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## MATERIAL AGREEMENTS AND OTHER DOCUMENTS RELATING TO SPRING REIT

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*The following is a summary of the material terms of the relevant agreements only. The agreements are available for inspection at the office of DLA Piper Hong Kong at 17/F, Edinburgh Tower, The Landmark, 15 Queen's Road Central, Hong Kong during normal business hours up to the Listing Date.*

### Reorganization Agreement

The REIT Manager, the Trustee, RCA Fund and AD Capital have entered into the Reorganization Agreement pursuant to which RCA Fund has agreed to transfer all of the issued RCA01 Shares to the Trustee (in its capacity as trustee of Spring REIT) in exchange for the issue of 1,000,000,000 Units by Spring REIT (which represents 100% of the issued Units upon completion of the Reorganization but prior to the issuance of New Units by Spring REIT in the Global Offering) to RCA Fund or its nominees. If the Units issued to RCA Fund are valued at the Offer Price range stated in this Offering Circular and the net asset value ("NAV") per Unit is HK\$6.23 as of June 30, 2013, and without taking into account of the proceeds to be raised from the new Units to be issued by Spring REIT in the Global Offering, the RCA01 Shares are being exchanged for Units at a discount of between 35% (in the case of the Maximum Offer Price) and 39% (in the case of the Minimum Offer Price) to such NAV. The transfer is conditional upon the following conditions being satisfied:

- (a) the execution of an agreement among the Sole Global Coordinator (on behalf of the Underwriters), RCA Fund and the REIT Manager to determine the Offer Price;
- (b) the execution and delivery of the Deed of Tax Covenant (please see the paragraph headed "Deed of Tax Covenant" below for details);
- (c) there being no damage to the Property and no material breach of warranties which, in the opinion of the REIT Manager, will have a material adverse effect on the financial condition, prospects, earnings, business, undertakings or assets of Spring REIT or on the Property;
- (d) the completion of the acquisition of the ordinary shares in RCA01 held by MaplesFS by RCA Fund and the reclassification of all issued preference shares in RCA01 into ordinary shares in RCA01 such that RCA Fund will own the entire issued share capital of RCA01 (in the form of ordinary shares) prior to Completion; and
- (e) there being no pending or written order by a government agency in effect, or any change in applicable law, in either case arising between the date of the Reorganization Agreement and Completion, that prohibits Completion from taking place.

RCA Fund will use all reasonable commercial endeavours to procure that the above conditions are satisfied as soon as possible and in any event on or before the second Business Day immediately preceding the Listing Date. If the above conditions are not all satisfied or, if applicable, waived by the Trustee on or before the second Business Day immediately preceding the Listing Date, the Trustee shall not be obliged to complete the Reorganization. Completion will take place on the second Business Day immediately preceding the Listing Date. Upon Completion, Spring REIT will own the Property through RCA01.

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## MATERIAL AGREEMENTS AND OTHER DOCUMENTS RELATING TO SPRING REIT

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Pursuant to the Reorganization Agreement, until Completion, RCA Fund has agreed to procure that, except with the written consent of the Trustee, RCA01 shall not, among other things (except to the extent required to procure and effect the satisfaction of the conditions as mentioned above and to satisfy RCA Fund's obligations under the Reorganization Agreement):

- (i) declare, make or pay any dividend or other distribution;
- (ii) make any capital expenditure in excess of US\$1 million (or the equivalent in any other currency) in aggregate, unless such expenditure has already been provided for in the approved budget;
- (iii) acquire or dispose of, or agree to acquire or dispose of, any interest in, any business or material assets of, or invest in any person, or merge or consolidate with any person, or enter into any demerger transaction nor participate in any other type of corporate reconstruction; and
- (iv) undertake any act, or suffer any omission, which results or would be likely to result in a material adverse effect on the financial condition, prospects, earnings, business, undertaking or assets of Spring REIT or on the Property.

