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**越秀地產股份有限公司**  
**YUEXIU PROPERTY COMPANY LIMITED**

*(Incorporated in Hong Kong with limited liability)*

**(Stock code: 00123)**

**CONNECTED TRANSACTION IN RELATION TO  
THE ACQUISITION OF 50.5% EQUITY INTERESTS IN  
THE PROJECT COMPANY**

**THE ACQUISITION AND THE COOPERATION AGREEMENT**

The Board is pleased to announce that on 26 September 2025, the Purchaser, which is an indirect non-wholly owned subsidiary of the Company, has entered into the Cooperation Agreement with the Seller and the Project Company, pursuant to which the Seller agreed to sell, and the Purchaser agreed to purchase, 50.5% of the equity interests in the Project Company subject to the satisfaction of the conditions precedent. Upon Completion, the equity interests in the Project Company will be held by the Purchaser and the Seller as to 50.5% and 49.5%, respectively, and shareholder loan provided by the Purchaser and the Seller to the Project Company will be in the proportion of 50.5% and 49.5%, respectively.

The Total Consideration payable by the Purchaser comprises (i) the Equity Transfer Consideration in the amount of RMB404,000,000; (ii) the Interest which is expected to be in the amount of approximately RMB1,699,175; and (iii) the Shareholder Loan which is expected to be in the amount of RMB394,086,850. It was determined based on the 50.5% (i.e. the Purchaser's equity interests in the Project Company upon Completion) of the Total Land Premium and the Project Company Funding, together with the Interest payable to the Seller.

The Directors (including the independent non-executive Directors) consider that the Total Consideration is fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

## **IMPLICATIONS UNDER LISTING RULES**

As the Seller is a substantial shareholder of certain project companies which are indirect non-wholly owned subsidiaries of the Company, each of the Seller and the Project Company is a connected person of the Company at the subsidiary level. Therefore, the transactions contemplated under the Cooperation Agreement (including (i) the payment of the Equity Transfer Consideration and the Interest and (ii) the provision of the Shareholder Loan) constitute a connected transaction of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio in respect of the Acquisition (taking into account (i) the payment of the Equity Transfer Consideration and the Interest and (ii) the provision of the Shareholder Loan) exceeds 0.1% but is less than 5%, the Acquisition constitutes a connected transaction of the Company and is only subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but is exempt from independent shareholders' approval requirement. In addition, since (i) each of the Seller and the Project Company is a connected person at the subsidiary level of the Company only; (ii) the Board has approved the Cooperation Agreement and the transactions contemplated thereunder; and (iii) all the independent non-executive Directors have confirmed the terms of the Cooperation Agreement are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole, the transactions contemplated under the Cooperation Agreement are subject to reporting and announcement requirements under Chapter 14A of the Listing Rules but exempt from the circular, independent financial advice and independent shareholders' approval requirements under Rule 14A.101 of the Listing Rules.

As none of the Directors had a material interest in the Cooperation Agreement, no Director has abstained from voting on the relevant board resolutions of the Company.

## **INTRODUCTION**

The Board is pleased to announce that on 26 September 2025, the Purchaser, which is an indirect non-wholly owned subsidiary of the Company, has entered into the Cooperation Agreement with the Seller and the Project Company, pursuant to which the Seller agreed to sell, and the Purchaser agreed to purchase, 50.5% of the equity interests in the Project Company subject to the satisfaction of the conditions precedent. Upon Completion, the equity interests in the Project Company will be held by the Purchaser and the Seller as to 50.5% and 49.5%, respectively, and shareholder loan provided by the Purchaser and the Seller to the Project Company will be in the proportion of 50.5% and 49.5%, respectively.

## **THE ACQUISITION AND THE COOPERATION AGREEMENT**

The principal terms of the Cooperation Agreement are set out below:

### **Date**

26 September 2025

## Parties

The Seller as seller, the Purchaser as purchaser and the Project Company as the target company

## Subject matter

The Seller has participated in and won the bidding of the Land Parcel on 22 July 2025 for a total land premium of RMB1,530,370,000 (the “**Total Land Premium**”), following which the Project Company was newly established by the Seller for the development of the Land Parcel.

Pursuant to the Cooperation Agreement, (i) the Seller agreed to sell, and the Purchaser agreed to purchase, 50.5% of the equity interests in the Project Company; and (ii) the Seller and the Purchaser agreed to provide funding to the Project Company in the proportion of 49.5% and 50.5% for the acquisition and development of the Land Parcel.

