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越秀地產股份有限公司
YUEXIU PROPERTY COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00123)

Announcement

Land Acquisition

On 13 September 2016, the Company acquired a parcel of land with a total gross floor area of approximately 137,294 sq.m. at Sheng Yuan Road, Huangdao District, Qiandao City, Shandong Province, for a consideration of RMB183,027,007 by way of open auction through its indirect non-wholly-owned subsidiary.

The Board of Directors (the “Board”) of Yuexiu Property Company Limited (the “Company”) is pleased to announce that, on 13 September 2016, the Company acquired a parcel of land located at Sheng Yuan Road, Huangdao District, Qiandao City, Shandong Province (“Qiandao Huangdao Sheng Yuan Road Land Parcel”), for a consideration of RMB183,027,007 by way of open auction through its indirect non-wholly-owned subsidiary.

Qiandao Huangdao Sheng Yuan Road Land Parcel

The Qiandao Huangdao Sheng Yuan Road Land Parcel has a site area of approximately 60,583 sq.m. and a total gross floor area of approximately 137,294 sq.m., of which the permissible gross floor area amounts to approximately 109,049 sq.m. and the underground gross floor area amounts to approximately 28,245 sq.m.. The average land cost based on the total gross floor area amounts to approximately RMB1,300 per sq.m.. The parcel of land is for wholesale and retail, urban residential use. As of the date of this announcement, the Company’s total land bank amounted to approximately 13.65 million sq.m.. In terms of the attributable interest, the Company’s land bank amounted to approximately 10.71 million sq.m..

The land parcel is located on the south side of Zhaizishan Road and the west side of Shengyuan Road, Huangdao District, Qingdao City, Shandong Province. The land parcel is situated in the core area of the new metropolitan district under the key development of Huangdao District government, and its development prospects are

good. The land parcel is close to the Century Avenue Light Railway Station under planning, enjoying convenient transportation and great connectivity, with the Century Avenue and the Binhai Avenue, etc. in the surrounding area. There are various residential projects surrounding the land parcel and the residential atmosphere is strong.

The Board believes that Qingdao is one of the key cities for development of the Company. Qiandao Huangdao Sheng Yuan Road Land Parcel is acquired for the purpose of supplementing the Company's land bank in Qingdao City appropriately. Together with the Qingdao Starry Blue Bay project, which is under development, it is conducive for the Company to better play to the brand advantage and synergy in the region.

The Company applies the employee incentive scheme (with details disclosed in the announcement dated 5 February 2015) ("Scheme") to the project for the development of Qiandao Huangdao Sheng Yuan Road Land Parcel ("Project"). It is expected that (a) no director or chief executive of the Company, nor any other connected person of the Company at the issuer level, will participate in the Scheme in respect of the Project; (b) the aggregate equity interest held by all the eligible participants of the Scheme in the relevant project company will be less than 10% of its total equity.

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

Hong Kong, 13 September 2016

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

Executive Directors: ZHANG Zhaoxing (Chairman), ZHU Chunxiu, LIN Zhaoyuan, LI Feng, OU Junming and OU Shao

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