The Reorganization Agreement contains certain representations and warranties made by RCA Fund in respect of the RCA01 Shares, RCA01 and the Property. RCA Fund shall indemnify and keep the Trustee (in its capacity as the trustee of Spring REIT) indemnified on a full indemnity basis against all actions, claims (whether or not any such claim involves or results in any actions or proceedings) and proceedings, and all losses, liabilities, costs (including legal costs and fees of experts and consultants), charges, expenses, actions, proceedings, claims and demands which it may at any time and from time to time sustain, incur or suffer by reason of any breach of any representation, warranty or undertaking given by RCA Fund under the Reorganization Agreement (subject to the limitations on claims). Further, RCA Fund undertakes to retain at least 15% of all the issued Units upon completion of the Global Offering for a period of three years commencing on the date of Completion (being the period in which notice of a claim under the Reorganization Agreement must be given, as described below) and thereafter to retain at least 10% of all the issued Units upon completion of the Global Offering for the immediately following two years (to support, in part, the remaining limitation period for tax claims under the Deed of Tax Covenant, as described below). RCA Fund also undertakes not to pledge, charge or otherwise encumber its interests in such retained Units during the term of the retention obligation, except for pledges, charges or other encumbrances granted to secure financing incurred for the sole purpose of RCA Fund paying a claim under the Reorganization Agreement or Deed of Tax Covenant. AD Capital guarantees to the Trustee (in its capacity as the trustee of Spring REIT) the performance of RCA Fund with respect to the indemnities provided by RCA Fund and RCA Fund's undertaking to retain Units as mentioned above.

The Reorganization Agreement also sets out limitations on the liability of RCA Fund. The aggregate liability of RCA Fund for all claims (including the tax claims under the Deed of Tax Covenant) shall not exceed the aggregate value of the Units issued to RCA Fund under the Reorganization Agreement at the final Offer Price. Based on the Offer Price range stated in this Offering Circular of between HK\$3.81 and HK\$4.03, the maximum liability of RCA Fund in this respect is expected to be between HK\$3,810 million and HK\$4,030 million. In

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## **MATERIAL AGREEMENTS AND OTHER DOCUMENTS RELATING TO SPRING REIT**

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addition, RCA Fund shall not be liable for a claim or a tax claim unless: (i) RCA Fund's liability in respect of such claim (together with any connected claims) exceeds US\$100,000; and (ii) in the case of a tax claim, RCA Fund's liability in respect of such tax claim (together with any connected tax claims) exceeds US\$100,000; and (iii) the amount of RCA Fund's liability in respect of such claim or tax claim, when aggregated with RCA Fund's liability for any other claims and tax claims that are not excluded under (i) or (ii) above exceeds US\$100,000, in which case RCA Fund shall be liable for the whole amount claimed. RCA Fund shall not be liable unless notice in writing has been given by or on behalf of the Trustee to RCA Fund prior to the expiry of the period of three years commencing on the date of Completion.

Following the Listing, any material change to the terms of the Reorganization Agreement shall require the approval of the independent Unitholders at a duly convened general meeting, unless such approval is not required pursuant to REIT Code.

### **DEED OF TAX COVENANT**

A Deed of Tax Covenant will be entered into by RCA Fund, the Trustee and AD Capital on or before Completion, pursuant to which RCA Fund will covenant to indemnify the Trustee (for itself and/or on behalf of RCA01) in respect of any liability for taxation resulting from or by reference to any event occurring on or before Completion or in respect of any gross receipts, income, profits or gains earned, accrued or received by RCA01 on or before Completion. The aggregate liability of RCA Fund for all claims (including the claims under the Reorganization Agreement) shall not exceed the aggregate value of the Units issued to RCA Fund under the Reorganization Agreement at the final Offer Price. The limitation period for claims is 7 years from the date of Completion. The Trustee's right of claim is not prejudiced by any taxation action or proceeding in respect of the relevant tax liability which is the subject matter of the claim not being finally resolved before expiry of the applicable limitation period. AD Capital guarantees to the Trustee (in its capacity of trustee of Spring REIT) the performance of RCA Fund's indemnity obligation. Following the Listing, any material change to the terms of the Deed of Tax Covenant shall require the approval of the independent Unitholders at a duly convened general meeting, unless such approval is not required pursuant to REIT Code.

