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(A Hong Kong collective investment scheme authorised under section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong))
(Stock code: 00405)

Managed by



ANNOUNCEMENT
CONTINUING CONNECTED PARTY TRANSACTION IN RELATION TO
GUANGZHOU YUEXIU FINANCIAL HOLDINGS GROUP CO., LTD

The Board of the Manager wishes to announce that it has become aware of an increase in Guangzhou Yuexiu's interests in GZYFHG, resulting in the Relevant Tenants each becoming an associated company of the Manager and therefore each a connected person of the REIT. Prior to this, each of the Relevant Tenants was an independent third party and not a connected person of the REIT within paragraph 8.1 of the REIT Code.

Each of the Relevant Tenants is a tenant of certain premises owned by the REIT, having each entered into a lease with fixed terms and for a fixed period. As each of the Relevant Tenants is now a connected person, each of the aforementioned leases has subsequently become a continuing connected party transaction of the REIT.

This announcement is made by the REIT pursuant to paragraph 8.14 of the REIT Code.

The Board of Yuexiu REIT Asset Management Limited (the “**Manager**”) wishes to announce that it has become aware that, pursuant to the announcement made by Guangzhou Yuexiu Financial Holdings Group Co., Ltd.* (廣州越秀金融控股集團股份有限公司) (formerly known as Guangzhou Friendship Group Co., Ltd.* (廣州友誼

集團股份有限公司) (“**GZYFHG**”) on the website of the Shenzhen Stock Exchange (<http://www.szse.cn>) on 19 August 2017, Guangzhou Yue Xiu Holdings Limited* (廣州越秀集團有限公司) (“**Guangzhou Yuexiu**”) has on 17 August 2017 increased their interests in GZYFHG to approximately 54.25%, resulting in each of the following entities becoming an associated company of Guangzhou Yuexiu:

- (a) Guangzhou Yuexiu Financial Holdings Co., Ltd.* (廣州越秀金融控股集團有限公司) (“**GZYFH**”);
 - (b) Guangzhou Securities Co., Ltd.* (廣州證券股份有限公司) (“**GZS**”);
 - (c) Guangzhou Guang Zheng Hang Seng Research Co., Ltd.* (廣州廣證恒生證券研究有限公司) (“**Guang Zheng**”);
 - (d) Guangzhou Yuexiu Industrial Investment Fund Management Co., Ltd.* (廣州越秀產業投資基金管理股份有限公司) (“**GZYXIIFM**”);
 - (e) Guangzhou Yuexiu Financial Leasing Co., Ltd.* (廣州越秀融資租賃有限公司) (“**GZYXFL**”);
 - (f) Guangzhou Futures Co., Ltd.* (廣州期貨股份有限公司) (“**GZF**”);
 - (g) Guangzhou Yuexiu Financial Technology Co., Ltd.* (廣州越秀金融科技有限公司) (“**GZFT**”);
 - (h) Shanghai Yuexiu Finance Leasing Co., Ltd.* (上海越秀融資租賃有限公司) (“**SHYFL**”); and
 - (i) 廣州友誼集團有限公司 (“**GZFG**”),
- (collectively, the “**Relevant Tenants**”).

Guangzhou Yuexiu indirectly holds approximately 49.67% of the total issued share capital of the Manager as at the date of this announcement. As such, Guangzhou Yuexiu is an associated company of the Manager and accordingly, a connected person of Yuexiu Real Estate Investment Trust (the “**REIT**”) within the meaning of paragraph 8.1 of the Code on Real Estate Investment Trusts (“**REIT Code**”). By virtue of becoming an associated company of Guangzhou Yuexiu, each of the Relevant Tenants has become a connected person of the REIT pursuant to paragraph 8.1(g) of the REIT Code. Prior to the aforesaid increase in interests, each of the Relevant Tenants was an independent third party and not a connected person of the REIT within paragraph

8.1 of the REIT Code. Each of the Relevant Tenants has also become an associated company of a significant holder of the REIT (being Yuexiu Property Company Limited (越秀地產股份有限公司)) and accordingly, has become a connected person of the REIT pursuant to paragraph 8.1(g) of the REIT Code.