As at the date of the Cooperation Agreement, the Seller has (i) paid the Deposit in the amount of RMB236,080,000 to the Land Bureau, with such amount remaining as a shareholder loan from the Seller to the Project Company; and (ii) paid up the registered capital of the Project Company of RMB800,000,000, which the Project Company has in turn paid the First Land Premium Payment in the amount of RMB529,105,000 to the Land Bureau. The Second Land Premium Payment, being the balance of the Total Land Premium in the amount of RMB765,185,000, shall be paid to the Land Bureau before 5 August 2026.

## Consideration and payment terms

It was agreed that (a) the Total Land Premium (including the Deposit, the First Land Premium Payment and the Second Land Premium Payment) and the Project Company Funding will be borne by the Seller and the Purchaser in proportion to their respective equity interests in the Project Company upon Completion (i.e. 49.5%:50.5%); and (b) the funding provided by the Seller to the Project Company shall be in the form of paid-up capital contribution and shareholder loan, whereas the earnest money provided by the Purchaser to the Seller shall be converted to shareholder loan to the Project Company upon Completion. It was further agreed under the Cooperation Agreement that the Purchaser shall make payments in the following manner:

- (1) within five working days of the date of the Cooperation Agreement and after the registration of the Equity Interests Pledge in accordance with the Cooperation Agreement, the Purchaser shall pay an amount of RMB386,418,425, which is equivalent to 50.5% (i.e. the Purchaser’s equity interests in the Project Company upon Completion) of the Deposit and the First Land Premium Payment (the “**First Purchaser Transfer Instalment**”), to the Seller in the form of earnest money;

- (2) simultaneously with the payment of the First Purchaser Transfer Instalment as described in (1) above:
- (a) the Purchaser shall pay an interest to the Seller in respect of the equivalent amount of the First Purchaser Transfer Instalment which has been paid by the Seller and the Project Company to the Land Bureau (the “**Interest**”). The Interest will be calculated at 4% per annum commencing on the relevant dates of payment by the Seller and the Project Company to the Land Bureau and ending on the date immediately before the payment of the First Purchaser Transfer Instalment by the Purchaser to the Seller, and is expected to be in the amount of approximately RMB1,699,175;
  - (b) an amount of RMB50,000,000 (the “**Project Company Funding**”) shall be paid to the Project Company and shall be borne in proportion to the respective equity interests of the Seller and the Purchaser in the Project Company upon Completion (i.e. 49.5%:50.5%). Therefore, an amount of RMB25,250,000 would be paid by the Purchaser to the Seller in the form of further earnest money;
- (3) on the date of the payment of the Second Land Premium Payment by the Project Company to the Land Bureau which is expected to take place before 5 August 2026, the Purchaser shall pay an amount of RMB386,418,425 (representing the pro-rata amount of the Second Land Premium Payment in proportion to its 50.5% equity interests in the Project Company upon Completion) to the Seller in the form of further earnest money; and
- (4) on the date of Completion, part of the earnest money in the amount of RMB404,000,000 shall be repaid to the Purchaser, and the Purchaser shall then pay an amount of RMB404,000,000 (representing 50.5% of the total paid-up registered capital of the Project Company) as the equity transfer consideration (the “**Equity Transfer Consideration**”), to the Seller. The remaining part of the earnest money, which is expected to be in the amount of approximately RMB394,086,850, will be converted to a shareholder loan from the Purchaser to the Project Company (the “**Shareholder Loan**”) upon Completion.

Upon Completion, the equity interests in the Project Company will be held by the Purchaser and the Seller as to 50.5% and 49.5%, respectively, and shareholder loan provided by the Purchaser and the Seller to the Project Company will be in the proportion of 50.5% and 49.5%, respectively.

### **Transitional Arrangements**

Within five working days of the date of the Cooperation Agreement, the Seller shall pledge 50.5% equity interests in the Project Company to the Purchaser (the “**Equity Interests Pledge**”) as security for the payments by the Purchaser prior to Completion. The Equity Interests Pledge will be cancelled and discharged no less than one working day prior to Completion.

During the transitional period between the date of the Cooperation Agreement and on the completion of the registration of the Acquisition at the relevant administration for market regulations, each of the Seller and the Project Company shall not, without the prior written consent of the Purchaser, engage in any activities which would incur any material obligations or result in any material amendments of the business scope of the Project Company. After the Purchaser has paid the First Purchaser Transfer Instalment and the Interest, the Purchaser shall be entitled to (i) appoint personnel to participate in the daily operation and management of the Project Company and (ii) enjoy the shareholder rights in proportion to its equity interests in the Project Company upon Completion.

### **Conditions precedent and Completion**

Completion is conditional on (i) the Project Company having obtained the certificate of real estate ownership of the Land Parcel, (ii) the Purchaser having completed the necessary state-owned assets evaluation and filings and registration procedures in respect of the Project Company and (iii) the Equity Interests Pledge having been cancelled and discharged. Completion shall take place within five working days of the satisfaction of conditions (i) and (ii) above and upon completion of the registration at the relevant administration for market regulations (with condition (iii) above having been satisfied no less than one working day prior to such registration).

