粵海置地

GUANGDONG LAND HOLDINGS LIMITED
粵 海 置 地 控 股 有 限 公 司

(Incorporated in Bermuda with limited liability)
(Stock Code: 00124)

Announcement

Continuing Connected Transactions in relation to the Parking Space Sales Agency Services Agreement

On 10 June 2022, Guangzhou Panyu (an indirect non-wholly owned subsidiary of the Company) and Yuehai Property Management entered into the Parking Space Sales Agency Services Agreement in relation to the provision of sales agency services in respect of 175 parking spaces in the Group's Ruyingju Project by Yuehai Property Management to Guangzhou Panyu.

Guangdong Holdings is the ultimate controlling shareholder of the Company, hence a connected person of the Company under Rule 14A.07(1) of the Listing Rules. Yuehai Property Management (a direct non-wholly owned subsidiary of Guangdong Holdings) is an associate of Guangdong Holdings and, therefore, it is a connected person of the Company. Accordingly, the transactions contemplated under the Parking Space Sales Agency Services Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the transactions contemplated under the Parking Space Sales Agency Services Agreement calculated pursuant to the Listing Rules is more than 0.1% but all of the applicable percentage ratios are less than 5%, the Parking Space Sales Agency Services Agreement (and the transactions contemplated thereunder) are subject to the annual review and announcement requirements under the Listing Rules, but are exempt from the independent shareholders' approval requirement.

THE PARKING SPACE SALES AGENCY SERVICES AGREEMENT

On 10 June 2022, Guangzhou Panyu (an indirect non-wholly owned subsidiary of the Company) and Yuehai Property Management entered into the Parking Space Sales Agency Services Agreement in relation to the provision of sales agency services in respect of 175 parking spaces in the Group's Ruyingju Project by Yuehai Property Management to Guangzhou Panyu.

A summary of the salient terms of the Parking Space Sales Agency Services Agreement is set out below:

Date:	10 June 2022
Parties:	(a) Guangzhou Panyu (b) Yuehai Property Management
Term:	10 June 2022 to 31 December 2023

Subject matter

During the term of the Parking Space Sales Agency Services Agreement, Yuehai Property Management shall provide sales agency services (the "**Services**") in respect of 175 parking spaces in the Ruyingju Project (the "**Parking Space(s)**") to Guangzhou Panyu, including but not limited to identifying and sourcing, pitching to and discussing with potential buyers for the sale of the Parking Spaces, assisting in completion of online signing procedures for the sales and purchase of the Parking Spaces, and handling the application of the relevant real property ownership certificates after the settlement of payment of selling price by the relevant buyers.

The total number of the Parking Spaces available for sale is 175, among which Guangzhou Panyu is required to carry out certain modification works (such as adjusting the air vents nearby) in respect of 13 Parking Spaces by 30 September 2022. In the event that Guangzhou Panyu is not able to complete the said modification works for certain Parking Spaces by 30 September 2022, the number of the Parking Spaces for the purpose of calculating the Commission (the "**Saleable Parking Spaces**") shall be reduced by such number of Parking Spaces accordingly.

Yuehai Property Management is the only sales agent engaged by Guangzhou Panyu for the Services during the period from 10 June 2022 to 31 December 2022 (the "**Assessment Period**"). For the avoidance of doubt, after the Assessment Period, Guangzhou Panyu is entitled to engage any other sales agent to provide the sales agency services or to sell the Parking Spaces on its own, and Guangzhou Panyu is not required to pay any Commission to Yuehai Property Management for the Parking Spaces which are not sold through Yuehai Property Management.

Commission

Guangzhou Panyu shall pay a sales agency commission (the "**Commission**") to Yuehai Property Management in respect of the Services based on the sales target realisation rate (the "**Sales Target Realisation Rate**") achieved, which shall be calculated as follows:

Sales Target Realisation Rate = {the actual number of Parking Spaces sold during the Assessment Period / the total number of the Saleable Parking Spaces} x 100%

For the avoidance of doubt, a Parking Space is considered sold only after the completion of the online signing procedures in respect of the relevant sales and purchase agreement and the relevant selling price has been paid to Guangzhou Panyu.

