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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

CONNECTED PARTY TRANSACTION ISSUANCE OF DEFERRED UNITS

The Board wishes to announce that, on 31 December 2022, the REIT issued 75,000,000 Units at a price of HK\$3.861652 per Unit to Dragon Yield Holding Limited (a wholly-owned subsidiary of Yuexiu Property, and a substantial holder and connected person of the REIT), in partial satisfaction of the outstanding consideration from its investment in Guangzhou International Finance Center in 2012. Following the issue of the 2022 Deferred Units, the total number of Units increased from 4,708,780,325 to 4,783,780,325, and the aggregate unitholding of Yuexiu Property and its concert parties increased from approximately 43.62% to approximately 44.51%.

Assuming no additional Units are issued by the REIT (other than the Manager Fee Units to be issued pursuant to the Trust Deed, if any), it is expected that the balance of the Assignment consideration will be fully settled by 31 December 2025 by the issue of 254,808,584 Deferred Units in aggregate at HK\$3.861652 per Unit. After the issuance of the all Further Deferred Units (assuming no additional Units will be issued other than the Manager Fee Units to be issued pursuant to the Trust Deed, if any), the aggregate unitholding of Yuexiu Property and its concert parties would be approximately 47.31%.

This announcement is made pursuant to paragraphs 10.3, 10.4(k) and 10.5A of the REIT Code.

Reference is made to: (i) the circular of Yuexiu Real Estate Investment Trust (the “REIT”) dated 30 June 2012 in relation to the REIT’s investment in Guangzhou International Finance Center (the “2012 Circular”); and (ii) the announcement of the REIT dated 8 October 2012 in relation to the completion of such investment (the “2012 Announcement”).

Further reference is made to the announcement of the REIT dated 31 December 2021 (the “2021 Announcement”) in relation to, among other things, the Deferred Units Issue Price Adjustment and the Deferred Units Arrangement Modification (both terms as defined therein). Unless otherwise defined, capitalised terms used in this announcement shall have the same meaning as defined in the 2012 Circular, the 2012 Announcement and the 2021 Announcement.

ISSUANCE OF 2022 DEFERRED UNITS

As stated in the 2012 Announcement, the balance of the Assignment consideration, being HK\$2,933,121,976, will be satisfied by the REIT issuing Deferred Units to Dragon Yield Holding Limited pursuant to the Indebtedness Agreement. Dragon Yield Holding Limited is a wholly-owned subsidiary of Yuexiu Property previously designated by Yuexiu Property to receive the Deferred Units, and is a substantial holder and connected person of the REIT. The Deferred Units is to be issued on 31 December of each year, starting on 31 December 2016, at an initial price of HK\$4.00 per Unit, subject to adjustments for any Deferred Units Adjustment Events, being consolidation, sub-division or reclassification of the Units and rights issues of Units or other securities (including open offers and options). The issuance of Deferred Units in the manner set out in the Indebtedness Agreement was approved by independent Unitholders pursuant to the ordinary resolution passed at the EGM on 23 July 2012.

As stated in the 2021 Announcement, upon completion of the Rights Issue on 26 January 2022 (being a Deferred Unit Adjustment Event), the Deferred Units Issue Price shall be adjusted to HK\$3.861652 per Unit in accordance with the Indebtedness Agreement. In addition, pursuant to the Second Supplemental Indebtedness Agreement approved by independent Unitholders on 6 December 2022, the basis for determining the number of Deferred Units to be issued each year following the completion of the Rights Issue has been modified to refer to the lower of: (a) the maximum number of Deferred Units that may be issued to Yuexiu Property (or YXP Nominee) which, when aggregated with the Manager Fee Units that are expected to be issued during the period of 12 months after 31 December 2022, will not trigger an obligation on the part of Yuexiu Property (and parties acting in concert with it) to make a mandatory general offer under Rule 26 of the Takeovers Code for all Units not already owned or agreed to be acquired by them at the relevant time; and (b) 83,000,000 Units (subject to adjustment for consolidation and sub-division of Units).

Accordingly, on 31 December 2022, the REIT issued 75,000,000 Units to Dragon Yield Holding Limited (the “**2022 Deferred Units**”) at a price of HK\$3.861652 per Unit in partial satisfaction of the Assignment consideration. Following the issuance of the 2022 Deferred Units: (i) the balance of the Assignment consideration was reduced to HK\$983,982,076; (ii) the total number of Units increased from 4,708,780,325 to 4,783,780,325; and (iii) the aggregate unitholding of Yuexiu Property and its concert parties increased from approximately 43.62% to approximately 44.51%.

Assuming no Deferred Units Adjustment Events eventuate, it is expected that the balance of the Assignment consideration will be fully settled by 31 December 2025 by the issue of 254,808,584 Deferred Units in aggregate at HK\$3.861652 per Unit (the “**Further Deferred Units**”). After the issuance of all Further Deferred Units (assuming no additional Units will be issued other than the Manager Fee Units to be issued pursuant to the Trust Deed, if any), the aggregate unitholding of Yuexiu Property and its concert parties would be approximately 47.31%.

This announcement is made pursuant to paragraphs 10.3, 10.4(k), and 10.5A 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, 3 January 2023

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*