to be known and registered at the Land Registry as Yau Tong Inland Lot No. 46 and has a total site area of about 12,262 square metres.

Lease Term

The lease term of the Regranted Lot is 50 years from the date of the Memorandum of Agreement.

User

The permitted user of the Regranted Lot is non-industrial (excluding office, hotel, godown and petrol filling station) purposes.

Land Premium

The amount of the land premium payable for the Land Exchange is HK\$1,346,090,000, which shall be paid in the following manner:

- (i) 10% of the land premium shall be paid as deposit upon Charm Smart's acceptance of the Land Exchange Offer under the Offer Letter on or before 8 November 2023. Such payment was made on 3 November 2023 upon Charm Smart's acceptance of the Land Exchange Offer under the Offer Letter by an acceptance letter; and
- (ii) the balance of the premium shall be paid within 28 days from the date upon which the relevant document relating to the Land Exchange is sent by the Government to Charm Smart for execution or within 12 weeks from the date of receipt by the Government of Charm Smart's acceptance letter in relation to the acceptance of the Land Exchange Offer under the Offer Letter, whichever is earlier.

DEVELOPMENT

The Regranted Lot is expected to be developed into a development comprising five residential towers (providing 1,393 residential units), 193 parking lots for private cars and 22 parking lots for motor cycles.

REASONS FOR, AND BENEFITS OF, THE LAND EXCHANGE

The Regranted Lot is expected to be developed into a development comprising five residential towers after the completion of the Land Exchange. The Land Exchange is therefore in line with the Company's key strategies to continue with its high quality residential property activities, bringing synergy to the Company's property portfolio, and is expected to enhance long-term shareholder returns. The Company has accepted the Land Exchange Offer in order to proceed with the proposed development. On the basis that the assessed land premium is considered to be in line with current market values, and having regard to all the terms and conditions of the Land Exchange, the Board considers that the terms of the Land Exchange are on normal commercial terms, fair and reasonable, and in the interests of the Company and its shareholders as a whole, and that the Company's entering into the transaction of the Land Exchange is in the ordinary and usual course of business of the Company.

LISTING RULES IMPLICATIONS

As all the applicable percentage ratios in respect of the Land Exchange are below 5%, the Land Exchange does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

The Company would like to make this voluntary announcement to update its shareholders and potential investors of the recent developments of the Group.

DEFINITIONS

“Board”	The board of Directors
“Charm Smart”	Charm Smart Development Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company
“Company”	Yuexiu Property Company Limited, a limited liability company incorporated under the laws of Hong Kong and the shares of which are listed on the Stock Exchange (Stock Code: 00123)
“Directors”	The directors of the Company

“Government”	The Government of Hong Kong
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China
“Land Exchange”	The surrender of the Surrendered Lots and the grant of the Re granted Lot for a premium of HK\$1,346,090,000
“Land Exchange Offer”	The Government’s offer of the Land Exchange
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum of Agreement”	The Memorandum of Agreement for the Particulars and Conditions of Exchange of the Re granted Lot attached to the Offer Letter, setting out the general and special conditions on which the Re granted Lot will be granted, which shall be executed by Charm Smart within 28 days from the date upon which the relevant document relating to the Land Exchange is sent by the Government to Charm Smart for execution or within 12 weeks from the date of receipt by the Government of Charm Smart’s acceptance letter in relation to the acceptance of the Land Exchange Offer under the Offer Letter, whichever is earlier
“Offer Letter”	The letter dated 11 October 2023 from the Government to Charm Smart containing the Land Exchange Offer
“Re granted Lot”	A lot to be known and registered at the Land Registry as Yau Tong Inland Lot No. 46
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Surrendered Lots”	Section B of Yau Tong Inland Lot No. 4, Yau Tong Inland Lot No. 9 and Yau Tong Marine Lot No. 57

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

Hong Kong, 7 November 2023

As at the date of this announcement, the board of directors comprises:

Executive Directors: LIN Zhaoyuan (Chairman), LIN Feng, ZHU Huisong, HE Yuping, CHEN Jing and LIU Yan

Non-executive Director: ZHANG Yibing

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