

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.

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities.

*This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The securities and the guarantee of the securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), or the securities laws of any state of the United States or other jurisdiction. The securities and the guarantee of the securities are being offered and sold outside the United States in reliance on Regulation S under the Securities Act and may not be offered or sold within the United States absent registration or an exemption from registration under the Securities Act. No public offering of the securities or the guarantee of the securities will be made in the United States or in any other jurisdiction where such an offering is restricted or prohibited.*



(Incorporated in Hong Kong with limited liability)

(Stock code: 00123)

ANNOUNCEMENT

PROPOSED ISSUE OF CNY2,000,000,000 4.00% GUARANTEED NOTES DUE 2026

This announcement is made pursuant to Rule 13.18 of the Listing Rules.

The Board wishes to announce that on 9 January 2023, the Issuer as issuer, the Company as guarantor and the Joint Lead Managers as joint lead managers entered into the Subscription Agreement, pursuant to which the Joint Lead Managers have severally and not jointly agreed to subscribe and pay for, or to procure subscribers to subscribe and pay for, the Notes, and the Issuer has agreed to issue the Notes on the Issue Date to the Joint Lead Managers or as the Joint Lead Managers may direct.

The Notes will be offered and issued to professional investors (as defined in Section 11 of the Guideline on Provision and Distribution of Financial Products (Circular no. 033/B/2010-DSB/AMCM dated 17 September 2010), the Guideline on Underwriting and Custody of Corporate Bond (Circular no. 009/B/2019-DSB/AMCM dated 28 June 2019) and the Guideline on Management of Corporate Bond Issuance and Trading (Circular no. 008/B/2021-DSB/AMCM dated 26 May 2021)) only. The Issuer will apply for the listing of the Notes on the MOX.

The net proceeds of the Proposed Notes Issue, after deducting underwriting commissions to be charged by the Joint Lead Managers and other expenses incurred or to be incurred in connection with the Proposed Notes Issue, will amount to approximately CNY1,991 million. Such net proceeds are intended to be used for the refinancing of certain offshore medium to long term note(s) of the Group which are due in January 2023.

Completion of the Subscription Agreement is subject to the satisfaction, or waiver, of the conditions precedent therein. In addition, the Subscription Agreement may be terminated under certain circumstances. As the Subscription Agreement may or may not be completed and the Proposed Notes Issue may or may not proceed, Shareholders and prospective investors are reminded to exercise caution when dealing in the Shares.

This announcement is made pursuant to Rule 13.18 of the Listing Rules.

The Board wishes to announce that on 9 January 2023, the Issuer as issuer, the Company as guarantor and the Joint Lead Managers as joint lead managers entered into the Subscription Agreement.

SUBSCRIPTION AGREEMENT

Date: 9 January 2023

Parties: (1) the Issuer, as issuer
(2) the Company, as guarantor
(3) CLSA Limited, CMB International Capital Limited, Yue Xiu Securities Company Limited, Chong Hing Bank Limited, Industrial Bank Co., Ltd. Hong Kong Branch, Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch, Hua Xia Bank Co., Limited Hong Kong Branch, CMB Wing Lung Bank Limited, Bank of Communications Co., Ltd. Hong Kong Branch, ABCI Capital Limited and China Zheshang Bank Co., Ltd. (Hong Kong Branch), as joint lead managers

Subject to and in accordance with the provisions of the Subscription Agreement, the Joint Lead Managers have severally and not jointly agreed to subscribe and pay for, or to procure subscribers to subscribe and pay for, the Notes, and the Issuer has agreed to issue the Notes on the Issue Date to the Joint Lead Managers or as the Joint Lead Managers may direct.

The Issuer and the Company have agreed that the Issuer will (failing whom the Company will) pay the Joint Lead Managers management and underwriting commission and certain of their expenses in connection with the Proposed Notes Issue.

The Notes will be offered and issued to professional investors (as defined in Section 11 of the Guideline on Provision and Distribution of Financial Products (Circular no. 033/B/2010-DSB/AMCM dated 17 September 2010), the Guideline on Underwriting and Custody of Corporate Bond (Circular no. 009/B/2019-DSB/AMCM dated 28 June 2019) and the Guideline on Management of Corporate Bond Issuance and Trading (Circular no. 008/B/2021-DSB/AMCM dated 26 May 2021)) only. The Notes will be offered and sold only outside the United States in reliance on Regulation S under the Securities Act.