The applicable sales commission rate (the "**Applicable Commission Rate**") in respect of the Services shall be determined based on the Sales Target Realisation Rate in the following manner:

Sales Target Realisation Rate achieved during the Assessment Period	Applicable Commission Rate (or the Commission per Parking Space)
Equal to or higher than 90%	10%
Equal to or higher than 80% but less than 90%	7%
Equal to or higher than 70% but less than 80%	5%
Equal to or higher than 50% but less than 70%	3%
Less than 50%	RMB1,500 (equivalent to approximately HK$1,800) per Parking Space

Calculation of the Commission

The Commission payable by Guangzhou Panyu to Yuehai Property Management during the term of the Parking Space Sales Agency Services Agreement shall be calculation as follows:

(i) If the Sales Target Realisation Rate is less than 50%, then

Commission = the total number of the Parking Spaces sold during the relevant period x RMB1,500 (equivalent to approximately HK$1,800) per Parking Space

(ii) If the Sales Target Realisation Rate is equal to or higher than 50%, then

Commission = the total amount of the selling prices in respect of the Packing Spaces sold during the relevant period x Applicable Commission Rate

The rate of the Commission (including the Applicable Commission Rate) is determined after arm's length negotiations between Guangzhou Panyu and Yuehai Property Management after taking into account that (i) Guangzhou Panyu is only allowed to sell the parking spaces in the Ruyingju Project to the owners of the residential units of the Ruyingju Project (the "**Owners**"); (ii) since all residential units of the Ruyingju Project have been delivered over one year ago, the Group considers that most Owners who intended to purchase any parking space in the Ruyingju Project had already made the purchase; (iii) there is sufficient supply of parking spaces for rent in the neighbourhood of the Ruyingju Project and certain Owners might prefer renting parking spaces; (iv) the number of Parking Spaces available for sale accounts for over 25% of the total number of the parking spaces in the Ruyingju Project and certain of these Parking Spaces occupy less convenient spots; (v) the level of difficulty in selling the Parking Spaces is further increased as the selling prices in respect of the Parking Spaces are fixed by Guangzhou Panyu; and (vi) the prevailing market rates and market prices for similar services.

The Commission will be paid by using the Group's internal resources.

Payment terms

Within 15 days from the end of the Assessment Period, Guangzhou Panyu and Yuehai Property Management shall determine the Applicable Commission Rate.

Commission in respect of the Assessment Period

Within 30 days from the date of determining the Applicable Commission Rate, Yuehai Property Management shall submit the records of the total amount of the selling prices in respect of the Parking Spaces sold during the Assessment Period (the "**Assessment Period Total Sales**") for Guangzhou Panyu's confirmation.

The Commission in respect of the Assessment Period shall be payable by the Guangzhou Panyu to Yuehai Property Management:

(i) as to 80% after the confirmation of the Assessment Period Total Sales and the receipt of payment of the Assessment Period Total Sales by Guangzhou Panyu; and

(ii) as to 20% upon the completion of the sale of all Parking Spaces and receipt of payment of the relevant selling prices by Guangzhou Panyu.

Commission in respect of the period after the Assessment Period

Before the fifth day of each month starting from February 2023 and thereafter, Yuehai Property Management shall submit the records of the total amount of the selling prices in respect of the Parking Spaces sold during the previous month for Guangzhou Panyu's confirmation.

The Commission in respect of the period after the Assessment Period shall be payable on a monthly basis by the Guangzhou Panyu to Yuehai Property Management:

(i) as to 80% after the confirmation of the relevant total of the selling prices of the previous month and the receipt of payment of the relevant selling prices by Guangzhou Panyu; and

(ii) as to 20% upon the completion of the sale of all Parking Spaces and receipt of payment of the relevant selling prices by Guangzhou Panyu.

CAPS AND BASIS OF DETERMINATION

There is no historical transaction amount of the transactions contemplated under the Parking Space Sales Agency Services Agreement.

The relevant caps for the transactions contemplated under the Parking Space Sales Agency Services Agreement (the "**Cap(s)**") have been set as:

(a) RMB4,000,000 (equivalent to approximately HK$4,686,000) for the period from 10 June 2022 to 31 December 2022; and

(b) RMB600,000 (equivalent to approximately HK$703,000) for the year ending 31 December 2023.

The Caps have been determined after considering (i) the maximum number of Parking Spaces in the Ruyingju Project available for sales and their relevant selling prices determined by Guangzhou Panyu; and (ii) the highest amounts of the Commission payable by Guangzhou Panyu to Yuehai Property Management for the period from 10 June 2022 to 31 December 2022 and for the year ending 31 December 2023, as calculated based on the Applicable Commission Rate.

REASONS FOR AND BENEFITS OF ENTERING INTO THE PARKING SPACE SALES AGENCY SERVICES AGREEMENT

Yuehai Property Management is principally engaged in real estate agency services, property rental services and property management businesses in the PRC and is experienced in the provision of sales agency services in respect of the residential units and parking spaces. Considering that (i) Guangzhou Panyu is only allowed to sell the parking spaces in the Ruyingju Project to the Owners, and Yuehai Property Management has the ability and resources to access the Owners as it currently provides property management services in respect of the Ruyingju

Project to the Group; (ii) the level of difficulty to sell the Parking Spaces has been increased due to the factors in the section headed "The Parking Space Sales Agency Services Agreement – Commission"; and (iii) Guangzhou Panyu does not have a professional sales team for selling the remaining Parking Spaces and Yuehai Property Management is experienced in the provision of sales agency services in respect of the parking spaces in various property projects, the Company believes that Yuehai Property Management will be able to provide efficient solutions to the sale of the Parking Spaces and achieve good sale results for the Group during the Assessment Period and by the end of the term of the Parking Space Sales Agency Services Agreement.

