

## THE MANAGER AND THE PROPERTY MANAGER

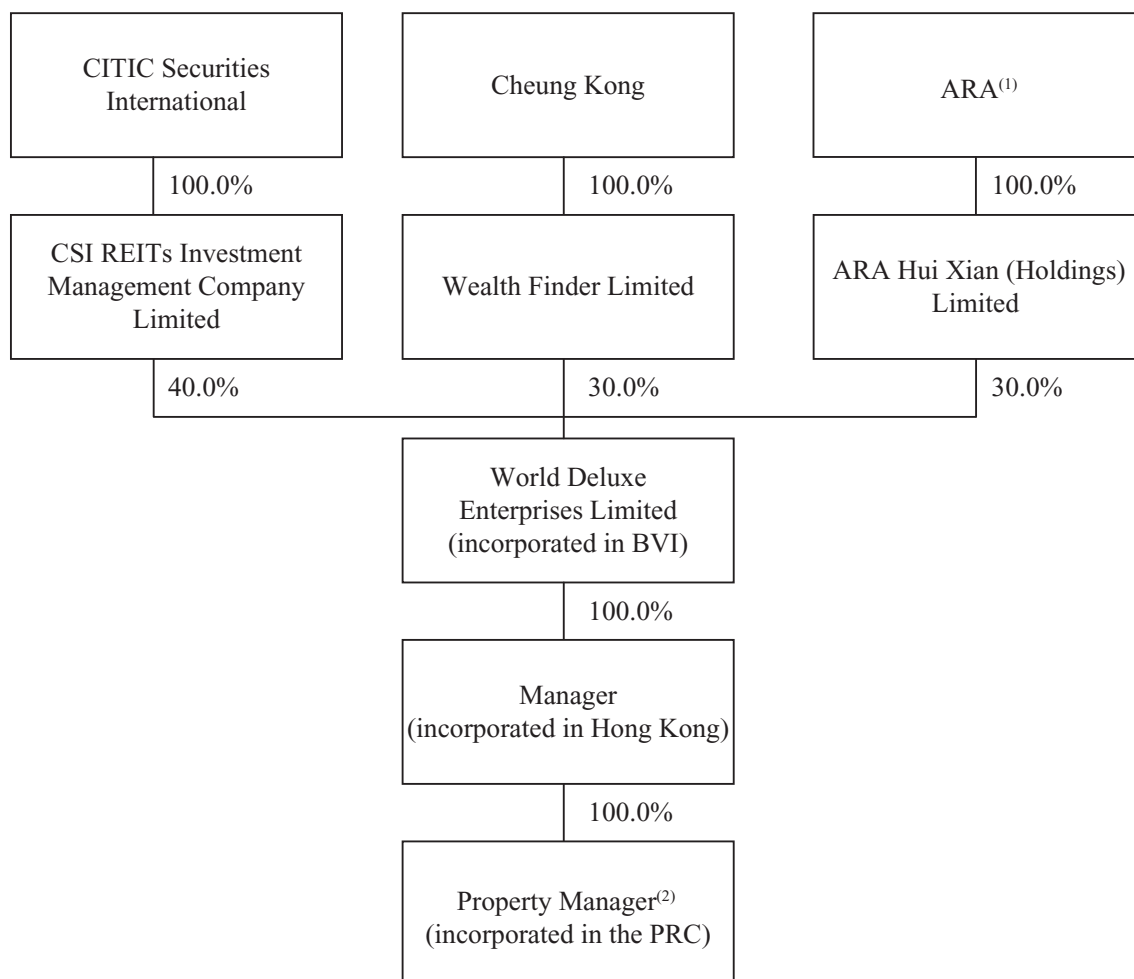
Hui Xian REIT is organised and managed in a manner which is consistent with the provisions and requirements of the REIT Code, subject to those as described in the section headed “Modifications, Waivers and Licensing Conditions” in this Offering Circular. The Manager is independent of the Trustee and possesses the skill and resources to discharge its functions in relation to Hui Xian REIT effectively and responsibly. In discharging such functions, the Manager is required to observe high standards of corporate governance. For details of the corporate governance policies and procedures of the Manager, see the section headed “Corporate Governance” in this Offering Circular.

