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ChampionREIT

冠君產業信託

Champion Real Estate Investment Trust

(a Hong Kong collective investment scheme authorised under section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong))

(Stock Code: 2778)

Managed by

Eagle Asset Management
Eagle Asset Management (CP) Limited

POSSIBLE DISPOSAL OF LANGHAM PLACE OFFICE TOWER PROPERTY

The Board wishes to announce that the REIT Manager has appointed Savills to explore the possibility of Champion REIT disposing of its entire interest in Langham Place Office Tower Property located at 8 Argyle Street, Mong Kok, Kowloon. The REIT Manager wishes to explore the Possible Disposal in light of the current favourable commercial property market environment in Hong Kong.

Unitholders and potential investors of Champion REIT should note that the Possible Disposal may or may not take place. Unitholders and potential investors of Champion REIT are therefore advised to exercise caution when dealing in the units of Champion REIT.

POSSIBLE DISPOSAL

The board of directors (the “**Board**”) of Eagle Asset Management (CP) Limited (the “**REIT Manager**”), as manager of Champion Real Estate Investment Trust (“**Champion REIT**”), wishes to announce that the REIT Manager has appointed Savills (Hong Kong) Limited (“**Savills**”) to explore the possibility of Champion REIT disposing of its entire interest in Langham Place Office Tower Property located at 8 Argyle Street, Mong Kok, Kowloon (“**Possible Disposal**”). To the best of the information, knowledge and belief of the directors of the REIT Manager (having made all reasonable enquiries), Savills is not a connected person (as defined in the Code on Real Estate Investment Trusts (“**REIT Code**”)) of Champion REIT.

INFORMATION RELATING TO LANGHAM PLACE OFFICE TOWER PROPERTY

Langham Place Office Tower is a 59-storey office tower located within the Langham Place mixed-use development. It is a Grade A office property in Mong Kok, a major transport hub in Kowloon and a busy shopping district. The building focuses on tenants involved in the services and lifestyle industries. Champion REIT owns the entirety of the Langham Place Office Tower, except the excluded floors (being levels 35, 36, 37 and 55 held by independent third parties) and the common areas/facilities (the area owned by Champion REIT being the “**Langham Place Office Tower Property**”).

Langham Place Office Tower Property has a gross rentable area of approximately 702,911 sq. ft. and was fully occupied as at 31 December 2016. Langham Place Office Tower Property's net property income for the year ended 31 December 2016 was approximately HK\$295 million (representing 14.6% of Champion REIT's total net property income). Langham Place Office Tower Property was valued at HK\$8,477 million (representing 12.7% of the total appraised value of Champion REIT's portfolio) by Knight Frank Petty Limited, the independent principal valuer of Champion REIT, as at 31 December 2016. Further information relating to Langham Place Office Tower Property may be found in Champion REIT's latest annual report for the year ended 31 December 2016.

REASONS FOR POSSIBLE DISPOSAL AND PROPOSED USE OF PROCEEDS

The REIT Manager wishes to explore the Possible Disposal in light of the current favourable commercial property market environment in Hong Kong. Depending on the offers (if any) received by Champion REIT, such disposal may be potentially accretive to the net asset value of Champion REIT. The net proceeds of the Possible Disposal shall be deployed for the beneficial interests of unitholders, and the REIT Manager shall not proceed with the Possible Disposal unless it is in line with Champion REIT's stated investment objectives and strategy and in the best interests of Champion REIT and its unitholders.

GENERAL

This announcement is made by the REIT Manager pursuant to 10.3 of the REIT Code. The REIT Manager will seek the views of Champion REIT's trustee and comply with the requirements of the REIT Code if it proceeds with the Possible Disposal, including the publication of a further announcement if: (i) a binding agreement for the Possible Disposal is entered into (including details regarding the proposed use of proceeds); (ii) the Possible Disposal will no longer proceed after signing of the binding agreement or is otherwise aborted; or (iii) where otherwise required in compliance with the REIT Code.

Unitholders and potential investors of Champion REIT should note that the Possible Disposal may or may not take place. Unitholders and potential investors of Champion REIT are therefore advised to exercise caution when dealing in the units of Champion REIT.

By Order of the Board
Eagle Asset Management (CP) Limited
(as manager of Champion Real Estate Investment Trust)
Lo Ka Shui
Chairman

Hong Kong, 4 July 2017

As at the date of this announcement, the Board comprises:

Non-executive Directors:

Dr. Lo Ka Shui (*Chairman*), Mr. Ip Yuk Keung, Albert and Mr. Lo Kai Shui

Executive Director:

Ms. Wong Ka Ki, Ada (*Chief Executive Officer*)

Independent Non-executive Directors:

Mr. Cha Mou Sing, Payson, Mr. Cheng Wai Chee, Christopher, Mr. Ho Shut Kan and Mr. Shek Lai Him, Abraham