

[For Immediate Release]



Yuzhou Properties Introduces OCT Asia as Second Largest Shareholder Strong Forces Scales New Heights in Greater Bay Area

(31 August 2018, Hong Kong) **Yuzhou Properties Company Limited** (“Yuzhou Properties” or the “**Company**”, together with its subsidiaries, the “**Group**”; stock code: **01628.HK**), a top 40 property developer in China, is pleased to announce that the Company has entered into a subscription agreement with **Overseas Chinese Town (Asia) Holdings Limited** (“**OCT Asia**”; stock code: **03366.HK**). Pursuant to the agreement, the Company will allot and issue 460,489,606 shares to OCT Asia at a price of HK\$3.96 per share, representing approximately 10.99% of the existing issued share capital of the Company and approximately 9.90% of the enlarged issued share capital of the Company. The aggregate proceeds from the placing will be approximately HK\$1.82 billion for possible investment projects in the future. The introduction of OCT Asia as the Company’s strategic shareholder demonstrates all-round recognition of Yuzhou Properties from a state-own enterprise (“SOE”) and Yuzhou Properties’ unswerving determination to move to a level-up stage.

After 24 years’ effort, Yuzhou Properties has achieved RMB40 billion plus in terms of contracted sales in 2017, which signifies an important step forward in its RMB100 billion journey with nationwide cultivation. In line with the national and industrial development trends, Yuzhou Properties reinforces its presence in first- and second- tier core cities and extends its footprints to surrounding third- and fourth-tier satellite cities with growth potentials. It has a steadfast presence in six metropolitan areas, namely the Yangtze River Delta, Bohai Rim Region, West Strait Region, Guangdong-Hong Kong-Macao Bay Area (the Bay Area), Central China and Southwest China, with business spanning across 26 cities in China, with its enhancing popularity and influence. Moving forward, while forging ahead and moving towards realizing the RMB100 billion goal, Yuzhou Properties will strive to strike a balance between scale, profits and risks to achieve quality growth.

OCT Group, the parent company of OCT Asia, is a large-scale state-owned enterprise under

direct management of the SASAC. Founded in Shenzhen, the pilot city of China's Reform and Opening, in 1985, it is among the first group of cultural and industrial demonstration bases and top 30 cultural companies in China, with asset scale exceeding RMB300 billion. Since its inception, it has maintained a leading position in culture, tourism and other core sectors. Over the years, with a focus on its unique, innovative culture, OCT has been dedicated to improving the life quality of Chinese people and engaging in tourism and relative cultural business operation, real estate and hotel development operation and other principle businesses. In particular, Happy Valley chain theme parks, Splendid China, China Folk Culture Villages, Window of the World, OCT East, OCT Harbor, OCT Loft, OCT Contemporary Art Terminal and InterContinental Shenzhen are the leading brands in the industry.

Yuzhou Properties and its strategic shareholder OCT Asia will explore other means of cooperation in the future. Capitalizing on Yuzhou Properties' advantages in real estate development and property management and OCT Group's experiences in property operation, cultural innovation and tourism business operation, these two strong forces will create more quality urban renewal projects. Supported by the strategic shareholder, Yuzhou Properties will accelerate its expansion progress, deepen its presence in the Bay Area, identify new property projects and increase its brand appeal, with a view to reaching its RMB100 billion goal in shorter period of time.

At the signing ceremony, **Mr. Lam Lung On, J.P., deputy to NPC, founder of Yuzhou Properties and Chairman of the Board of Directors, said,** "Yuzhou Properties has made steady strides in recent years. The introduction of OCT Asia as our strategic shareholder marks another significant milestone for us after the acquisition of the quality assets from Coastal Greenland. In the future, leveraging our business advantages, Yuzhou Properties and OCT Asia will seek further collaboration on various areas, and the Group will continue to create values for shareholders and build a brighter future by upholding the strategic mission of Cultivating in Regions while Leading the Market."

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About Overseas Chinese Town (Asia) Holdings Limited (03366.HK)

Founded on 28 February 2005, Overseas Chinese Town (Asia) Holdings Limited (“OCT (Asia)”) is the only offshore listed platform of OCT Group. It was listed on the Main Board of the Hong Kong Stock Exchange on 2 November 2005 upon integrating the OCT’s environmental packaging business. The Company began to engage in the comprehensive development business in 2007, and accelerated transformation from 2010 onwards, with the comprehensive development business expanding rapidly. The Company currently holds comprehensive development projects in Chengdu, Shanghai, Chongqing, Xi’an and Beijing. In 2017, OCT (Asia) began to promote strategic upgrading, clearly set its new strategic positioning of “overseas financing platform, domestic and overseas investment platform and domestic and overseas M&A platform” and stripped the original environmental packaging business. With “comprehensive development + investment in the urbanization industrial ecosphere” as its new development model, the Company developed the comprehensive development business with added vigor and on a larger scale by fully leveraging OCT’s brand equity and financial strength, and by securing projects that offer good cash flows from prime cities and OCT urbanization projects. The Company also actively took advantage of the domestic and overseas capital markets and financial products and helped OCT Group to create a new urbanization industrial ecosphere through domestic and overseas direct investments and indirect investments (industrial funds, etc).

About Yuzhou Properties Company Limited (01628.HK)

Established in 1994, Yuzhou Properties is a national property developer which headquartered in Shanghai. Adhering to its strategy of Cultivating in Regions & Leading the Market, Yuzhou Properties strives to develop residential and commercial properties which focus on in-depth development in first- and second-tier cities and their satellite cities. As at 30 June 2018, the Company had over 118 projects under various stages of development in Shanghai, Tianjin, Nanjing, Hefei, Hangzhou, Suzhou, Huizhou, Hong Kong and so on. The total construction area under construction and held for future development is 17.25 million sq.m. in aggregate GFA, accounting for about 41.8%, 24.1%, 21.6%, 5.8%, 4.0% and 2.7%, respectively in the Yangtze River Delta Region, Bohai Rim Region, West Strait Economic Zone, Central China Region, Southwest Region as well as the Bay Area. Renowned for its distinguished product quality, diversified product portfolio, strong brand awareness and seasoned management team, Yuzhou Properties has been named "Top 100 China Real Estate Enterprises" for eleven years in a row; and Top 50 China Real Estate Enterprises from 2011 to 2018. In 2018, Yuzhou Properties was selected as the Hang Seng Composite LargeCap & MidCap Index Constituent Stocks, Shanghai-Hong Kong Stock Connect, and becomes constituent of MSCI China Index.

For more information about Yuzhou Properties, please visit the Company's website:

<http://www.yuzhou-group.com>.

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