Upon Completion, the Purchaser will hold 50.5% of the equity interests in the Project Company. The Project Company will become an indirect non-wholly owned subsidiary of the Company and the financial results of the Project Company will be consolidated into the consolidated financial results of the Company.

### **MANAGEMENT OF THE PROJECT COMPANY**

#### **Board composition and reserved matters of the Project Company**

Upon Completion, the board of the Project Company shall have a total of three directors, one of whom shall be appointed by the Seller and two of whom (including the chairman) shall be appointed by the Purchaser. All matters requiring board approval (such as, among others, deciding on the Project Company's business, investment and financing plans, appointing or dismissing general managers and formulating general management systems of the Project Company) are subject to simple majority vote.

All matters requiring shareholders' approval shall be approved by simple majority of the shareholder voting rights of the Project Company, except that certain reserved matters such as (among others) increase or reduction of the registered capital, any merger, change in company form or liquidation and amendment of articles shall be approved by more than two-thirds of the shareholder voting rights of the Project Company.

## **Project management and other operational services**

As contemplated in the Cooperation Agreement, the Seller and Purchaser will provide project management and other operational services to the Project Company in respect of the residential project to be developed by the Project Company, which may include project management, property sales and other operational services. The provision of such services, if materialised, may constitute a connected transaction of the Company and may be subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules. Further announcement(s) will be made by the Company in compliance with the Listing Rules as and when necessary.

## **BASIS OF DETERMINATION OF TOTAL CONSIDERATION**

The Total Consideration payable by the Purchaser comprises (i) the Equity Transfer Consideration in the amount of RMB404,000,000; (ii) the Interest which is expected to be in the amount of approximately RMB1,699,175; and (iii) the Shareholder Loan which is expected to be in the amount of RMB394,086,850. It was determined based on the 50.5% (i.e. the Purchaser's equity interests in the Project Company upon Completion) of the Total Land Premium and the Project Company Funding, together with the Interest payable to the Seller. The Total Consideration shall be funded by the Purchaser's internal resources.

The Directors (including the independent non-executive Directors) consider that the Total Consideration is fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

## **INFORMATION OF THE PROJECT COMPANY**

The Project Company was established in the PRC with limited liability on 29 July 2025. The principal business of the Project Company is real estate development and operations.

As at the date of this announcement, it has a total registered capital of RMB800,000,000 and is wholly owned by the Seller. The Project Company was newly established by the Seller specifically for the development of the Land Parcel. The Land Parcel is located in the Yuhang District, Hangzhou, the PRC with a total site area of 36,496 sq. m. It will be developed for residential use. The Project Company is not expected to engage in any other business except for the development of the Land Parcel into residential properties for sale.

Since the Project Company was established on 29 July 2025, revenue and net profit/loss are not applicable to the Project Company for the financial years ended 31 December 2023 and 31 December 2024. As at 31 August 2025, the book value of the total assets of the Project Company was approximately RMB1,530,370,000.



## **INFORMATION OF THE GROUP, THE SELLER AND THE PURCHASER**

### **The Group and the Purchaser**

The Group is principally engaged in development, selling and management of properties and holding of investment properties. Guided by the core motto of “Where Good Living Starts”, the Group has strategically established its business presence in the Greater Bay Area, Eastern China, Central and Western China and Northern China. The Company adheres to the Group’s core brand value of “Quality, Responsibility, Innovation and Mutual Benefit”, keeps on breaking new ground to be a leading pioneer of good urban life.

The Purchaser is an indirect non-wholly owned subsidiary of the Company. It is principally engaged in the business of real estate development and operation.

### **The Seller**

The Seller is a company established in the PRC and listed on the Shenzhen Stock Exchange. It is principally engaged in the business of real estate development and operation. It is a leading real estate company in Hangzhou and among the top 50 real estate enterprises in the PRC.

## **REASONS FOR AND BENEFITS OF THE ACQUISITION**

The Land Parcel is located in the Yuhang District, Hangzhou with comprehensive commercial, educational, and transportation facilities in the surrounding area, providing it with excellent geographical advantages. The Seller is a leading real estate company in Hangzhou, the PRC and has a strong reputation for its high-quality and customer recognition. The Directors believe that the collaboration with the Seller will enhance the efficiency and resource allocation of the development of the Land Parcel.

In view of the above, the Directors believe that it is in the interests of the Group to acquire interest in the Land Parcel through the Acquisition. Upon Completion, the Purchaser will hold 50.5% of the equity interests in the Project Company. Accordingly, the financial results of the Project Company will be consolidated into the consolidated financial results of the Company and they are expected to contribute to the Group’s overall operating scales and financial performance. Taking into account the reasons and benefits described above, the Directors (including the independent non-executive Directors) consider that the terms of the Cooperation Agreement and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms and in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole.

