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**PROPOSED SPIN-OFF AND SEPARATE LISTING OF
YUEXIU SERVICES GROUP LIMITED
ON THE MAIN BOARD OF
THE STOCK EXCHANGE OF HONG KONG LIMITED**

**BASIS OF ASSURED ENTITLEMENT OF
QUALIFYING SHAREHOLDERS IN THE PREFERENTIAL OFFERING**

The Company is pleased to announce that the basis of the Assured Entitlement of the Qualifying Shareholders to the Reserved Shares in the Preferential Offering, if and when made, has been determined. The basis of the Assured Entitlement is one (1) Reserved Share for every 419 Shares held by the Qualifying Shareholders as at 4:30 p.m. on the Record Date.

As the size and structure of the Global Offering have not yet been finalized, the basis of the Assured Entitlement of the Qualifying Shareholders to the Reserved Shares in the Preferential Offering as set out in this announcement is subject to change. In the event that there is a change in the basis of the Assured Entitlement of the Qualifying Shareholders to the Reserved Shares in the Preferential Offering, a further announcement will be made by the Company.

The Proposed Spin-off is conditional upon, among other things, the approval of the Listing Committee, the final decision of the Board and the board of directors of Yuexiu Services, market conditions and other considerations. Accordingly, the Proposed Spin-off may or may not occur. Shareholders and potential investors should be aware that there is no assurance that the Proposed Spin-off will take place or as to when it may take place. If the Proposed Spin-off does not proceed for any reason, the Preferential Offering will not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company. Persons who are in doubt about their position or any action to be taken are recommended to consult their own professional advisers.

Further announcement(s) will be made by the Company in relation to the Proposed Spin-off as and when appropriate.

INTRODUCTION

Reference is made to the announcements of the Company dated 10 February 2021 and 17 May 2021 (the “**Announcements**”) in relation to the Proposed Spin-off. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the Announcements.

BASIS OF THE ASSURED ENTITLEMENT OF THE QUALIFYING SHAREHOLDERS IN THE PREFERENTIAL OFFERING

The basis of the Assured Entitlement of the Qualifying Shareholders to the Reserved Shares in the Preferential Offering, if and when made, has been determined.

The basis of the Assured Entitlement is one (1) Reserved Share for every 419 Shares held by the Qualifying Shareholders as at 4:30 p.m. on the Record Date

Qualifying Shareholders should note that their Assured Entitlements to the Reserved Shares may not represent a full board lot of 500 Yuexiu Services Shares. The Reserved Shares allocated to the Qualifying Shareholders will be rounded down to the closest whole number if required. No odd lot matching services will be provided and dealings in odd lots of the Yuexiu Services Shares may be at a price below the prevailing market price for full board lots.

As disclosed in the announcement and the circular of the Company dated 19 April 2021 and 30 April 2021, respectively, the Board proposed the share consolidation which is expected to become effective on 10 June 2021. The above basis of the Assured Entitlement of the Qualifying Shareholders in the Preferential Offering is based on the total number of issued shares of the Company before such share consolidation becoming effective.

The Assured Entitlements of the Qualifying Shareholders to the Reserved Shares are not transferrable and there will be no trading in nil-paid entitlements on the Stock Exchange.

Qualifying Shareholders may apply for a number of the Reserved Shares which is greater than, equal to or less than their Assured Entitlements or may apply only for excess Reserved Shares under the Preferential Offering.

A valid application for a number of the Reserved Shares which is less than or equal to a Qualifying Shareholder’s Assured Entitlement under the Preferential Offering will be accepted in full, subject to the terms and conditions of the Preferential Offering.

Where a Qualifying Shareholder applies for a number of the Reserved Shares which is greater than the Qualifying Shareholder's Assured Entitlement under the Preferential Offering, the relevant Assured Entitlement will be satisfied in full (subject to the terms and conditions as mentioned above), but the excess portion of such application will only be satisfied to the extent that there are sufficient available Reserved Shares not taken up by other Qualifying Shareholders as their Assured Entitlements under the Preferential Offering. Details of how such excess portion will be satisfied will be further described in the prospectus to be published by Yuexiu Services in relation to the Global Offering (the "**Prospectus**").

Qualifying Shareholders who hold less than 419 Shares on the Record Date and therefore will not have an Assured Entitlement to the Reserved Shares will still be entitled to participate in the Preferential Offering by applying only for excess Reserved Shares. Such application will only be satisfied to the extent that there are sufficient available Reserved Shares not taken up by other Qualifying Shareholders as their Assured Entitlements under the Preferential Offering.

If the Preferential Offering proceeds, details of the Preferential Offering, including the terms and conditions for applications (including excess applications) for the Reserved Shares under the Preferential Offering, will be set out in the Prospectus and the accompanying blue application form.

If you have any queries relating to the above arrangements, please contact the enquiry hotline of Tricor Abacus Limited at (852) 2980 1333 from 9:00 a.m. to 5:00 p.m. (Monday to Friday, excluding Hong Kong public holidays).

PRC STOCK CONNECT INVESTORS

Pursuant to Article 23 of the Implementation Rules for Registration, Depository and Clearing Services under the Mainland China-Hong Kong Stock Markets Connect Program (《內地與香港股票市場交易互聯互通機制登記、存管、結算業務實施細則》), CSDCC does not provide services relating to the subscription of newly issued shares. Accordingly, any Shareholder who hold Shares through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect cannot participate in the Preferential Offering and will not be able to take up their respective Assured Entitlement to the Reserved Shares under the Preferential Offering through the trading mechanism of Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect.

As the size and structure of the Global Offering have not yet been finalised, the basis of the Assured Entitlement of Qualifying Shareholders to the Reserved Shares in the Preferential Offering as set out in this announcement is subject to change. In the event that there is a change in the basis of the Assured Entitlement of Qualifying Shareholders to the Reserved Shares in the Preferential Offering, a further announcement will be made by the Company.

Persons who are in doubt about their position or any action to be taken are recommended to consult their own professional advisers.

GENERAL

In connection with the Global Offering, the price of the Yuexiu Services Shares may be stabilised in accordance with the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong). Details of any intended stabilisation and how it will be regulated under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) will be contained in the Prospectus.

The Proposed Spin-off is conditional upon, among other things, the approval of the Listing Committee, the final decision of the Board and the board of directors of Yuexiu Services, market conditions and other considerations. Accordingly, the Proposed Spin-off may or may not occur. Shareholders and potential investors should be aware that there is no assurance that the Proposed Spin-off will take place or as to when it may take place. If the Proposed Spin-off does not proceed for any reason, the Preferential Offering will not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company. Persons who are in doubt about their position or any action to be taken are recommended to consult their own professional advisers.

Further announcement(s) will be made by the Company in relation to the Proposed Spin-off as and when appropriate.

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

Hong Kong, 9 June 2021

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

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

Non-executive Director: *OUYANG Changcheng*

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