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The following statements are by way of a general guide to investors only and do not constitute tax advice. Investors are therefore advised to consult their professional advisors concerning possible taxation or other consequences of purchasing, holding, selling or otherwise disposing of the Units under the laws of their country of incorporation, establishment, citizenship, residence or domicile.

Investors should note that the following statements are based on advice received by the REIT Manager regarding taxation law, regulation and practice in force as of the date of this Offering Circular and may be subject to change.

PRC TAXATION OF RCA01

General

The REIT Manager confirms that, to the best of its knowledge after due and reasonable inquiry, RCA01 has duly paid up all the taxes due and payable under the PRC laws in respect of the holding and operation of the Property since its incorporation.

Income Tax

Under the PRC Enterprise Income Tax Law (中華人民共和國企業所得稅法) and its implementation rules that became effective on January 1, 2008, the standard income tax rate of 25.0% should be applied to foreign invested enterprises as well as PRC domestic enterprises, while non-resident enterprises without an establishment or presence of business in the PRC shall pay enterprise income tax by way of withholding tax at the rate of 10.0% on various types of income, including rental income and capital gains, derived from the PRC.

In respect of the rental income derived from the PRC, as RCA01 is considered a non-resident enterprise that has no establishment or presence in the PRC, RCA01 currently is subject to withholding income tax at a rate of 10.0% of its gross rental income with no deductions for expenses or allowances.

The repatriation of RCA01's proceeds arising from the Property, from the PRC to outside of the PRC, is subject to withholding tax under the PRC laws. However, given that RCA01 is an exempted company with limited liability incorporated in the Cayman Islands, and considered a non-resident enterprise that has no establishment or presence in the PRC, the distribution of dividends by RCA01 is not subject to PRC laws once the proceeds arising from the Property are repatriated out of the PRC.

Business Tax

Business tax is payable in respect of certain business activities in the PRC as set out in the Provisional Regulations Concerning Business Tax (中華人民共和國營業稅暫行條例), which was promulgated on December 13, 1993 and amended on November 10, 2008. The activities to which the business tax applies include construction, leases and sales of real estate properties in the PRC. The tax is a turnover tax charged on gross revenue. No deduction of the tax incurred on purchased services or materials is allowed. However, deductions from gross revenue are allowed for subcontracting fees paid among the transportation, tourism and construction industries. The rate of business tax payable for property sale and leasing transactions is 5.0% of the proceeds from the sale or leasing of real estate/immovable properties in China.

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Real Estate Tax

Under the Tentative Regulations of the PRC on Real Estate Tax (中華人民共和國房產稅暫行條例) promulgated by the State Council on September 15, 1986 and effective from October 1, 1986 and as amended on January 8, 2011, real estate tax is charged at a rate of 1.2% if it is calculated on the basis of the residual value of a building, such residual value being the original value of a building minus a certain percentage ranging from 10.0% to 30.0%, and at a rate of 12.0% if it is calculated on the basis of the rental income; and if the building is leased, real estate tax should be calculated on the basis of the rental income. RCA01 currently pays real estate tax based on the residual value of the building.

On December 21, 2010, the Ministry of Finance and the State Administration of Taxation jointly issued the Notice on the Policies regarding Urban and Town Land Use Tax Imposed on Entities Employing the Disabled (關於安置殘疾人就業單位城鎮土地使用稅等政策的通知), under which, if the real estate tax of a building is calculated on the basis of its residual value, the value of such building should cover its land premium, including the purchase price paid for the land use rights and cost and expenses of land development, and if the floor area ratio for a parcel of land is less than 0.5, the land premium should be calculated on the basis of a site area which is two times the gross floor area of the building. In respect of the leased building with a rental free period, real estate tax payable during the rental free period should be calculated on the basis of the original value of the building.

Urban and Town Land Use Tax

Pursuant to the Tentative Regulations of the PRC on Land Use Tax in respect of Urban and Town Land (中華人民共和國城鎮土地使用稅暫行條例) promulgated by the State Council on September 27, 1988 and effective from November 1, 1988, the land use tax in respect of urban and town land is levied according to the area of relevant land. The annual tax on urban land is between RMB0.2 and RMB10 per square meter. The Tentative Regulations of the PRC on Land Use Tax in respect of Urban and Town Land were revised by the State Council on December 31, 2006 and on January 8, 2011. As of January 1, 2007, the annual tax on every square meter of urban land shall be between RMB0.6 and RMB30.

Stamp Duty

Under the Tentative Regulations of the PRC on Stamp Duty (中華人民共和國印花稅暫行條例) promulgated by the State Council on August 6, 1988 and effective from October 1, 1988 and as amended on January 8, 2011, for building property transfer instruments, including those in respect of property ownership transfer, the duty rate is 0.05% of the amount stated therein; for permits and certificates relating to rights, including real estate title certificates and land use rights certificates, the stamp duty is levied on an item-by-item basis of RMB5 per item; for building leases, the duty rate is 0.1% of the rental value; and for supply and purchase instruments, the duty rate is 0.03% of the amount stated therein.

