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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: 123)

**CONTINUING CONNECTED TRANSACTIONS
SUPPLEMENTAL AGREEMENT TO
THE GZ SECURITIES PROPERTY LEASING AGREEMENT (II)**

BACKGROUND

Reference is made to the CCT announcement of the Company dated 27 February 2012.

On 1 June 2012, YX IFC, a subsidiary of the Company, entered into the Supplemental Agreement to the GZ Securities Property Leasing Agreement (II) with GZ Securities and GuangZheng Hang Seng.

Pursuant to the Supplemental Agreement, due to business needs, the lessee under the GZ Securities Property Leasing Agreement (II) shall be changed from GZ Securities to GuangZheng Hang Seng from the execution date of the Supplemental Agreement, whereupon all the rights and obligations of GZ Securities under the GZ Securities Property Leasing Agreement (II) shall be borne by GuangZheng Hang Seng. Other than the above changes, all other terms and conditions of the GZ Securities Property Leasing Agreement (II) (including but not limited to the annual caps) remain unchanged.

LISTING RULES IMPLICATIONS

GZ Securities is a subsidiary of GZ YX, which is the ultimate controlling shareholder of the Company. GZ Securities holds a 67% equity interest in GuangZheng Hang Seng. Therefore, each of GZ Securities and GuangZheng Hang Seng is a connected person of the Company under the Listing Rules. As such, the transactions under the GZ Securities Property Leasing Agreement (II) (which shall be read to include a reference to the Supplemental Agreement) constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As set out in the CCT Announcement, since the highest applicable percentage ratio for the annual cap for the transactions under the Agreements is more than 0.1% but less than 5%, the continuing connected transactions under the Agreements are only subject to the reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules and are exempted from the independent shareholders' approval requirement.

The Board (including the independent non-executive Directors) considers that the terms of the GZ Securities Property Leasing Agreement (II) (which shall be read to include a reference to the Supplemental Agreement) (including the annual caps) are fair and reasonable, on normal commercial terms and in the interests of the Company and its shareholders as a whole.

BACKGROUND

Reference is made to the announcement of the Company dated 27 February 2012 with respect to the continuing connected transactions regarding property leasing agreements (the “**CCT Announcement**”). Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the CCT Announcement.

On 1 June 2012, YX IFC, a subsidiary of the Company, entered into a supplemental agreement to the GZ Securities Property Leasing Agreement (II) (the “**Supplemental Agreement**”) with GZ Securities and 廣州廣證恒生證券投資諮詢有限公司 (Guangzhou GuangZheng Hang Seng Securities Investment Advisory Co., Ltd.) (“**GuangZheng Hang Seng**”). GuangZheng Hang Seng is a joint venture owned as to 67% by GZ Securities and 33% by Hang Seng Securities Limited, and is incorporated in the PRC with limited liability. GuangZheng Hang Seng is principally engaged in the securities investment advisory business.

THE SUPPLEMENTAL AGREEMENT

Pursuant to the Supplemental Agreement, due to business needs, the lessee under the GZ Securities Property Leasing Agreement (II) shall be changed from GZ Securities to GuangZheng Hang Seng from the execution date of the Supplemental Agreement, whereupon all the rights and obligations of GZ Securities under the GZ Securities Property Leasing Agreement (II) shall be borne by GuangZheng Hang Seng.

Pursuant to the Supplemental Agreement, the term of lease and monthly rental by GZ Securities as lessee are set out as follows:

Term of lease: From 1 January 2012 to 31 May 2012

Monthly rental: RMB231,792

Pursuant to the Supplemental Agreement, the term of lease and monthly rental by GuangZheng Hang Seng as lessee are set out as follows:

Term of lease: From 1 June 2012 to 31 December 2013 From 1 January 2014 to 31 December 2014

Monthly rental: RMB231,792 RMB241,535

Other than the above changes, all other terms and conditions of the GZ Securities Property Leasing Agreement (II) (including but not limited to the annual caps) remain unchanged.

LISTING RULES IMPLICATIONS

GZ Securities is a subsidiary of GZ YX, which is the ultimate controlling shareholder of the Company. GZ Securities holds a 67% equity interest in GuangZheng Hang Seng. Therefore, each of GZ Securities and GuangZheng Hang Seng is a connected person of the Company under the Listing Rules. As such, the transactions under the GZ Securities Property Leasing Agreement (II) (which shall be read to include a reference to the Supplemental Agreement) constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As set out in the CCT Announcement, since the highest applicable percentage ratio for the annual cap for the transactions under the Agreements is more than 0.1% but less than 5%, the continuing connected transactions under the Agreements are only subject to the reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules and are exempted from the independent shareholders' approval requirement.

The Board (including the independent non-executive Directors) considers that the terms of the GZ Securities Property Leasing Agreement (II) (which shall be read to include a reference to the Supplemental Agreement) (including the annual caps) are fair and reasonable, on normal commercial terms and in the interests of the Company and its shareholders as a whole. No Director has a material interest in the transactions under the GZ Securities Property Leasing Agreement (II) (which shall be read to include a reference to the Supplemental Agreement).

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

Hong Kong, 1 June 2012

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

Executive Directors: LU Zhifeng (Chairman), ZHANG Zhaoxing, LIANG Yi,
TANG Shouchun, CHEN Zhihong and LAM Yau Fung Curt

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