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GUANGDONG LAND HOLDINGS LIMITED
粤海置地控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00124)

Discloseable Transaction
Intra-group transfer of equity capital of a subsidiary

INTRA-GROUP TRANSFER OF EQUITY CAPITAL OF A SUBSIDIARY

The Board hereby announces that, on 28 April 2021, Guangdong Yuehai Land (an indirect wholly-owned subsidiary of the Company) and Guangzhou Panyu (an indirect non-wholly owned subsidiary of the Company) entered into the Equity Transfer Agreement, pursuant to which Guangdong Yuehai Land has conditionally agreed to purchase, and Guangzhou Panyu has conditionally agreed to sell, the Transfer Equity, representing approximately 88.2128% of the entire equity capital of the Project Company, for a consideration of RMB1,342,656,507 (equivalent to approximately HK\$1,607,010,000) in cash. Upon completion of the Transfer, the Project Company will continue to be an indirect non-wholly owned subsidiary of the Company and the Project Company will continue to be consolidated in the Company's financial statements.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios (based on the alternative size tests pursuant to the Listing Rules) in relation to the Transfer exceeds 5% but all of them are less than 25%, the Transfer constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

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THE EQUITY TRANSFER AGREEMENT

The salient terms of the Equity Transfer Agreement are set out as follows:

Date: 28 April 2021

Parties:

Vendor: Guangzhou Panyu (an indirect non-wholly owned subsidiary of the Company)

Purchaser: Guangdong Yuehai Land (an indirect wholly-owned subsidiary of the Company)

Subject matter

Pursuant to the Equity Transfer Agreement, Guangdong Yuehai Land has conditionally agreed to purchase, and Guangzhou Panyu has conditionally agreed to sell, the Transfer Equity, representing approximately 88.2128% of the equity capital of the Project Company.

Consideration

The consideration (the “**Consideration**”) for the Transfer Equity is RMB1,342,656,507 (equivalent to approximately HK\$1,607,010,000), and shall be payable by Guangdong Yuehai Land to Guangzhou Panyu, in cash, within five business days from the Effective Date.

The Consideration was determined after arm’s length negotiation between the Group and Lianhe Kaifa (being the holder of 20% of the equity capital of Guangzhou Panyu) having taken into account the appraised value of the Project Company of RMB1,522,065,400 (equivalent to approximately HK\$1,821,742,000) as at 28 February 2021, as stated in the valuation report prepared by an independent professional valuer in the PRC based on an asset-based approach.

The Consideration payable by Guangdong Yuehai Land to Guangzhou Panyu will be funded by the Group’s internal resources and loans.

Conditions

The Equity Transfer Agreement shall become effective on the third business day upon the fulfillment of certain conditions (the “**Effective Date**”) including, among other things, the approval of the shareholder(s) of Guangdong Yuehai Land and Guangzhou Panyu, respectively, having been obtained. All conditions under the Equity Transfer Agreement have been fulfilled on the date of this announcement, and thus, the Effective Date is 6 May 2021.

Completion

Guangdong Yuehai Land and Guangzhou Panyu shall proceed with the registration procedures with the relevant authority of administration of industry and commerce in the PRC for the Transfer within 10 business days after the Effective Date.

The completion date of the Transfer shall be the date of the change of registration in respect of the Transfer by the relevant authority of administration of industry and commerce in the PRC.

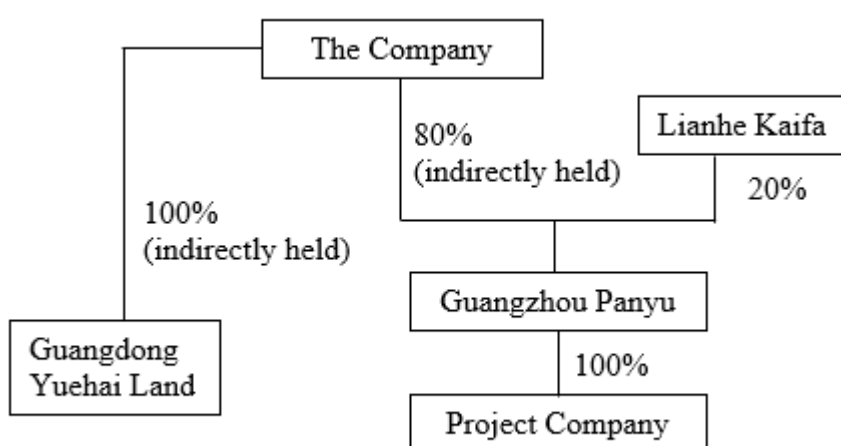
INFORMATION ON THE PROJECT COMPANY

The Project Company is a limited liability company established in the PRC on 13 January 2021. As at the date of this announcement, the Project Company's principal asset comprises the Zhongshan Land and it will be principally engaged in the development of the Zhongshan Land (the "**Zhongshan GDH City Project**"). As at the date of this announcement, 100% of the equity capital of the Project Company is owned by Guangzhou Panyu, an indirect non-wholly owned subsidiary of the Company.