### The Management of Hui Xian REIT

#### *The Manager*

The Manager, Hui Xian Asset Management Limited, was incorporated in Hong Kong on 26 October 2010 for the sole purpose of managing Hui Xian REIT. The Manager has a paid-up capital of HK\$5 million and its registered office is located at Unit 1203, 12/F, Cheung Kong Center, 2 Queen’s Road Central, Hong Kong.

The simplified shareholding structure of the Manager as at the Latest Practicable Date is set out below:



Notes :

(1) The issued shares in ARA were held as to 15.6% by the Cheung Kong Group and two out of seven directors of ARA are nominees of the Cheung Kong Group as at the Latest Practicable Date. The nominees of Cheung Kong group on ARA’s board are non-executive directors of ARA and do not participate in the day-to-day management of ARA. These Cheung Kong group nominated directors are also required to abstain from voting on resolutions proposed at board meetings of ARA in which they or Cheung Kong group have material interest.

(2) In the process of being established.

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### ***The Property Manager***

The Property Manager (to be named as 北京匯賢企業管理有限公司 (Beijing Hui Xian Enterprise Services Limited (for identification purposes only))), which will be wholly-owned by the Manager, is in the course of being established in the PRC to take up certain functions and services relating to the management of Oriental Plaza (other than Grand Hyatt Beijing which is managed by the Hotel Manager pursuant to the Hotel Management Agreement (see the section headed “Material Agreements and Other Documents Relating to Hui Xian REIT — Hotel Management Agreement” in this Offering Circular)) which are currently performed by BOP and which will be performed by the Property Manager pursuant to the Operations Management Agreement after its establishment and the Operations Management Agreement is entered into, and will be a delegate of the Manager. The Property Manager, which will have a local presence in the PRC, will be able to facilitate the management of Oriental Plaza (other than Grand Hyatt Beijing) for the Manager. As the Property Manager will be a wholly-owned subsidiary of the Manager, the Manager will have the overall management and supervision of the Property Manager in respect of its performance of the functions and services pursuant to the Operations Management Agreement.

As at the Latest Practicable Date, it is expected that the business licence of the Property Manager will be issued by the State Administration for Industry and Commerce in mid-April or thereabouts, and the Property Manager will be officially established after the issuance of that licence. The Property Manager will become fully operational after completing the relevant administrative registrations.

The relevant information regarding the establishment of the Property Manager will be included in the interim and/or annual report of Hui Xian REIT after Listing.

### **Duties of the Manager and the Property Manager**

#### ***Duties of the Manager***

The Manager has general power of management over the assets of Hui Xian REIT. The Manager's main responsibility is to manage the assets of Hui Xian REIT for the benefit of the Unitholders and to provide Unitholders with stable distributions per Unit. The Manager is not involved in any other REIT. The Manager will set the strategic direction and risk management policies of Hui Xian REIT and give directions to the Trustee on the acquisition, divestment or enhancement of assets of Hui Xian REIT in accordance with its stated investment strategy. The Manager will manage the assets of Hui Xian REIT in accordance with the Manager's investment strategy as stated in the section headed “Strategy” in this Offering Circular and in accordance with the provisions of the Trust Deed and the compliance procedures set forth in this Offering Circular. The Manager is licensed by the SFC to conduct the regulated activity of asset management, as required by the REIT Code.

Further, the Manager will prepare property plans on a regular basis, which may contain proposals and forecasts on net income, capital expenditure, sales and valuations, explanations of major variances to previous forecasts, written commentary on key issues and underlying assumptions on inflation, annual turnover, occupancy costs and any other relevant assumptions. The purpose of these plans is to explain the performance of Hui Xian REIT's assets.