### **PROPERTY MANAGEMENT AGREEMENT**

Please see "The Property Manager and the Building Manager — The Property Manager" in this Offering Circular for details of the Property Management Agreement.

### **PROPERTY MANAGEMENT SUPERVISION AGREEMENT**

The Property Management Supervision Agreement was entered into on November 21, 2013 by the REIT Manager, the Trustee, RCA01, AD Capital and AD Capital Beijing. As AD Capital and AD Capital Beijing are connected persons of Spring REIT, the transactions contemplated under the Property Management Supervision Agreement constitute connected transactions for Spring REIT under the REIT Code.

Pursuant to the Property Management Supervision Agreement, RCA01 shall, to the extent permitted by applicable law, exercise its rights under and with respect to the Property Management Agreement in accordance with the instructions of the REIT Manager. RCA01

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## **MATERIAL AGREEMENTS AND OTHER DOCUMENTS RELATING TO SPRING REIT**

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shall promptly forward a copy of all reports, financial statements, budgets, business plans, notices and other documents prepared by or on behalf of the Property Manager or the Building Manager in relation to the Property upon receipt to the REIT Manager and exercise its rights under the Property Management Agreement to promptly request such additional information concerning the operation and management of the Property from the Property Manager as the REIT Manager may from time to time request. RCA01 shall assist the REIT Manager and the Trustee in the supervision of the Property Manager and the Building Manager.

Further, RCA01 shall not do any of the following without the prior consent of the REIT Manager:

- renew the Property Management Agreement, replace the Property Manager or enter into a new property management agreement; and
- grant any approval or consent, make any decision or otherwise exercise any discretion under the Property Management Agreement.

RCA01 shall also consult and follow the instructions of the REIT Manager in connection with any exercise of its rights under the Property Management Agreement and in any dispute with the Property Manager in relation to the Property Management Agreement.

Under the Property Management Supervision Agreement, the REIT Manager appoints AD Capital and AD Capital Beijing (collectively "AD Parties") to assist with the management of the Property. The service provided by AD Parties include monitoring and supervising the Property Manager and the Building Manager, conveying the instructions of the REIT Manager regarding the management of the Property to each of RCA01, the Property Manager and the Building Manager and assisting in the implementation of such instructions and providing such other services incidental to the foregoing or as otherwise agreed by the AD Parties. In consideration for the services provided by the AD Parties, the REIT Manager shall pay to AD Parties an annual fee in the amount of HK\$1,000,000, payable quarterly, plus any applicable consumption tax thereon. The REIT Manager and the AD Parties will enter into good faith negotiations to revise the annual fee to reflect market standards (i) in the event that the scope of the services requested by the REIT Manager to be provided by the AD Parties expands substantially, or (ii) if requested by the AD Parties any time after 2 years after the date of the Property Management Supervision Agreement. The REIT Manager will reimburse the AD Parties for any costs and expenses incurred by the AD Parties in performing their duties under the Property Management Supervision Agreement.

The Property Management Supervision Agreement shall terminate upon the earliest of (i) all the parties agreeing mutually in writing to terminate the Property Management Supervision Agreement; (ii) the REIT Manager ceasing to be the manager of Spring REIT, and (iii) Spring REIT ceasing to own RCA01 or RCA01 ceasing to own the Property.

