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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)

**VOLUNTARY ANNOUNCEMENT
ESTABLISHMENT OF JOINT VENTURES
FOR THE DEVELOPMENT OF TWO PARCELS OF LAND
LOCATED IN HAIZHU DISTRICT, GUANGZHOU**

The Board is pleased to announce that (i) Guangzhou Yingsheng (a 95.48%-owned subsidiary of the Company) and Guangzhou Greenland have formed a 50:50 joint venture for the development of a parcel of land located at Guangzhi Area, Haizhu District, Guangzhou, Guangdong Province, and (ii) Guangzhou Yingsheng (a 95.48%-owned subsidiary of the Company) and Shenzhen Joint Investment have formed a 51:49 joint venture for the development of another parcel of land located at Guangzhi Area, Haizhu District, Guangzhou, Guangdong Province.

This is a voluntary announcement made by Yuexiu Property Company Limited (“Company”).

LAND PARCEL 1

Introduction

The board (the “**Board**”) of directors of the Company (the “**Directors**”) is pleased to announce that 廣州盈勝投資有限公司 (Guangzhou Yingsheng Investment Co., Ltd.*) (“**Guangzhou Yingsheng**”), a 95.48%-owned subsidiary of the Company established in the PRC, and 廣州綠地房地產開發有限公司 (Guangzhou Greenland Property Development Limited*) (“**Guangzhou Greenland**”) have formed a 50:50 joint venture in the PRC for the development of the parcel of land located at Guangzhi Area, Haizhu District, Guangzhou, Guangdong Province (“**Land Parcel 1**”).

Land Parcel 1

Land Parcel 1 has a site area of approximately 22,246 square metre (“**sq.m.**”) and a total gross floor area of approximately 229,556 sq.m., of which the permissible

gross floor area is approximately 164,620 sq.m.. The land premium for Land Parcel 1 is RMB2,633,930,000 and the average land cost based on the total gross floor area amounts to approximately RMB11,500 per sq.m.. Land Parcel 1 has been approved for residential and commercial uses.

Land Parcel 1 is located in the western part of the Haizhu District, Guangzhou, Guangdong Province, adjacent to the Pearl River where there are rich resources. There are comprehensive services and facilities provided in the surrounding areas of Land Parcel 1, providing an excellent living environment. Transportation to and from Land Parcel 1 is convenient, and the railway networks nearby are also comprehensive. The Yangang Station of the Guangfo Metro is being developed, and Nanshi Lu station of Line 11 of the Guangzhou Metro is being planned. The region where Land Parcel 1 is situated has been positioned to be the “Engine of Haizhu West, and the Harbour of Vitality in Guangzhou and Foshan”. The region shall be developed to become a key production area in Guangzhou, a promenade for quality living in Guangzhou and Foshan, and key service centre in the western coast of Pearl River Delta. Given the apparent locational advantages, there is great development potential for Land Parcel 1.

Joint Venture for the Development of Land Parcel 1

Guangzhou Greenland had successfully acquired Land Parcel 1 by way of open tender through its wholly-owned subsidiary 廣州市暉邦置業有限公司(Guangzhou Huibang Real Estate Limited *) and formed a project company (“the **First Project Company**”) to develop Land Parcel 1, which was wholly-owned by Guangzhou Greenland.

Guangzhou Yingsheng and Guangzhou Greenland have subsequently formed a 50:50 joint venture in the PRC for the development of Land Parcel 1. Such joint venture was formed through the subscription by Guangzhou Yingsheng for 50% of the equity interest in the First Project Company by way of increase of the registered capital of the First Project Company, resulting in Guangzhou Yingsheng and Guangzhou Greenland having 50% and 50% equity interest in the First Project Company respectively, and accordingly resulting in the First Project Company becoming a 50:50 joint venture of Guangzhou Yingsheng and Guangzhou Greenland.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, Guangzhou Greenland and its ultimate beneficial owners are third parties independent of, and not connected with, the Company and its connected persons.

Reasons for and benefits of the joint venture in respect of Land Parcel 1

The Directors believe that the acquisition of Land Parcel 1 is in line with the Company's strategy of "home base in Guangzhou and strategic expansion nationwide", which can enhance the Company's land bank in Guangzhou and consolidate strategic layout in its stronghold in Guangzhou. Guangzhou Greenland is a wholly-owned subsidiary of 綠地控股集團有限公司 (Greenland Holding Group Company Limited) which is a Fortune 500 company, and has ample experience in real estate development and management. Therefore, the Company's cooperation with Guangzhou Greenland will leverage effectively on the resource advantages and brand names of both the Company and Greenland Holding Group Company Limited, and lead to successful development of Land Parcel 1.

LAND PARCEL 2

Introduction

The Board is pleased to announce that Guangzhou Yingsheng, and 深圳聯盈投資管理有限公司 (Shenzhen Joint Investment Management Limited*) ("**Shenzhen Joint Investment**") have formed a 51:49 joint venture in the PRC for the development of the parcel of land located at Guangzhi Area, Haizhu District, Guangzhou, Guangdong Province ("**Land Parcel 2**").