Each of the Relevant Tenants is a tenant of certain premises owned by the REIT, having each entered into a lease with fixed terms and for a fixed period (collectively, the “**Relevant Leases**”). The Manager is of the view that each of the Relevant Leases was negotiated at arm’s length at the time of entry and is on normal commercial terms. As each of the Relevant Tenants is now a connected person of the REIT, each of the Relevant Leases has become a continuing connected party transaction of the REIT.

Details of the Relevant Leases are as follows:

Tenant	Location of unit	Relationship with the REIT	Gross floor area (sq.m.)	Lease commencement date/ renewal date	Monthly rent (RMB)	Monthly rent per sq.m. (RMB)	Rent free period (days)	Term (years)
Guangzhou IFC								
GZYFH	0601-B	associated company of the Manager and significant holder	227.87	1 Jan 2016	49,220	216	0	3
GZYFH	6301-B	associated company of the Manager and significant holder	930.54	1 Jan 2016	323,828	348	0	3
GZYFH	0440-B	associated company of the Manager and significant holder	195.54	1 Jan 2017	34,639	177	0	1
GZYFH	3406	associated company of the Manager and significant holder	273.00	1 Apr 2017	65,000	238	0	1

Tenant	Location of unit	Relationship with the REIT	Gross floor area (sq.m.)	Lease commencement date/ renewal date	Monthly rent (RMB)	Monthly rent per sq.m. (RMB)	Rent free period (days)	Term (years)
GZYFH	5805-B and 06-A	associated company of the Manager and significant holder	507.40	1 Jun 2016	137,452	271	0	3
GZYFH	6301-C	associated company of the Manager and significant holder	811.63	1 Sep 2016	268,997	331	0	2.33
GZYFH	6301-D	associated company of the Manager and significant holder	560.73	1 Sep 2016	185,842	331	0	3
GZS	0601-C	associated company of the Manager and significant holder	248.05	1 Jan 2016	53,579	216	0	3
GZS	1901 and 2001	associated company of the Manager and significant holder	6,399.43	1 Jan 2016	1,715,047	268	0	3
GZS	0440-G	associated company of the Manager and significant holder	496.81	1 Jan 2017	88,006	177	0	1
GZS	1001-1006	associated company of the Manager and significant holder	1,486.34	1 Jan 2016	267,541	180	0	3

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GZS	5806-B	associated company of the Manager and significant holder	213.70	1 Jun 2016	57,890	271	0	3
GZS	706-707	associated company of the Manager and significant holder	474.16	15 Apr 2015	76,814	162	0	3
GZS	501	associated company of the Manager and significant holder	2,868.01	20 Jun 2015	458,882	160	0	3
GZS	440-L	associated company of the Manager and significant holder	8.52	1 Jan 2017	1,509	177	0	1
Guang Zheng	0440-J	associated company of the Manager and significant holder	32.02	1 Jan 2017	5,672	177	0	1
Guang Zheng	0401-B	associated company of the Manager and significant holder	948.00	31 May 2016	192,309	203	0	3
GZYXIIFM	0440-C	associated company of the Manager and significant holder	82.92	1 Jan 2017	14,689	177	0	1

Tenant	Location of unit	Relationship with the REIT	Gross floor area (sq.m.)	Lease commencement date/ renewal date	Monthly rent (RMB)	Monthly rent per sq.m. (RMB)	Rent free period (days)	Term (years)
GZYXIIFM	6301-F	associated company of the Manager and significant holder	300.00	1 Sep 2016	99,429	331	0	3
GZYXIIFM	6301-A, E	associated company of the Manager and significant holder	696.58	1 Jan 2016	242,410	348	0	3
GZYXFL	5806-C	associated company of the Manager and significant holder	133.50	1 Jun 2016	36,165	271	0	3
GZYXFL	0440-I	associated company of the Manager and significant holder	181.49	1 Jan 2017	32,150	177	0	1
GZF	1007-1012	associated company of the Manager and significant holder	1,486.52	1 Jan 2016	267,574	180	0	3
GZFT	401-C	associated company of the Manager and significant holder	474.14	1 May 2017	72,250	152	0	1
GZFG	B1, B1-A, G/F, 2/F and 3/F	associated company of the Manager and significant holder	26,521.37	1 Jul 2017	1,979,989	75	0	3.5