Deed Tax

Under the PRC Tentative Regulations on Deed Tax (中華人民共和國契稅暫行條例) promulgated by the State Council on July 7, 1997 and effective from October 1, 1997, a deed tax is chargeable to transferees of land use rights and/or building ownership within the territory of mainland China. These taxable transfers include the grant of state-owned land

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use rights and the sale, gift and exchange of land use rights or building ownership, other than the transfer of contracting management rights of rural collective land. Deed tax rate is from 3.0% to 5.0% subject to determination by local governments at the provincial level in light of the local conditions. In accordance with the Administrative Measures on Deed Tax of Beijing (北京市契稅管理規定) issued by the Municipal Government of Beijing on July 13, 1997 as amended on June 27, 2002, the deed tax rate is 3.0% within Beijing.

Land Appreciation Tax

Under the PRC Tentative Regulations on Land Appreciation Tax (中華人民共和國土地增值稅暫行條例) promulgated by the State Council on December 13, 1993 and effective from January 1, 1994 and as amended on January 8, 2011 and its implementation rules, all income from the sale or transfer of state-owned land use rights, and buildings and their attached facilities in the PRC, is subject to land appreciation tax at progressive rates ranging from 30.0% to 60.0% of the appreciation value as defined by relevant tax laws. Certain exemptions are available for the sale of ordinary residential houses if the appreciation value does not exceed 20.0% of the total deductible items, but this exemption does not extend to sales of commercial properties.

Municipal Maintenance Tax and Education Surcharge

Under the Interim Regulations of the PRC on Municipal Maintenance Tax (中華人民共和國城市維護建設稅暫行條例) promulgated by the State Council on February 8, 1985 and as amended on January 8, 2011 and the Reply Issued by the State Council on the Interpretation of Article 5 of the Interim Regulations of the PRC on Municipal Maintenance Tax (國務院辦公廳對《中華人民共和國城市維護建設稅暫行條例》第五條的解釋的覆函) which was promulgated on February 27, 2004, any taxpayer, whether an individual or otherwise, of consumption tax, value-added tax or business tax shall be required to pay municipal maintenance tax. The tax rate shall be 7.0% for a taxpayer whose domicile is in an urban area, 5.0% for a taxpayer whose domicile is in a county or a town, and 1.0% for a taxpayer whose domicile is not in any urban area or county or town, each calculated on the consumption tax, value-added tax or business tax which has been paid by such taxpayer.

Under the Interim Provisions on Imposition of Education Surcharge (徵收教育費附加的暫行規定) promulgated by the State Council on April 28, 1986 and as amended on June 7, 1990, August 20, 2005 and January 8, 2011 respectively, a taxpayer, whether an individual or otherwise, of consumption tax, value-added tax or business tax shall pay an education surcharge, unless such obliged taxpayer is instead required to pay a rural area education surcharge pursuant to the Notice Issued by the State Council on Raising Funds for Schools in Rural Areas (國務院關於籌措農村學校辦學經費的通知). The tax rate of the education surcharge shall be 3.0% of the consumption tax, value-added tax or business tax which has been paid by such taxpayer.

Under the Supplementary Notice Concerning Imposition of Education Surcharge (國務院關於教育費附加徵收問題的補充通知) issued by the State Council on October 12, 1994, the Circular Concerning Temporary Exemption from Municipal Maintenance Tax and Education Surcharge for Foreign-invested Enterprises and Foreign Enterprises (關於外商投資企業和外國企業暫不徵收城市維護建設稅和教育費附加的通知), and the Approval on Exemption of Municipal Maintenance Tax and Education Surcharge in Foreign-invested Freightage Enterprises (關於外商投資貨物運輸企業徵免城市維護建設稅和教育費附加問題的批覆) issued by the State Administration of Taxation on February 25, 1994 and on September 14, 2005

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respectively, neither the municipal maintenance tax nor the education surcharge shall be applicable to foreign enterprises until further explicit stipulations are issued by the State Council.

However, pursuant to the Notice on Unifying the Municipal Maintenance Tax and Education Surcharge System of Domestic Enterprises, Foreign-Invested Enterprises and Individuals (關於統一內外資企業和個人城市維護建設稅和教育費附加制度的通知) as issued by the State Council on October 18, 2010, both the municipal maintenance tax and education surcharge became applicable to foreign-invested enterprises, foreign enterprises and foreign individuals as of December 1, 2010.

Local Education Surcharge

Under the Reply Issued by the Ministry of Finance Concerning Imposition of Local Education Surcharge in Beijing (財政部關於同意北京市開徵地方教育附加的覆函) issued by the Ministry of Finance on July 22, 2011 and effective from January 1, 2012, a taxpayer, whether an individual or otherwise (including foreign-invested enterprises, foreign enterprises and foreign individuals), of consumption tax, value-added tax or business tax paid in Beijing shall pay a local education surcharge at the rate of 2.0% of the consumption tax, value-added tax or business tax which has been paid by such taxpayer.