Land Parcel 2

Land Parcel 2 has a site area of approximately 103,029 sq.m. and a total gross floor area of approximately 735,585 sq.m, of which the permissible gross floor area is approximately 556,107 sq.m.. The land premium for Land Parcel 2 is RMB8,897,720,000 and the average land cost based on the total gross floor area amounts to approximately RMB12,100 per sq.m.. Land Parcel 2 has been approved for residential and commercial uses.

Land Parcel 2 is located in the western part of the Haizhu District, Guangzhou, Guangdong Province, adjacent to the Pearl River where there are rich resources. There are comprehensive services and facilities provided in the surrounding areas of Land Parcel 2, providing an excellent living environment. Transportation to and from Land Parcel 2 is convenient, and the railway networks nearby are also comprehensive. The Yangang Station of the Guangfo Metro is being developed, and Nanshi Lu station of Line 11 of the Guangzhou Metro is being planned. The region where Land Parcel 2 is situated has been positioned to be the "Engine of Haizhu West, and the Harbour of Vitality in Guangzhou and Foshan". The region shall be

developed to become a key production area in Guangzhou, a promenade for quality living in Guangzhou and Foshan, and key service centre in the western coast of Pearl River Delta. Given the apparent locational advantages, there is great development potential for Land Parcel 2.

Joint Venture for the Development of Land Parcel 2

Guangzhou Yingsheng and 廣州越秀仁達六號實業投資合夥企業(有限合夥) (Guangzhou Yuexiu Renda No. 6 Business Investment Enterprise (Limited Partnership*)) (the “**Former Partner**”) had successfully jointly acquired Land Parcel 2 by way of open tender and formed an initial project company (“the **Second Project Company**”) on a 50:50 ratio to develop Land Parcel 2.

Guangzhou Yingsheng and Shenzhen Joint Investment have subsequently formed a 51:49 joint venture in the PRC for the development of the parcel of Land Parcel 2. Such joint venture was formed through: (i) the transfer of 1% of the equity interest in the Second Project Company held by the Former Partner to Guangzhou Yingsheng, and (ii) the transfer of 49% of the equity interest in the Second Project Company held by the Former Partner to Shenzhen Joint Investment, resulting in Guangzhou Yingsheng and Shenzhen Joint Investment having 51% and 49% equity interest in the Second Project Company respectively, and accordingly resulting in the Second Project Company becoming a 51:49 joint venture of Guangzhou Yingsheng and Shenzhen Joint Investment.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, the Former Partner, Shenzhen Joint Investment and their respective ultimate beneficial owners are third parties independent of, and not connected with, the Company and its connected persons.

Reasons for and benefits of the joint venture in respect of Land Parcel 2

The Directors believe that the acquisition of Land Parcel 2 is in line with the Company’s strategy of “home base in Guangzhou and strategic expansion nationwide”, which can enhance the Company’s land bank in Guangzhou and consolidate strategic layout in its stronghold in Guangzhou. Shenzhen Joint Investment is a subsidiary of 中國平安保險(集團)股份有限公司 (Ping An Insurance (Group) Company of China, Ltd.*) which is a Fortune 500 company, and has strong financial service capabilities and a wealth of capital. Therefore, the Company’s cooperation with Shenzhen Joint Investment will effectively leverage on the resource advantages and brand names of both the Company and Ping An Insurance (Group) Company of China, Ltd., and lead to successful development of Land Parcel 2.

NEW ORIENTATION AND VISION

As the competition intensifies in the PRC's real estate market, cooperation between heavyweights in the real estate market has become an effective means of strengthening relationships between high-end real estate enterprises, diversifying risks of investment while keeping a steady pace of development to capture growth opportunities, thus creating win-win situations.

Since 2012, the Company began cooperating with 廣東保利房地產開發有限公司 (Guangdong Poly Property Development Limited*) and 廣州市廣電房地產開發集團股份有限公司 (Guangzhou Guangdian Property Development Group Co., Ltd*) and since 2013, the Company began cooperating with investment funds, through which the Company has achieved effective integration of resources and complementary advantages. The Company's new cooperation with 中國平安保險(集團)股份有限公司 (Ping An Insurance (Group) Company of China, Ltd.*) and 綠地控股集團有限公司 (Greenland Holding Group Company Limited) is an innovative mode of cooperation for the Company in recent years, another breakthrough for the integrated development of the Company's resources which will further promote the development of the Company. In the future, the Company will continue to deepen the mode of cooperation with its partners to establish long-term partnerships beneficial to both parties and also actively explore new ways to develop.

THE COMPANY'S TOTAL LAND BANK

As of the date of this announcement, the Company's total landbank amounted to approximately 15.68 million sq.m.. In terms of the Company's attributable interest in such land, the Company's landbank amounted to approximately 12.91 million sq.m..

** for identification purposes only*

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

Hong Kong, 27 July 2015

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

Executive Directors: ZHANG Zhaoxing (Chairman), ZHU Chunxiu, TANG Shouchun, CHEN Zhihong, LI Feng and OU Junming

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