Conditions Precedent

The obligations of the Joint Lead Managers to subscribe and pay for, or to procure subscribers to subscribe and pay for, the Notes, are conditional upon, among other things:

- (a) the Issuer and the Company, having performed all of their respective obligations under the Subscription Agreement to be performed on or before the Issue Date and upon the accuracy, on the Issue Date, of the representations and warranties of the Issuer and the Company; and
- (b) the MOX having agreed to list the Notes, subject only to their issue.

PRINCIPAL TERMS OF THE NOTES

Notes Offered

The Notes will comprise CNY2,000,000,000 4.00% guaranteed notes to be subscribed, or procured to be subscribed, severally and not jointly by the Joint Lead Managers, which will mature in 2026.

Issue Price

The Notes shall be issued at a price equal to 100.00% of the principal amount of the Notes plus accrued interest, if any, from 16 January 2023 to the Issue Date.

Interest Rate

The Notes will bear interest on their outstanding principal amount from and including the Issue Date at the rate of 4.00% per annum, payable semi-annually in arrear on 16 January and 16 July in each year.

Ranking of the Notes and Guarantee

The Notes will constitute direct, unsubordinated, unconditional, and (subject to the negative pledge covenant set out in the Terms and Conditions) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Notes and of the Company under the guarantee given by the Company under the Deed of Guarantee shall, save for such exceptions as may be provided by

applicable legislation and subject to the negative pledge covenant set out in the Terms and Conditions, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer and the Company, respectively, present and future.

Redemption Right

The Noteholders are entitled to redemption right pursuant to the Change of Control Put Option (as defined below) under the Terms and Conditions.

If, at any time while any of the Notes remains outstanding, a Change of Control Put Event (as defined in the Terms and Conditions) occurs, then the holder of each such Note will have the option (a “**Change of Control Put Option**”), subject to certain conditions, to require the Issuer to redeem or otherwise purchase that Note at the price set out in the Terms and Conditions.

A “**Change of Control Put Event**” includes, among others, the State-owned Assets Supervision and Administration Commission of the Guangzhou Municipal People’s Government, GZYY or their respective successors ceasing to have, either directly or indirectly or as the beneficiary of a trust, acting individually or together, Control of the Company.

Accordingly, the condition described above imposes an obligation on GZYY to maintain Control of the Company, which constitutes a specific performance obligation on a controlling shareholder under Rule 13.18 of the Listing Rules, the breach of which would cause a default under the Terms and Conditions whereby the Noteholders are entitled to exercise their Change of Control Put Options.

The aggregate amount of Notes that may be affected if the Noteholders exercise their Change of Control Put Options is CNY2,000,000,000, being the aggregate principal amount of the Notes. The life of the facility for the purpose of Rule 13.18 of the Listing Rules is three years in respect of the Notes.

LISTING

The Issuer will apply for the listing of the Notes on the MOX by way of debt issues to professional investors (as defined in Section 11 of the Guideline on Provision and Distribution of Financial Products (Circular no. 033/B/2010-DSB/AMCM dated 17 September 2010), the Guideline on Underwriting and Custody of Corporate Bond (Circular no. 009/B/2019-DSB/AMCM dated 28 June 2019) and the Guideline on Management of Corporate Bond Issuance and Trading (Circular no. 008/B/2021-DSB/AMCM dated 26 May 2021)) only.

USE OF PROCEEDS

The net proceeds of the Proposed Notes Issue, after deducting underwriting commissions to be charged by the Joint Lead Managers and other expenses incurred or to be incurred in connection with the Proposed Notes Issue, will amount to approximately CNY1,991 million. Such net proceeds are intended to be used for the refinancing of certain offshore medium to long term note(s) of the Group which are due in January 2023.

LISTING RULES IMPLICATIONS

Each of Chong Hing Bank Limited and Yue Xiu Securities Company Limited is a subsidiary of GZYY, which is the ultimate controlling shareholder of the Company. As such, each of Chong Hing Bank Limited and Yue Xiu Securities Company Limited is a connected person of the Company.