In light of the above reasons, the Directors (including the independent non-executive Directors) consider that the terms of the Parking Space Sales Agency Services Agreement and the transactions contemplated thereunder are fair and reasonable, entered into on normal commercial terms or better, in the ordinary and usual course of business of the Group, and are in the interests of the Company and its shareholders as a whole.

INFORMATION ON GUANGZHOU PANYU AND THE COMPANY

Information on 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 Yingtai. Yingtai is a company established in the PRC with limited liability. Yingtai is a connected person at the subsidiary level of the Company; and there is no other relationship between the Group and Yingtai. The ultimate beneficial owner of Yingtai is the People's Government of Panyu District, Guangzhou City (廣州市番禺區人民政府).

Information on the Company

The Company is a company incorporated in Bermuda with limited liability and is principally engaged in investment holding. The Group is principally engaged in property development and investment businesses. The ultimate controlling shareholder of the Company is Guangdong Holdings.

INFORMATION ON YUEHAI PROPERTY MANAGEMENT AND GUANGDONG HOLDINGS

Information on Yuehai Property Management

Yuehai Property Management is a company established in the PRC with limited liability. It is principally engaged in real estate agency services, property rental services and property management businesses in the PRC and is a direct non-wholly owned subsidiary of Guangdong Holdings. As at the date of this announcement, the equity interest of Yuehai Property Management is held as to 98% by Guangdong Holdings and 2% by Huaxin, respectively. Reference is made to the announcement of the Company dated 28 January 2022 in relation to the equity transfer agreement entered into between the Company (as purchaser) and Guangdong Holdings (as vendor), pursuant to which the Company agreed to purchase, and Guangdong Holdings agreed to sell 6% of the equity interest of Yuehai Property Management, the completion date shall be the date on which the relevant industrial and commercial administration authority in the PRC has completed the relevant procedures for change of registration. As at the date of this announcement, the relevant industrial and commercial registration procedures have not been completed. Upon completion of the aforesaid equity interest transfer, 92% of the equity interest of Yuehai Property Management will be held by Guangdong Holdings, 6% of the equity interest will be held by the Company and 2% of the equity interest will be held by Huaxin.

According to the National Enterprise Credit Information Publicity System (國家企業信用信息公示系統), Huaxin is a company established in the PRC with limited liability and its equity interest is held as to approximately 41.22% in aggregate by YANG Shaoqiu (楊少秋) and the companies controlled by him, as to approximately 39.99% by YANG Jiarui (楊珈睿) and as to approximately 18.79% in aggregate by four other shareholders. Huaxin is principally engaged in property management business in the PRC. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Huaxin and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

Information on Guangdong Holdings

Guangdong Holdings is the ultimate controlling shareholder of the Company and is principally engaged in investment holding. The Guangdong Holdings Group's business activities include public utilities and infrastructure, manufacturing, real estate, hotel, property management, retail and wholesale, finance, etc. The Guangdong Holdings Group takes capital investment as its core business, and invests mainly in business sectors including water and water environment management, urban complex development and related services, modern industrial park development and investment. Guangdong Holdings is held as to 90% by the People's Government of Guangdong Province (the "**Guangdong Government**") and as to 10% by the Department of Finance of the Guangdong Government while the State-owned Assets Supervision and Administration Commission of the Guangdong Government has been performing ownership and control functions in respect of Guangdong Holdings with the authorisation of the Guangdong Government.

LISTING RULES IMPLICATIONS

Guangdong Holdings is the ultimate controlling shareholder of the Company, hence a connected person of the Company under Rule 14A.07(1) of the Listing Rules. Yuehai Property Management (a direct non-wholly owned subsidiary of Guangdong Holdings) is an associate of Guangdong Holdings and, therefore, it is a connected person of the Company. Accordingly, the transactions contemplated under the Parking Space Sales Agency Services Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the transactions contemplated under the Parking Space Sales Agency Services Agreement calculated pursuant to the Listing Rules is more than 0.1% but all of the applicable percentage ratios are less than 5%, the Parking Space Sales Agency Services Agreement (and the transactions contemplated thereunder) are subject to the annual review and announcement requirements under the Listing Rules, but are exempt from the independent shareholders' approval requirement.