Tenant	Location of unit	Relationship with the REIT	Gross floor area (sq.m.)	Lease commencement date/ renewal date	Monthly rent (RMB)	Monthly rent per sq.m. (RMB)	Rent free period (days)	Term (years)
Yue Xiu Tower								
SHYFL	2101 and 2105-2107	associated company of the Manager and significant holder	1,006.41	1 May 2017	306,116	304	0	5

Total (RMB): 7,032,999

The total rental income from the Relevant Leases for the year ended 31 December 2016 was RMB50,546,388, representing 0.37% of the latest net asset value of the REIT as at 31 December 2016.

This announcement is made pursuant to paragraph 8.14 of the REIT Code, and a brief summary of the Relevant Leases shall be included in the REIT's next published semi-annual or annual report, where applicable.

The Relevant Leases will also be subject to the following review processes:

(a) *Auditors' review procedures*

In respect of each relevant financial period, the Manager shall engage and agree with the auditors of the REIT to perform certain review procedures on the Relevant Leases. The auditors shall then report to the Manager on the factual findings based on the work performed by them (and a copy of such report shall be provided to the Securities and Futures Commission of Hong Kong), confirming whether such transactions:

- (i) have received the approval of the board of directors of the Manager (including the independent non-executive directors);
- (ii) have been entered into in accordance with the pricing policies of the REIT; and
- (iii) have been entered into and carried out in accordance with the terms of the agreements (if any) governing the transactions.

(b) *Review by the independent non-executive directors of the Manager*

The independent non-executive directors of the Manager shall review the Relevant Leases annually and confirm in the REIT's annual report for the relevant financial period that such transactions have been entered into:

- (i) in the ordinary and usual course of business of the REIT;
- (ii) based on normal commercial terms (to the extent that there are sufficient comparable transactions) or, where there are not sufficient comparable transactions to judge whether they are on normal commercial terms, on terms no less favourable to the REIT than terms available to or from (as appropriate) independent third parties; and
- (iii) in accordance with the relevant agreement and the Manager's internal procedures governing them (if any) on terms that are fair and reasonable and in the interests of the unitholders of the REIT as a whole.

If any of the Relevant Leases is renewed or its terms are varied, the Manager will comply with all connected party transactions requirements under Chapter 8 of the REIT Code in relation to that lease, unless waived pursuant to the 2014 Extended Waiver (as defined in the announcement of the REIT dated 11 December 2014). The Manager will also comply with the applicable requirements of Rule 14A.60 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited as if such rule were to apply to the REIT.

Other than as disclosed above, the Manager is not aware of any other connected party transaction of the REIT that would result from Guangzhou Yuexiu's aforesaid increase in interests in GZYFHG.

By order of the board of directors of
Yuexiu REIT Asset Management Limited
(as manager of Yuexiu Real Estate Investment Trust)
YU Tat Fung
Company Secretary

Hong Kong, 12 September 2017

As at the date of this announcement, the board of directors of the Manager is comprised as follows:

Executive Directors: Mr. LIN Deliang and Mr. CHENG Jiuzhou

Non-executive Directors: Mr. LIN Zhaoyuan (Chairman) and Mr. LI Feng

Independent Non-executive Directors: Mr. CHAN Chi On Derek, Mr. CHAN Chi Fai Brian, Mr. CHEUNG Yuk Tong and Mr. CHEN Xiaoou

** for identification purposes only*