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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

POST-COMPLETION TRUE-UP PAYMENT FOR ACQUISITION OF YUEXIU FINANCIAL TOWER IN GUANGZHOU

The Manager announces that:

- (i) based on the Completion Statement, the Target Group Adjusted NAV has been determined to be negative RMB7,726,935,000;
- (ii) as the Target Group Adjusted NAV of negative RMB7,726,935,000 (as set out in the Completion Statement) is higher than the Target Group Adjusted NAV of negative RMB7,748,943,000 (as set out in the Pro Forma Completion Statement), the Purchaser has paid the True-up Payment of RMB22,008,000 to the Vendor in accordance with the terms of the Acquisition Deed; and
- (iii) accordingly, the final Acquisition Consideration (after taking into account the Target Group Adjusted NAV as set out in the Completion Statement and the True-up Payment) is RMB7,873,065,000.

Reference is made to the circular of Yuexiu Real Estate Investment Trust (“**Yuexiu REIT**”) dated 13 November 2021 (the “**Circular**”) and the announcements of Yuexiu REIT dated 24 October 2021, 6 December 2021, 23 December 2021 and 27 January 2022, respectively, each relating to, among other things, the acquisition of the office property known as “Yuexiu Financial Tower” in Guangzhou, the PRC. Unless the context requires otherwise, terms used in this announcement shall have the same meaning as those defined in the Circular.

DETERMINATION OF TARGET GROUP ADJUSTED NAV AND TRUE-UP PAYMENT

Completion of the Acquisition took place on 23 December 2021 pursuant to the terms of the Acquisition Deed. On the same day, the Purchaser paid and procured the repayment of (as the case may be) the aggregate amount of RMB4,341,057,000 (being approximately HKD5,316,500,000). As the Rights Issue Completion occurred on 26 January 2022, the Purchaser settled the Deferred Offshore Repayment Amount, which amounted to RMB3,500,000,000 (being approximately HKD4,287,481,778) on 27 January 2022.

The Manager announces that, the Completion Statement prepared based on the audited accounts of the Target Group as at the Acquisition Completion Date as audited by PricewaterhouseCoopers has been determined in accordance with the procedures set out in the Acquisition Deed.

Based on the Completion Statement, the Target Group Adjusted NAV has been determined to be negative RMB7,726,935,000. As this amount is higher than the Target Group Adjusted NAV of negative RMB7,748,943,000 (as set out in the Pro Forma Completion Statement), the Purchaser shall pay to the Vendor the True-up Payment of RMB22,008,000 within ten Business Days after the agreement or determination of the Completion Statement pursuant to the Acquisition Deed.

Accordingly, on 29 June 2022, the Purchaser has paid the HKD equivalent of the True-up Payment of RMB22,008,000 (being approximately HKD25,745,169) in cash to the Vendor. As the Vendor has provided the tax payment notice evidencing payment of taxes payable by the Vendor arising out of or relating to the Acquisition (including without limitation, in respect of the Deferred Offshore Repayment Amount and the True-up Payment) to the Purchaser, the Purchaser has also released to the Vendor the EIT Withheld Amount of RMB10,000,000 previously retained and deposited into the EIT Segregated Account. As advised by the Manager’s Tax Advisers, PricewaterhouseCoopers Limited, the Vendor has completed its obligation to pay the tax under the PRC Enterprise Income Tax Law and Bulletin 7 in respect of the Acquisition.

FINAL CONSIDERATION FOR THE ACQUISITION

The final Acquisition Consideration (after taking into account the Target Group Adjusted NAV as set out in the Completion Statement and the True-up Payment) is RMB7,873,065,000.

GENERAL

This announcement is made pursuant to paragraph 10.3 of the REIT Code.

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, 29 June 2022

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

Executive Directors: Mr. LIN Deliang (Chairman) and Ms. OU Haijing

Non-executive Directors: Mr. LI Feng and Mr. ZENG Zhizhao

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