As the Subscription Agreement has been entered into between (among others) the Company, the Issuer, Chong Hing Bank Limited and Yue Xiu Securities Company Limited on normal commercial terms, and the highest applicable percentage ratio as calculated in accordance with Chapter 14 of the Listing Rules using the maximum aggregate amount of management and underwriting commission, fees and expenses (if any) payable to Chong Hing Bank Limited and Yue Xiu Securities Company Limited under the Subscription Agreement is less than 0.1%, the transactions in respect of the payment of management and underwriting commission, fees and expenses (if any) by the Issuer to each of Chong Hing Bank Limited and Yue Xiu Securities Company Limited (whether on a standalone or aggregated basis) contemplated under the Subscription Agreement will be regarded as *de minimis* connected transactions and are fully exempt from announcement, reporting and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Completion of the Subscription Agreement is subject to the satisfaction, or waiver, of the conditions precedent therein. In addition, the Subscription Agreement may be terminated under certain circumstances. As the Subscription Agreement may or may not be completed and the Proposed Notes Issue may or may not proceed, Shareholders and prospective investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Board”	the board of directors of the Company
“Change of Control Put Event”	has the meaning given to it in the paragraph headed “Redemption Right” of this announcement
“Change of Control Put Option”	has the meaning given to it in the paragraph headed “Redemption Right” of this announcement
“Chong Hing Bank Limited”	Chong Hing Bank Limited (創興銀行有限公司), a limited liability company incorporated under the laws of Hong Kong
“CNY”	the lawful currency of the PRC
“Company”	Yuexiu Property Company Limited (越秀地產股份有限公司), a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (Stock Code: 00123)
“Control”	the acquisition or control of more than 30% of the voting rights of the issued share capital of the Company or the right to appoint and/or remove all or the majority of the members of the Board or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise
“Deed of Guarantee”	the deed of guarantee to be executed by the Company as guarantor on or around the Issue Date relating to the Notes
“Group”	the Issuer, the Company and its subsidiaries taken as a whole
“GZYX”	廣州越秀集團股份有限公司 (Guangzhou Yue Xiu Holdings Limited), a limited liability company incorporated in the PRC which is beneficially wholly-owned by the Guangzhou Municipal People’s Government of the PRC
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Issue Date”	16 January 2023, or such later date, not being later than 30 January 2023, as the Issuer and the Joint Lead Managers may agree
“Issuer”	JOY DELIGHT INTERNATIONAL LIMITED 愉欣國際有限公司, a company incorporated in the British Virgin Islands with limited liability and which is an indirect wholly-owned subsidiary of the Company
“Joint Lead Managers”	CLSA Limited, CMB International Capital Limited, Yue Xiu Securities Company Limited, Chong Hing Bank Limited, Industrial Bank Co., Ltd. Hong Kong Branch, Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch, Hua Xia Bank Co., Limited Hong Kong Branch, CMB Wing Lung Bank Limited, Bank of Communications Co., Ltd. Hong Kong Branch, ABCI Capital Limited and China Zheshang Bank Co., Ltd. (Hong Kong Branch), and “Joint Lead Manager” shall mean any one of them
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Macau”	the Macao Special Administrative Region of the PRC
“MOX”	Chongwa (Macao) Financial Asset Exchange Co., Ltd.
“Noteholders”	the holders of the Notes
“Notes”	CNY2,000,000,000 4.00% guaranteed notes due 2026
“Offering Circular”	the offering circular of the Issuer dated 9 January 2023 in relation to the Notes
“PRC”	the People’s Republic of China and for geographical reference only (unless otherwise stated) excludes Hong Kong, Macau and Taiwan
“Proposed Notes Issue”	the proposed issue of the Notes
“Shareholder(s)”	the shareholder(s) of the Company
“Shares”	the shares of the Company
“Subscription Agreement”	the subscription agreement dated 9 January 2023 entered into between the Issuer as issuer, the Company as guarantor and the Joint Lead Managers as joint lead managers in relation to the Proposed Notes Issue

“Terms and Conditions”	the terms and conditions of the Notes contained in the Offering Circular
“Yue Xiu Securities Company Limited”	Yue Xiu Securities Company Limited, a limited liability company incorporated under the laws of Hong Kong

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

Hong Kong, 10 January 2023

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

Executive Directors: *LIN Zhaoyuan (Chairman), LIN Feng, LI Feng, CHEN Jing and LIU Yan*

Non-executive Director: *ZHANG Yibing*

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