Circular 698

Pursuant to the Notice on Strengthening Administration of Enterprise Income Tax for Share Transfers by Non-PRC Resident Enterprises issued by the PRC State Administration of Taxation (國家稅務總局關於加強非居民企業股權轉讓所得企業所得稅管理的通知) (“**Circular 698**”) on December 10, 2009 (effective from January 1, 2008) and the Announcement on Enterprise Income Tax Administration on Non-PRC Resident Enterprises issued by the PRC State Administration of Taxation (國家稅務總局關於非居民企業所得稅管理若干問題的公告) on March 28, 2011, where a foreign investor or effective controlling party transfers the equity interests in a PRC resident enterprise (excluding the sale of the shares of PRC resident enterprises on the public securities markets which were purchased from the public securities markets) indirectly by way of the sale of equity interests in an overseas holding company, and such overseas holding company is located in a tax jurisdiction that: (i) has an effective tax rate which is less than 12.5% for share transfers or (ii) does not levy tax on share transfer gain, the foreign investor should report such indirect transfer to the competent tax authority of the PRC resident enterprise within 30 days of the execution of the equity transfer agreement for such indirect transfer. The PRC tax authority will examine the true nature of the indirect transfer, and if the PRC tax authority considers that the foreign investor has adopted an abusive arrangement without reasonable commercial purposes and in order to avoid PRC tax, the PRC tax authority may disregard the existence of the overseas holding company that is used for tax planning purposes and re-characterize the indirect transfer. As a result, gains derived from such indirect transfer may be subject to PRC withholding tax currently at the rate of 10.0%.

Under the current laws and regulations, the above reporting obligations and tax implications do not technically apply to an indirect transfer of interest in real estate in the PRC although there can be no assurance that the laws and regulations may not change. In addition, under the current laws and regulations, as RCA01 is a non-resident enterprise, the disposal of the shares in RCA01 is not required to be reported to the PRC tax authority.

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HONG KONG TAXATION OF SPRING REIT AND RCA01

Profits Tax

Spring REIT, as a collective investment scheme constituted as a unit trust and authorized under Section 104 of the SFO, is exempt from Hong Kong profits tax.

Withholding Tax

Distributions made by Spring REIT to the Unitholders are not subject to any withholding tax in Hong Kong.

Property Tax

As RCA01 does not hold any real property in Hong Kong, the income derived by RCA01 is not subject to Hong Kong property tax.

Stamp Duty

No Hong Kong stamp duty is payable by Spring REIT on the issue of new Units. Subsequent dealings by the Unitholders in Units will be subject to Hong Kong stamp duty. For details, please refer to the sub-section headed “Hong Kong Taxation of the Unitholders – Stamp Duty” below.

CAYMAN ISLANDS TAXATION OF RCA01

No taxes, fees or charges (other than stamp duty) are payable (either by direct assessment or withholding) to the government or other tax authority in the Cayman Islands under the laws of the Cayman Islands in respect of a dividend payment by RCA01 to Spring REIT.

The Cayman Islands currently have no form of income, corporate or capital gains tax and no estate duty, inheritance tax or gift tax.

RCA01 has applied for and obtained an undertaking dated March 28, 2006 from the Governor in Cabinet of the Cayman Islands that no law enacted in the Cayman Islands during the period of 20 years from the date of the undertaking imposing any tax to be levied on profits, income, gains or appreciation shall apply to RCA01 or its operations and no such tax or any tax in the nature of estate duty or inheritance tax shall be payable (directly or by way of withholding) on the shares, debentures or other obligations of RCA01.

HONG KONG TAXATION OF THE UNITHOLDERS

Profits Tax

Under the Inland Revenue Department’s current practice, Hong Kong profits tax will generally not be payable by any Unitholder on the distributions made by Spring REIT. The Unitholders should take advice from their own professional advisors as to their particular tax position.

Hong Kong profits tax will not be payable by any Unitholder (other than a Unitholder carrying on a trade, profession or business in Hong Kong and holding the Units for trading purposes) on any capital gains made on the sale or other disposal of the Units.

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Stamp Duty

No Hong Kong stamp duty is payable by the Unitholders in relation to the issue of the New Units to them by Spring REIT. The sale and purchase of the Sale Units by the Selling Unitholder is subject to stamp duty in Hong Kong. However, no stamp duty (including fixed duty) will be payable by any applicant in the Global Offering since the Selling Unitholder will bear all stamp duty (including fixed duty) arising from the sale and purchase of the Sale Units in the Global Offering.

Hong Kong stamp duty will be payable by the purchaser on every purchase and by the seller on every sale of the Units, whether or not the purchase or sale is on or off the Hong Kong Stock Exchange. The duty is currently charged at the rate of 0.2% of the higher of the consideration paid or the value of the Units transferred (the buyer and seller each being liable for one-half of the amount of Hong Kong stamp duty payable upon such transfer). In addition, a fixed duty of HK\$5 is currently payable on any instrument of transfer of the Units.