

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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

VOLUNTARY ANNOUNCEMENT ADOPTION OF SHARE AWARD SCHEME

The Board is pleased to announce that it has adopted the Share Award Scheme on the Adoption Date. The Selected Participants of the Share Award Scheme are mainly employees (including but not limited to middle management and other employees) of GCCD and other PRC incorporated members of the Group.

The adoption of the Share Award Scheme will: (i) provide the Selected Participants with an opportunity to acquire a proprietary interest in the Company; (ii) encourage and retain such individuals to work with GCCD and the Group; and (iii) provide additional incentive for them to achieve performance goals and promote the pursuit of long-term interests of GCCD and the Group, with a view to achieving the objective of increasing the value of the Group and aligning the interests of the Selected Participants with those of the shareholders of the Company.

The Share Award 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 Award Scheme does not involve the issuance of any new Shares by the Company.

ADOPTION OF THE SHARE AWARD SCHEME

The Board is pleased to announce that it has adopted the Share Award Scheme on the Adoption Date. The Selected Participants of the Share Award Scheme are mainly employees (including but not limited to middle management and other employees) of GCCD and other PRC incorporated members of the Group.

The adoption of the Share Award Scheme will: (i) provide the Selected Participants with an opportunity to acquire a proprietary interest in the Company; (ii) encourage and retain such individuals to work with GCCD and the Group; and (iii) provide additional incentive for them to achieve performance goals and promote the pursuit of long-term interests of GCCD and the Group, with a view to achieving the objective of increasing the value of the Group and aligning the interests of the Selected Participants with those of the shareholders of the Company.

The Share Award 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 Award Scheme does not involve the issuance of any new Shares by the Company.

Administration

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

Scheme Period

The Share Award 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 Award 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 Award 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, no Award Shares shall vest and no instructions to purchase or otherwise deal in any Shares shall be given to the Trustee under the Share Award 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 (the “**Restrictions**”).

Operations

Pursuant to the Scheme Rules, the Board Delegation (after consultation with and having taken into account the recommendations of the board of directors of GCCD) may from time to time at its absolute discretion select any Employee to be a Selected Participant and determine and allocate the number of Shares to be granted to a Selected Participant pursuant to an Award in accordance with the Scheme Rules. Subject to the Restrictions, GCCD will cause to be paid to the Trustee the Purchase Monies for the purchase of Shares for the purpose of the Share Award Scheme, and the Trustee shall apply the full amount of such Purchase Monies received from GCCD 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 Award Scheme.

Vesting

The relevant Award Shares and their related income will vest in the relevant Selected Participant in accordance with the vesting schedules and terms as set out in the Scheme Rules.

In the event that the Selected Participant has (i) seriously violated the rules and regulations of the Group; or (ii) caused material losses to the Group due to serious dereliction of duty or engagement in malpractices for personal gain; or (iii) without the prior written consent of the Group, concurrently established a labour, employment or service relationship with another employing unit, which may conflict with the Selected Participant's discharge of his or her duties under the service, employment or labour contract with the Group, or refused to rectify such breach or non-compliance within a reasonable time after receipt of a written notice; or (iv) been convicted for criminal offence in accordance with relevant laws upon which such Selected Participant ceases to hold a position of employment or office with the Group because his employment or service with the Group has been revoked or terminated by the Group, the Award Shares and the related income attributable to such Shares that are held by the Trustee on behalf of such Selected Participant pursuant to the Scheme Rules shall not vest.

Voting Rights

The Trustee shall not be entitled to exercise any voting rights in respect of any Award Shares, nor shall any of the Selected Participants be entitled to exercise any voting right in respect of any Award Shares, until completion of the transfer of such Award Shares upon vesting to the Designated Participant Account of the relevant Selected Participant.

Assignability

Any award granted under the Share Award Scheme shall be personal to the Selected Participant to whom it is granted and shall not be assignable. No Selected 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 Award Shares or the related income attributable to such Award Shares.

Withholding Tax

The Selected Participants shall be responsible for the applicable taxes (including withholding tax) attributable to or payable in connection with the Award Shares, the related income attributable to such Award Shares or otherwise required to be withheld or paid under applicable laws from time to time. The Company or GCCD shall be entitled to withhold, and any Selected Participant shall be obliged to pay, the abovementioned taxes for the purpose of complying with the Group's withholding tax obligation.

DEFINITIONS

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

“Adoption Date”	17 March 2017 (the date on which the Share Award Scheme is adopted)
“Announcement”	has the meaning ascribed to such term in section headed “ADOPTION OF THE SHARE AWARD SCHEME” of this announcement
“Award Shares”	in relation to a Selected Participant, the Shares which are purchased by the Trustee using the Purchase Monies as determined by the Board Delegation
“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 Award 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)
”Employee”	an employee of GCCD or a member of the Group (as the case may be) or any other person the Board Delegation (in consultation with the board of directors of GCCD) shall determine to be an eligible employee for the purpose of the Scheme
”GCCD”	Guangzhou City Construction & Development Co. Ltd. (廣州市城市建設開發有限公司), a company incorporated in the PRC with limited liability and which is indirectly owned as to 95% by the Company
“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
”Purchase Monies”	such monies in such amounts as may be approved by the Board Delegation for the purchase of Shares in respect of all of the Selected Participants who are selected by the Board Delegation
“Restrictions”	has the meaning ascribed to such term in paragraph headed “Restrictions” of this announcement
“Scheme Limit”	has the meaning ascribed to such term in paragraph headed “Scheme Limit” of this announcement
“Scheme Rules”	the scheme rules of the Share Award Scheme
“Scheme Period”	has the meaning ascribed to such term in paragraph headed “Scheme Period” of this announcement

