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GUANGDONG LAND HOLDINGS LIMITED
粵海置地控股有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 0124)

Voluntary Announcement

This announcement is made by Guangdong Land Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") on a voluntary basis to keep the shareholders of the Company and potential investors informed of the latest business development of the Group.

Entrusted Management Services Agreement

The board (the "**Board**") of directors (the "**Directors**") of the Company is pleased to announce that, on 11 June 2020, 粵海置地（深圳）有限公司 (Guangdong Land (Shenzhen) Limited) ("**Guangdong Land Shenzhen**", a wholly-owned subsidiary of the Company) and 廣東粵海控股集團有限公司 (Guangdong Holdings Limited) ("**Guangdong Holdings**"), the ultimate controlling shareholder of the Company, entered into an entrusted management services agreement (the "**Entrusted Management Services Agreement**").

Pursuant to the Entrusted Management Services Agreement, Guangdong Holdings agreed to entrust Guangdong Land Shenzhen with certain matters (the "**Entrusted Management Matters**") of its three wholly-owned subsidiaries (the "**Entrusted Companies**") which are engaged in the property development and investment business in the People's Republic of China (the "**PRC**"), in accordance with the terms of the Entrusted Management Services Agreement and subject to relevant applicable laws; and Guangdong Land Shenzhen agreed to provide relevant management services in respect of the aforesaid arrangement (the "**Entrusted Management Services**"), including but not limited to:

(1) determination, or examination and approval, of the annual business policy and investment plan of the Entrusted Companies;
(2) determination, or examination and approval, of the annual financial budget of the Entrusted Companies; and
(3) provision of guidance and supervision to the business operation and management of the Entrusted Companies, and making recommendations or queries thereof.

The shareholders of the Entrusted Companies shall have the right of final decision for the Entrusted Management Matters under the Entrusted Management Services Agreement.

The term of the Entrusted Management Services under the Entrusted Management Services Agreement is three years commencing from 11 June 2020 to 10 June 2023 (both days inclusive).

Pursuant to the Entrusted Management Services Agreement, Guangdong Land Shenzhen will receive an annual management fee (the "**Entrusted Management Fee**") in an aggregate amount of no more than RMB2,000,000 (equivalent to approximately HK$2,195,000) (the "**Annual Caps**") from Guangdong Holdings for the provision of the Entrusted Management Services. The Entrusted Management Fee is determined after arm's length negotiation between Guangdong Land Shenzhen and Guangdong Holdings, and calculated based on the aggregate amount of the total assets of the Entrusted Companies and a percentage set with reference to the market cases in the same industry by taking into account the percentages derived from comparing the management fees received by such companies to the amounts of the total assets managed by them.

During the term of the Entrusted Management Services Agreement, if Guangdong Holdings engages in any new property development business, it will negotiate with Guangdong Land Shenzhen for provision of the Entrusted Management Services by Guangdong Land Shenzhen in respect of such new business under the Entrusted Management Services Agreement, or it will first offer to the Group to acquire such new real estate project with the same terms it offers to third parties.

In addition, Guangdong Land Shenzhen agreed that the real estate projects held by the Entrusted Companies may use the brand of "粵海置地" during the term of the Entrusted Management Services Agreement.

Reasons for and benefits of entering into the Entrusted Management Services Agreement

Guangdong Land Shenzhen, which holds the GDH City Project in Shenzhen City and the land use rights of Zhuhai Jinwan Project, is the management platform of the Company in the PRC. It has extensive experience in real estate operation management and has a professional management team. Pursuant to the Entrusted Management Services Agreement, Guangdong Land Shenzhen shall provide high quality and professional guidance and supervision to the Entrusted Companies for the purpose of enhancing their business operation and management capabilities.

Guangdong Holdings is the ultimate controlling shareholder of the Company and its principal business is investment holding. The Entrusted Companies are principally engaged in property development and investment business, their wholly or partly owned real estate projects in the PRC include 廣州珠江新城項目 (Guangzhou Zhujiang New Town Project), 廣州泰康路項目 (Guangzhou Taikang Road Project), 南沙粵海總部項目 (Nansha Guangdong Headquarter

Project), 番禺萬博中央商務區項目 (Panyu Wanbo Central Business District Project), 佛山南海和順項目 (Foshan Nanhai Heshun Project) and 惠州大亞灣項目 (Huizhou Daya Bay Project).

Guangdong Holdings intends to develop the Company as its sole listed real estate flagship, and eventually to become a competitive and influential PRC property development and investment company in the Guangdong-Hong Kong-Macao Greater Bay Area. The entering into of the Entrusted Management Services Agreement will be beneficial to the Company in understanding the businesses and various projects of the Entrusted Companies and also enhancing the Group's capability in the integrated management and development in its real estate business. Although no definite plans have been formulated by Guangdong Holdings in respect of any injection of any of the Entrusted Companies' assets or real estate projects to the Group, the Board considers that the entering into of the Entrusted Management Services Agreement will enable the Group to better evaluate the compatibility of its existing business with the Entrusted Companies' assets and the feasibility for future integration.

The directors of the Company (including the independent non-executive Directors) consider that the terms of the Entrusted Management Services Agreement and the Annual Caps are fair and reasonable and on normal commercial terms or better, and the transactions contemplated under the Entrusted Management Services Agreement are in the usual and ordinary course of business of the Group and are in the interests of the Company and its shareholders as a whole.

Listing Rules Implications

Guangdong Holdings is the ultimate controlling shareholder of the Company and hence a connected person of the Company. Pursuant to Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), the transactions contemplated under the Entrusted Management Services Agreement constituted continuing connected transactions of the Company. As the aforesaid continuing connected transactions are conducted on normal commercial terms or better, and all the relevant percentage ratios in respect of the Annual Caps of the Entrusted Management Fee under the Entrusted Management Services Agreement are lower than 5% and the Annual Caps of the Entrusted Management Fee is also lower than HK$3,000,000, the aforesaid continuing connected transactions are therefore fully exempted from shareholders' approval, annual review and all disclosure requirements pursuant to Rule 14A.76(1) of the Listing Rules.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

In this announcement, the English names of the PRC entities and real estate projects 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.

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$1 to RMB0.9110. No representation is made that any amount in HK$ and RMB could be converted at such rate.

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

Hong Kong, 11 June 2020

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.