### **US\$515,000,000 SECURED TERM LOAN FACILITY AGREEMENT**

On January 10, 2013, the Term Loan Facility Agreement was entered into by RCA01 as borrower, Australia and New Zealand Banking Group Limited as mandated lead arranger and bookrunner, pursuant to which a secured term loan facility of US\$515,000,000 was made available to RCA01 by a group of lenders for a term of three years from the date of utilization, with such period being capable of extension upon mutual agreement. The interest

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## MATERIAL AGREEMENTS AND OTHER DOCUMENTS RELATING TO SPRING REIT

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rate on the loan is 3.5% per annum above the three-month LIBOR. The said facility is initially secured by (i) a pledge over account receivables dated January 28, 2013 entered into by RCA01, the security agent and the Property Manager; and (ii) a mortgage over the Property dated January 28, 2013 entered into by RCA01 and the security agent.

The Term Loan Facility Agreement contains customary events of default, the occurrence of which would allow the facility agent to cancel the lenders' commitment and/or to demand immediate repayment of all amounts outstanding. The events of default include, without limitation, (a) non-payment of any sum under the Term Loan Facility Agreement; (b) the breach by RCA01 or any other obligor of any of their obligations under the Term Loan Facility Agreement and relevant finance documents; (c) a breach of any representation, warranty or statement made by RCA01 or any other obligor under the Term Loan Facility Agreement and relevant finance documents; (d) a default in any other indebtedness of RCA01 unless the aggregate amount of such indebtedness is less than US\$100,000; (e) the insolvency of RCA01; (f) a petition for winding up presented against RCA01 and not being discharged within 30 days; (g) any attachment, sequestration, distress or execution affects any assets or any member of RCA01 having an aggregate value of US\$100,000 and not discharged within 30 days; (h) any situation which causes the lenders to believe that a material adverse change has occurred in the business, assets or financial condition of any member of RCA01 to the effect that the ability of such person to perform its obligation under any relevant finance document has been or will be materially and adversely affected; and (i) the Property has suffered actual or presumed total loss or has been confiscated, taken over for use, collected, purchased or returned to the government of the PRC.

The Term Loan Facility Agreement also contains certain customary covenants that restrict RCA01 from (subject to certain agreed exceptions), among other things, creating security on or disposing of its assets and incurring additional indebtedness.

The affirmative covenants of RCA01 include (but are not limited to) that RCA01 shall:

- make all payments and perform all its obligation in accordance with the terms of the Term Loan Facility Agreement and relevant finance documents;
- maintain the Property, including its use, in material compliance with all applicable governmental rules relating to health, safety, zoning, construction, building codes and environmental matters;
- comply with all governmental rules to which it is subject to;
- insure the Property for its full replacement value; and
- submit to the facility agent its annual budget, its audited annual financial statements and its semi-annual financial statements at the times set out in the Term Loan Facility Agreement.

RCA01 must also ensure that the following financial covenants are complied with:

- the ratio of loan to the aggregate value of the Property on each valuation test date shall not be greater than 60%; and
- the quotient of the net operating income divided by the amount of interest accruing on the loan shall not be less than 1.25.

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## **MATERIAL AGREEMENTS AND OTHER DOCUMENTS RELATING TO SPRING REIT**

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The negative covenants include (but are not limited to) that RCA01 shall not, apart from certain agreed exceptions:

- create any charge over its existing or future assets;
- sell, lease, transfer or otherwise dispose of all or part of its assets;
- enter into any amalgamation, de-merger, consolidation, merger or corporate reconstruction or reorganization;
- make any substantial change to the general nature of its business as a whole;
- wind up, liquidate or dissolve;
- incur, create, assume, guarantee or become liable for any financial indebtedness other than the Permitted Indebtedness (as defined in the Term Loan Facility Agreement) without prior consent;
- cancel, forgive or release any claim or debt owed to RCA01 by any person; or
- cause any material alteration to the Property.

### **UNDERWRITING AGREEMENTS**

The Hong Kong Underwriting Agreement is expected to be entered into on or around November 22, 2013 and the International Underwriting Agreement is expected to be entered into on or prior to the Price Determination Date. For a summary of the key terms and provisions of the Hong Kong Underwriting Agreement, see the section headed "Underwriting" in this Offering Circular.