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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

TOP-UP PAYMENTS UNDER THE DEED OF TOP-UP PAYMENTS AND LAPSE OF THE DEED OF TOP-UP PAYMENTS

Reference is made to the circular of the REIT dated 30 June 2012 and the announcement of the REIT dated 3 August 2016. The Board wishes to notify the Unitholders that the top-up payment payable by Yuexiu Property to the REIT SPV (wholly-owned and controlled by the REIT) for the financial year ended 31 December 2016 is RMB52,626,000.

As an interim top-up payment of RMB35,442,000 for the six months ended 30 June 2016 has already been paid by Yuexiu Property to the REIT SPV on 9 August 2016, the final outstanding top-up payment for the financial year ended 31 December 2016 shall be RMB17,184,000. The Final Outstanding 2016 Top-up Payment (when aggregated with the interim top-up payment for the six months ended 30 June 2016) represents approximately 2.9% of the revenue of the REIT for the financial year ended 31 December 2016, and the Final Outstanding 2016 Top-up Payment will be paid by Yuexiu Property to the REIT SPV within 7 Business Days after the announcement of the REIT's annual results for the financial year ended 31 December 2016. The Final Outstanding 2016 Top-up Payment will be paid in Hong Kong dollars pursuant to the prevailing exchange rate as announced by PBOC at the relevant time.

The Board also wishes to notify the Unitholders that under the terms and conditions of the Deed of Top-up Payments, Yuexiu Property is obliged to make top-up payments to the REIT SPV for the period up to and including 31 December 2016 and the Deed of Top-up Payments has come to an end accordingly. The Final Outstanding 2016 Top-up Payment shall be the last payment made by Yuexiu Property to the REIT SPV in accordance with the terms and conditions of the Deed of Top-up Payments.

Unitholders should be aware that no further top-up payments will be received by the REIT from Yuexiu Property after the lapse of the Deed of Top-up Payments.

Reference is made to the circular of Yuexiu Real Estate Investment Trust (the “**REIT**”) dated 30 June 2012 in relation to, among others, the REIT’s investment in the Guangzhou International Finance Center (the “**Circular**”) and the announcement of the REIT dated 3 August 2016 in relation to the payment of interim top-up payment for the six months ended 30 June 2016. Unless the context requires otherwise, terms used in this announcement shall have the same meaning as those defined in the Circular.

The Board wishes to notify Unitholders that the GOP for the financial year ended 31 December 2016 (as reflected in the Project Company’s accounts for the financial year ended 31 December 2016 and as confirmed by the REIT’s auditors) is RMB215,774,000, which is less than the agreed GOP support for the Hotel and Serviced Apartments for the relevant financial year (being RMB268,400,000) by approximately RMB52,626,000. Accordingly, the top-up payment payable by Yuexiu Property to Yuexiu REIT 2012 Company Limited (wholly-owned and controlled by the REIT) (the “**REIT SPV**”) for the financial year ended 31 December 2016 is RMB52,626,000.

As an interim top-up payment of RMB35,442,000 for the six months ended 30 June 2016 has already been paid by Yuexiu Property to the REIT SPV on 9 August 2016, the final outstanding top-up payment for the financial year ended 31 December 2016 shall be RMB17,184,000 (the “**Final Outstanding 2016 Top-up Payment**”). The Final Outstanding 2016 Top-up Payment will be paid by Yuexiu Property to the REIT SPV within 7 Business Days after the announcement of the REIT’s annual results for the financial year ended 31 December 2016. The Final Outstanding 2016 Top-up Payment will be paid in Hong Kong dollars pursuant to the prevailing exchange rate as announced by PBOC at the relevant time.

The Board (including the independent non-executive Directors) has reviewed the Final Outstanding 2016 Top-up Payment and confirmed that it is in order. Further details of the Final Outstanding 2016 Top-up Payment are included in the announcement of the REIT's annual results for the financial year ended 31 December 2016 published on 14 February 2017 and will be included in the report of the REIT's annual results for the financial year ended 31 December 2016.

The Board also wishes to notify the Unitholders that Yuexiu Property is obliged to make top-up payments to the REIT SPV for the period from 1 July 2012 up to and including 31 December 2016 under the terms and conditions of the Deed of Top-up Payments, and the Deed of Top-up Payments has come to an end accordingly. The Final Outstanding 2016 Top-up Payment shall be the last payment made by Yuexiu Property to the REIT SPV in accordance with the terms and conditions of the Deed of Top-up Payments, and Yuexiu Property is not obliged to make any further top-up payments (other than the Final Outstanding 2016 Top-up Payment) notwithstanding any unutilised balance of the Maximum Top-up Amount (as defined below).

Under the terms and conditions of the Deed of Top-up Payments, the aggregate of all top-up payments made by Yuexiu Property to the REIT pursuant to the arrangements under the Deed of Top-up Payments shall not exceed RMB610 million (the “**Maximum Top-up Amount**”). As at the date of this announcement, the aggregate amount of top-up payments paid/payable (including the Final Outstanding 2016 Top-up Payment of RMB17,184,000) is approximately RMB519,360,000, and the unutilised balance of the Maximum Top-up Amount is approximately RMB90,640,000. Please refer to the section headed “Distribution Statement” in: (1) the announcements and reports of the REIT's: (i) final results for the financial year ended 31 December 2012, 2013, 2014 and 2015; and (ii) interim results for the six months ended 30 June 2013, 2014, 2015 and 2016; and (2) the announcement of the REIT's final results for the financial year ended 31 December 2016 respectively for further details of the top-up payments in respect of those relevant periods.

The Final Outstanding 2016 Top-up Payment (when aggregated with the interim top-up payment for the six months ended 30 June 2016) represents approximately 2.9% of the revenue of the REIT for the financial year ended 31 December 2016, and payments received under the Deed of Top-up Payments (including the Final Outstanding 2016 Top-up Payment of RMB519,360,000) represented approximately 7.2% of the revenue of the REIT over the past four years and six months.

Unitholders should be aware that no further top-up payments will be received by the REIT from Yuexiu Property after the lapse of the Deed of Top-up Payments.

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, 14 February 2017

As at the date of this announcement, the REIT Manager board of directors comprises:

Executive Directors: Mr. LIN Deliang and Mr. CHENG Jiuzhou

Non-executive Directors: Mr. LIN Zhaoyuan (Chairman) and Mr. LI Feng

*Independent Non-executive Directors: Mr. CHAN Chi On Derek, Mr. CHAN Chi Fai Brian,
Mr. CHEUNG Yuk Tong and Mr. CHEN Xiaoou.*