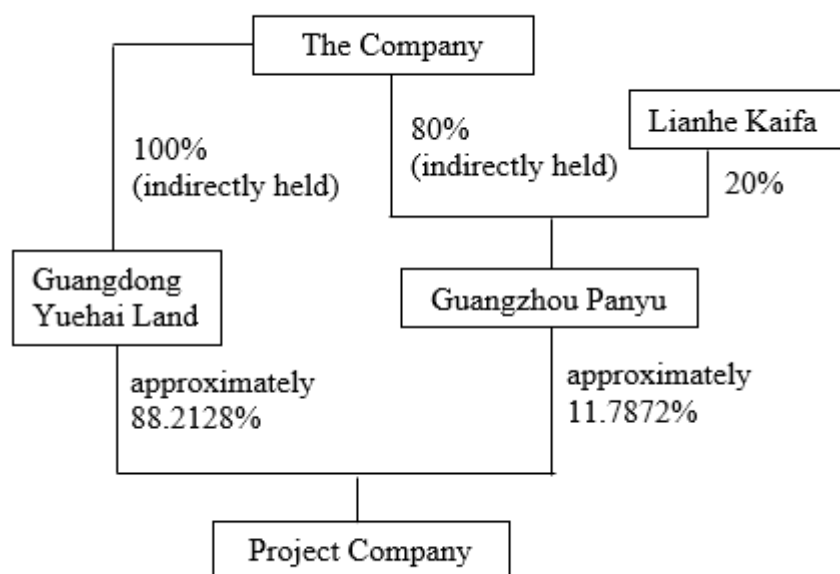
Upon completion of the Transfer, approximately 88.2128% of the equity capital (i.e. the Transfer Equity) of the Project Company will be owned by Guangdong Yuehai Land, while the balance (i.e. approximately 11.7872%) will continue to be held by Guangzhou Panyu. Upon completion of the Transfer, the Project Company will continue to be an indirect non-wholly owned subsidiary of the Company (the Company will have approximately 97.64256% indirect attributable equity interest in the Project Company) and the Project Company will continue to be consolidated in the Company's financial statements.

The relevant organisation charts, before and after the Transfer, are as follows:

Before the Transfer



After the Transfer



The Zhongshan Land

As disclosed in the announcement of the Company dated 28 December 2020, Guangzhou Panyu succeeded in the bid for the land use rights of the Zhongshan Land through the public listing-for-sale process. The Project Company was established as the Project company to hold and develop the Zhongshan GDH City Project. The Project Company obtained the Real Property Ownership Certificate in respect of the Zhongshan Land on 18 February 2021.

The Zhongshan Land is located at the starting area of Tsuihang New District, Zhongshan City, the PRC, with a site area of approximately 98,811.2 square metres and a maximum total gross floor area included in the calculation of the plot ratio of approximately 247,028 square metres. The proposed types of properties of Zhongshan GDH City Project include residential units and car parking spaces, etc., all of which will be for sale.

Financial information of the Project Company

Based on the audited financial statements of the Project Company prepared in accordance with PRC Accounting Standards for Business Enterprises and audited by the PRC statutory auditor for the period from 13 January 2021 (i.e. the incorporation date of the Project Company) to 28 February 2021, the audited loss, before tax and after tax, was approximately RMB928,070 (equivalent to approximately HK\$1,111,000). Based on the audited financial statements of the Project Company prepared in accordance with PRC Accounting Standards for Business Enterprises and audited by the PRC statutory auditor, the audited net asset value of the Project Company as at 28 February 2021 was approximately RMB1,469,071,930 (equivalent to approximately HK\$1,758,315,000).

INFORMATION ON THE GROUP, GUANGDONG YUEHAI LAND AND GUANGZHOU PANYU

The Group

The Group is principally engaged in property development and investment businesses.

Guangdong Yuehai Land

Guangdong Yuehai Land is a company established in the PRC with limited liability. It is principally engaged in the property development and investment businesses in the PRC and is an indirect wholly-owned subsidiary of the Company.

Guangzhou Panyu

Guangzhou Panyu is a company established in the PRC with limited liability. It is principally engaged in the property development business in the PRC. The equity capital of Guangzhou Panyu is owned as to 80% by a wholly-owned subsidiary of the Company, and as to 20% by Lianhe Kaifa. Lianhe Kaifa is a company established in the PRC with limited liability. Lianhe Kaifa is a connected person at the subsidiary level of the Company; and there is no other relationship between the Group and Lianhe Kaifa. The ultimate beneficial owner of Lianhe Kaifa is the People's Government of Panyu District, Guangzhou City (廣州市番禺區人民政府).

FINANCIAL EFFECT OF THE TRANSFER

Based on the Consideration of RMB1,342,656,507 (equivalent to approximately HK\$1,607,010,000), the costs incurred for the Transfer and the nature of the Transfer (i.e. an intra-group transfer of equity interest of a subsidiary of the Company), it is expected that the Transfer will not record any gain or loss in the Group's consolidated statement of profit or loss immediately after the completion of the Transfer. Upon completion of the Transfer, the Group's effective interest in the Project Company will be increased from 80% to approximately 97.64256%. As such, the percentage of share of the Project Company's results and net assets attributable to owners of the Company will be increased.