As Mr. LAN Runing, Mr. LI Yonggang, Ms. ZHU Guang and Mr. JIAO Li, being the Directors, are directors of certain subsidiaries of Guangdong Holdings, they have abstained from voting on the relevant Board resolutions approving the Parking Space Sales Agency Services Agreement and the transactions contemplated thereunder at the relevant Board meeting. Save as disclosed, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no other Directors had any material interest in the Parking Space Sales Agency Services Agreement and the transactions contemplated thereunder.

DEFINITIONS

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

"Applicable Commission Rate"	has the meaning ascribed to it under the section headed "The Parking Space Sales Agency Services Agreement – Commission" in this announcement
"Assessment Period"	has the meaning ascribed to it under the section headed "The Parking Space Sales Agency Services Agreement – Subject matter" in this announcement
"Assessment Period Total Sales"	has the meaning ascribed to it under the section headed "The Parking Space Sales Agency Services Agreement – Payment terms" in this announcement
"associate"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"Cap(s)"	has the meaning ascribed to it under the section headed "The Parking Space Sales Agency Services Agreement – Caps and basis of determination" in this announcement
"Commission"	has the meaning ascribed to it under the section headed "The Parking Space Sales Agency Services Agreement – Commission" in this announcement
"Company"	Guangdong Land Holdings Limited (粵海置地控股有限公司), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
"connected person"	has the meaning ascribed to it under the Listing Rules
"controlling shareholder"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries from time to time
"Guangdong Government"	has the meaning ascribed to it under the section headed "Information on Yuehai Property Management and Guangdong Holdings – Information on Guangdong Holdings" in this announcement
"Guangdong Holdings"	廣東粵海控股集團有限公司 (Guangdong Holdings Limited), a company established in the PRC with limited liability and the ultimate controlling shareholder of the Company

"Guangzhou Panyu"	廣州市番禺粵海房地產有限公司 (Guangzhou Panyu Yuehai Real Estate Company Limited), a company established in the PRC with limited liability and an indirect non-wholly owned subsidiary of the Company
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Huaxin"	廣東華信服務集團有限公司 (Guangdong Huaxin Service Group Co., Ltd.), 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
"Owners"	has the meaning ascribed to it under the section headed "The Parking Space Sales Agency Services Agreement – Commission" in this announcement
"Parking Spaces"	has the meaning ascribed to it under the section headed "The Parking Space Sales Agency Services Agreement – Subject matter" in this announcement
"Parking Space Sales Agency Services Agreement"	the agreement dated 10 June 2022 entered into between Guangzhou Panyu and Yuehai Property Management in respect of the provision of sales agency services in respect of 175 parking spaces in the Ruyingju Project by Yuehai Property Management to Guangzhou Panyu
"PRC"	the People's Republic of China and, for the purpose of this announcement, excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
"RMB"	Renminbi, the lawful currency of the PRC
"Ruyingju Project"	the property project of the Group located at No. 63 Yansha East Road, Panyu District, Guangzhou City, Guangdong, the PRC
"Saleable Parking Spaces"	has the meaning ascribed to it under the section headed "The Parking Space Sales Agency Services Agreement – Subject matter" in this announcement
"Sales Target Realisation Rate"	has the meaning ascribed to it under the section headed "The Parking Space Sales Agency Services Agreement – Commission" in this announcement

"Services"	has the meaning ascribed to it under the section headed "The Parking Space Sales Agency Services Agreement – Subject matter" in this announcement
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"Yingtai"	廣州市盈泰房地產有限公司 (Guangzhou Yingtai Real Estate Company Limited), a company established in the PRC with limited liability
"Yuehai Property Management"	粵海物業管理有限公司 (Yuehai Property Management Co., Ltd.), a company established in the PRC with limited liability and a direct non-wholly owned subsidiary of Guangdong Holdings. As at the date of this announcement, 98% of the equity interest of Yuehai Property Management is held by Guangdong Holdings while the remaining 2% of the equity interest is held by Huaxin
"%"	per cent.

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.

For the purpose of this announcement, unless otherwise specified, conversion of Renminbi into Hong Kong dollars is based on the approximate exchange rate of HK$1 to RMB0.8536. No representation is made that any amount in HK$ and RMB could be converted at such rate.

By Order of the Board
Guangdong Land Holdings Limited
JIAO Li
Executive Director

Hong Kong, 10 June 2022

As at the date of this announcement, the Board comprises six Executive Directors, namely Mr. LAN Runing, Mr. KUANG Hu, Mr. LI Yonggang, Mr. WU Mingchang, Ms. ZHU Guang and Mr. JIAO Li; and three Independent Non-Executive Directors, namely Mr. Alan Howard SMITH, Mr. Felix FONG Wo and Mr. Vincent Marshall LEE Kwan Ho.