## IMPLICATIONS UNDER THE LISTING RULES

As the Seller is a substantial shareholder of certain project companies which are indirect non-wholly owned subsidiaries of the Company, each of the Seller and the Project Company is a connected person of the Company at the subsidiary level. Therefore, the transactions contemplated under the Cooperation Agreement (including (i) the payment of the Equity Transfer Consideration and the Interest and (ii) the provision of the Shareholder Loan) constitute a connected transaction of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio in respect of the Acquisition (taking into account (i) the payment of the Equity Transfer Consideration and the Interest and (ii) the provision of the Shareholder Loan) exceeds 0.1% but is less than 5%, the Acquisition constitutes a connected transaction of the Company and is only subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but is exempt from independent shareholders' approval requirement.

In addition, since (i) each of the Seller and the Project Company is a connected person at the subsidiary level of the Company only; (ii) the Board has approved the Cooperation Agreement and the transactions contemplated thereunder; and (iii) all the independent non-executive Directors have confirmed the terms of the Cooperation Agreement are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole, the transactions contemplated under the Cooperation Agreement are subject to reporting and announcement requirements under Chapter 14A of the Listing Rules but exempt from the circular, independent financial advice and independent shareholders' approval requirements under Rule 14A.101 of the Listing Rules.

As none of the Directors had a material interest in the Cooperation Agreement, no Director has abstained from voting on the relevant board resolutions of the Company.

## DEFINITIONS

In addition to the expressions defined in the content of this announcement, the following expressions have the following meanings:

“Acquisition”	the transfer of the 50.5% of the equity interests in the Project Company by the Seller to the Purchaser in accordance with the terms of the Cooperation Agreement
“Board”	the board of Directors
“Company”	Yuxiu Property Company Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 00123)
“Completion”	completion of the registration of the Acquisition at the relevant administration for market regulations in accordance with the terms of the Cooperation Agreement
“connected person(s)”	has the meaning as ascribed to it under the Listing Rules



“Cooperation Agreement”	the cooperation agreement entered into between the Seller, the Purchaser and the Project Company dated 26 September 2025 regarding the Acquisition
“Deposit”	the amount of RMB236,080,000 paid by the Seller to the Land Bureau prior to the bidding of the Land Parcel as security to participate in the bidding and as part of the Total Land Premium
“Directors”	the directors of the Company
“Equity Interests Pledge”	has the meaning given to it in the section headed “Transitional Arrangements”
“Equity Transfer Consideration”	has the meaning given to it in the section headed “Consideration and payment terms”
“First Land Premium Payment”	the amount of RMB529,105,000 paid to the Land Bureau as part of the Total Land Premium
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Interest”	has the meaning given to it in the section headed “Consideration and payment terms”
“Land Bureau”	杭州市規劃與自然資源局 (Hangzhou Bureau of Planning and Natural Resources*)
“Land Parcel”	the parcel of land located at 杭州市余杭區良渚東單元 YH030304-08 (Plot YH030304-08, Liangzhu East Unit, Yuhang District, Hangzhou, the PRC*) with a total site area of 36,496 sq. m.
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China and for the purpose of this announcement excluding Hong Kong, Macau Special Administrative Region and Taiwan
“Project Company”	杭州濱德房地產開發有限公司 (Hangzhou Binde Real Estate Development Co., Ltd.*), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Seller as at the date of this announcement
“Project Company Funding”	has the meaning given to it in the section headed “Consideration and payment terms”

“Purchaser”	杭州越瓏房地產開發有限公司 (Hangzhou Yuelong Property Development Co., Ltd.*), a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Second Land Premium Payment”	the amount of RMB765,185,500 to be paid to the Land Bureau as part of the Total Land Premium
“Seller”	杭州濱江房產集團股份有限公司 (Hangzhou Binjiang Real Estate Group Co., Ltd.*), a limited liability company established in the PRC on 22 August 1996, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 002244)
“Shareholder(s)”	holder(s) of shares of the Company
“Shareholder Loan”	has the meaning given to it in the section headed “Consideration and payment terms”
“Total Consideration”	the aggregate consideration payable by the Purchaser for the Acquisition in accordance with the terms of the Cooperation Agreement
“Total Land Premium”	the total land premium for the Land Parcel in the amount of RMB1,530,370,000, which shall be paid to the Land Bureau in relation to the acquisition of the Land Parcel

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

Hong Kong, 26 September 2025

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

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

*Non-Executive Directors:*        *ZHANG Yibing and SU Junjie*

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

\* *for identification purpose only*