Guangzhou Panyu intends to apply the Consideration it receives from the Transfer, to repay internal borrowings and use the remaining amount of the Consideration as its general working capital.

REASONS FOR AND BENEFITS OF THE TRANSFER

The Group is principally engaged in property development and investment businesses. The Group is optimistic about the real estate market in Zhongshan City which is one of the nine municipalities in the Guangdong-Hong Kong-Macao Greater Bay Area (the “**Greater Bay Area**”). The development of the Zhongshan GDH City Project is beneficial to the realisation of the Group's regional development strategy with regard to the Greater Bay Area, and is an important step to enter the core area of the Greater Bay Area, which is of significant strategic importance for the continuance and implementation of the Group's expansion in the Greater Bay Area.

Guangzhou Panyu was used by the Group to participate in the public listing-for-sale of the Zhongshan Land as it possessed the requisite qualifications. The purpose for the Transfer, after the Project Company has obtained the Real Property Ownership Certificate in respect of the Zhongshan Land, is that the Company could increase its indirect attributable equity interest in the Project Company from 80% to approximately 97.64256%, which was the result of the arm's length negotiations between the Group and Lianhe Kaifa (being the holder of 20% of the equity capital of Guangzhou Panyu). Accordingly, the Directors believe that the Transfer will enable the Group to gain greater interest and therefore high potential investment return in the Zhongshan GDH City Project, and such investment is in line with the Group's long-term business plan and development strategies.

The Board considers that the Equity Transfer Agreement is on normal commercial terms, and its terms and conditions are fair and reasonable and are in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

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DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise:

“Board”	the board of Directors
“Company”	Guangdong Land Holdings Limited (粤海置地控股有限公司), a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	has the meaning ascribed to it under the section headed “The Equity Transfer Agreement – Consideration” in this announcement
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Effective Date”	has the meaning ascribed to it under the section headed “The Equity Transfer Agreement – Conditions” in this announcement

“Equity Transfer Agreement”	the equity transfer agreement dated 28 April 2021 and entered into between Guangdong Yuehai Land (as purchaser) and Guangzhou Panyu (as vendor) in relation to the transfer of the Transfer Equity
“Greater Bay Area”	has the meaning ascribed to it under the section headed “Reasons for and Benefits of the Transfer” in this announcement
“Group”	the Company and its subsidiaries from time to time
“Guangdong Yuehai Land”	廣東粵海置地集團有限公司 (Guangdong Yuehai Land Holdings Limited), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Guangzhou Panyu”	廣州市番禺粵海房地產有限公司 (Guangzhou Panyu Real Estate Company Limited), a company established in the PRC with limited liability and an indirect 80%-owned subsidiary of the Company. The remaining 20% of the equity interest of Guangzhou Panyu is owned by Lianhe Kaifa
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Lianhe Kaifa”	廣州市番禺區房地產聯合開發總公司 (Guangzhou Panyu District Properties Lianhe Kaifa Company), a company established in the PRC with limited liability
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“RMB”	Renminbi, the lawful currency of the PRC
“percentage ratio”	has the meaning ascribed to it under the Listing Rules
“PRC”	the People’s Republic of China, which for the purpose of this announcement, shall exclude Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
“Project Company”	中山粵海置地有限公司 (Zhongshan Yuehai Land Co., Ltd.), a company established in the PRC with limited liability and the equity capital of which is owned as to 100% by Guangzhou Panyu prior to the completion of the Transfer
“Transfer”	the transfer of the Transfer Equity from Guangzhou Panyu to Guangdong Yuehai Land pursuant to the Equity Transfer Agreement

“Transfer Equity”	approximately 88.2128% of the entire equity capital of the Project Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Zhongshan Land”	a parcel of land located at Xierwei, Nanlang Town (the starting area of Tsuihang New District), Zhongshan City, the PRC (No. G28-2020-0132), the land use rights of which are held by the Project Company
“Zhongshan GDH City Project”	has the meaning ascribed to it under the section headed “Information on the Project Company” in this announcement
“%”	per cent.

For the purpose of this announcement, unless otherwise specified, conversion of Renminbi, the lawful currency of the PRC, into Hong Kong dollars, the lawful currency of Hong Kong, is based on the approximate exchange rate of HK\$1 to RMB0.8355. No representation is made that any amount in HK\$ and RMB could be converted at such rate.

In this announcement, the English names of the PRC entities are translations of their Chinese names, and are included herein for identification purposes only. In the event of any inconsistency, the Chinese names shall prevail.

By Order of the Board
Guangdong Land Holdings Limited
XU Yeqin
Chairman

Hong Kong, 28 April 2021

As at the date of this announcement, the Board comprises five Executive Directors, namely Mr. XU Yeqin, Mr. LI Yonggang, Mr. WU Mingchang, Ms. ZHU Guang and Mr. ZHANG Jun; and three Independent Non-Executive Directors, namely Mr. Alan Howard SMITH, Mr. Felix FONG Wo and Mr. Vincent Marshall LEE Kwan Ho.