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*(Incorporated in Hong Kong with limited liability)*  
**(Stock Code: 00123)**

## **VOLUNTARY ANNOUNCEMENT ADOPTION OF SHARE INCENTIVE SCHEME**

The Board is pleased to announce that it has adopted the Share Incentive Scheme on the Adoption Date. The adoption of the Share Incentive Scheme will: (i) provide the Selected Senior Management Participants with an opportunity to acquire a proprietary interest in the Company; (ii) encourage and retain such individuals to work with the Company; and (iii) provide additional incentive for them to achieve performance goals and promote the pursuit of long-term interests of the Company and its shareholders, with a view to achieving the objective of aligning the interests of the Selected Senior Management Participants with those of the shareholders of the Company.

The Share Incentive Scheme does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purpose of Chapter 17 of the Listing Rules and is a discretionary scheme of the Company. The Share Incentive Scheme does not involve the issuance of any new Shares by the Company.

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### **Administration**

The Share Incentive Scheme shall be administered by the Board Delegation.

### **Scheme Period**

The Share Incentive Scheme shall be valid and effective for nine years commencing from the Adoption Date (the “**Scheme Period**”), subject to any early termination as may be determined by the Board.

### **Scheme Limit**

The total number of Shares awarded under the Share Incentive Scheme shall not exceed 3% (the “**Scheme Limit**”) of the number of Shares in issue as at the Adoption Date, and the Board may from time to time “refresh” the Scheme Limit provided that the total number of Scheme Shares awarded and to be awarded must not exceed 5% of the number of Shares in issue as at the date of the resolution to approve the “refreshed” limit.

### **Restrictions**

No payment shall be made to the Trustee, no discretion shall be exercised by the Board or the Board Delegation pursuant to the Scheme Rules and no instructions to purchase or otherwise deal in any Shares shall be given to the Trustee under the Share Incentive Scheme where such payment, exercise of discretion or giving of instructions (as applicable) may be prohibited under the Listing Rules and other applicable laws, rules or regulations.

### **Operations**

Pursuant to the Scheme Rules, the Board may from time to time at its absolute discretion select any Senior Manager to be a Selected Senior Management Participant and determine the Reference Awarded Sum in respect of each Selected Senior Management Participant. The Trustee shall apply the Reference Awarded Sum received from the Company towards the purchase of the maximum number of Shares from the market and shall hold such Shares on trust during the Scheme Period. The Company has entered into a trust deed with the Trustee for the purpose of implementing the Share Incentive Scheme.

## **Release**

The relevant Scheme Shares and their related income will be released to the relevant Selected Senior Management Participant in accordance with the release schedules as set out in the Scheme Rules.

In the event that, solely as a result of the dealing restrictions as set out in the section headed “Restrictions” in this announcement, the Trustee is unable to fully utilize the Reference Awarded Sum received from the Company to purchase Shares on or before the relevant release date, the Trustee shall arrange for payment of such unutilized amount to the relevant Selected Senior Management Participant in accordance with the release schedule and the terms of the Scheme Rules.

## **Voting Rights**

In respect of the Share Incentive Scheme, the Trustee shall exercise the voting rights in respect of the Shares held by it under the Share Incentive Scheme in accordance with the written instructions of the administration committee approved by the Board.

## **Assignability**

Any entitlement granted under the Share Incentive Scheme shall be personal to the Selected Senior Management Participant to whom it is granted and shall not be assignable. No Selected Senior Management Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to the Reference Awarded Sum, the Scheme Shares or the related income attributable to such Scheme Shares.

## **Middle management scheme**

The Company is considering the adoption of a separate share incentive scheme to incentivise the middle management employees of the Group. The Company will make further announcement(s) as and when appropriate.

## DEFINITIONS

Unless the context otherwise requires, the terms used in this announcement shall have the following meanings:

“Adoption Date”	2 December 2016 (the date on which the Share Incentive Scheme is adopted)
“Board Delegation”	any person or group of persons approved by the Board from time to time and delegated with the power and authority by the Board to administer the Share Incentive Scheme
“Board”	the board of directors of the Company
“Company”	Yuexiu Property Company Limited (越秀地產股份有限公司), a limited liability company incorporated under the laws of Hong Kong and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 00123) and on the Singapore Exchange Securities Trading Limited
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Reference Awarded Sum”	the amount, as determined by the Board from time to time pursuant to the Scheme Rules, to be applied for the purchase of Shares under the Share Incentive Scheme in respect of a Selected Senior Management Participant
“Scheme Limit”	has the meaning ascribed to such term in paragraph headed “Scheme Limit” of this announcement
“Scheme Shares”	in relation to a Selected Senior Management Participant, the Shares which are purchased by the Trustee using the Reference Awarded Sum as determined by the Board
“Scheme Rules”	the scheme rules of the Share Incentive Scheme