The Manager will be responsible for appointing (with the approval of the Trustee) and reviewing the performance and eligibility of the auditors of Hui Xian REIT and the auditors for Special Purpose Vehicles.

The Manager will also be responsible for ensuring compliance with the applicable provisions of the REIT Code, the SFO, the Listing Rules, the Trust Deed, all relevant contracts and all other relevant laws, rules and regulations. The Manager will be responsible for all regular communications with Unitholders.

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The Manager may at its sole and absolute discretion whenever it considers necessary or beneficial to Hui Xian REIT require in writing the Trustee to borrow and raise moneys on behalf of Hui Xian REIT either directly or through Special Purpose Vehicles (upon such terms and conditions as the Manager thinks fit and in particular by charging or mortgaging all or any part of the investments). However, the Manager must not direct the Trustee to incur a borrowing if to do so would mean that Hui Xian REIT's total borrowings exceed 45.0% (or such other higher or lower percentage as maybe permitted by the REIT Code or as may be specifically permitted by the relevant authorities) of the total gross asset value of the Deposited Property as set out in Hui Xian REIT's latest audited accounts immediately prior to such borrowing being effected (as adjusted by (a) the amount of any distribution proposed by the Manager in such audited accounts and any distribution declared by the Manager since the publication of such accounts; and (b) where appropriate the latest published valuation of the assets of Hui Xian REIT if such valuation is published after the publication of such accounts).

### ***Duties of the Property Manager***

It is proposed that, after its establishment, the Property Manager will enter into the Operations Management Agreement with BOP and pursuant to which, it will be appointed to provide certain services in relation to Oriental Plaza (other than Grand Hyatt Beijing) for BOP, including but not limited to the following which will be provided solely and exclusively for BOP:

- *Business advisory and management services.* These include, among others, provision of consultancy and advisory services by the Property Manager in relation to the business and management of BOP, in particular in relation to the operation and management of Oriental Plaza (other than Grand Hyatt Beijing).
- *Marketing and leasing management services.* These include, among others, acting as a non-exclusive advertising and promotional agent in relation to Oriental Plaza, supporting and co-ordinating the advertising and promotional activities for Oriental Plaza, and advising on market conditions. The leasing management services also include collection of rents and other payments from tenants on behalf of and in the name of BOP; tenants' expansion and tenancy related matters; and preparing property leasing reports. The Property Manager may also engage leasing agents to identify tenants for vacant units, if necessary.
- *Property management co-ordination services.* To identify, select and recommend suitable service providers for engagement by BOP to provide property management services such as facilitating the hand-over/taking over of premises, co-ordinating tenants' fitting out requirements, management of customer relationship and maintenance management, to monitor and supervise on behalf of BOP the performance of the service providers and procure the service providers to regularly and directly report to the Property Manager and (if required by BOP) to BOP and where required by BOP, to act as agent of BOP to enter into service contracts with service providers.

For a summary of certain proposed major terms of the Operations Management Agreement, see the section headed "Material Agreements and Other Documents Relating to Hui Xian REIT" in this Offering Circular.

Under the REIT Code, even though some functions of the Manager will be delegated to the Property Manager, the responsibilities and obligations of the Manager will not be delegated and shall remain the responsibilities and obligations of the Manager. Under the Trust Deed, the Manager shall be fully liable to the Trustee (in its capacity as trustee of Hui Xian REIT), for all losses, liabilities, damages, costs and expenses suffered or incurred by Hui Xian REIT arising from all the acts and omissions of its delegates and agents (including delegates or agents appointed by the Trustee at the direction of the Manager) as if the relevant act or omission had been performed by the Manager itself.

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### Management of the Manager

#### *The Board*

The Board is responsible for the overall governance of the Manager, including establishing goals for management and monitoring the achievement of these goals. The Board has established a framework for the management of Hui Xian REIT, including a system of internal control and business risk management processes.

The Board currently comprises nine Directors comprising two executive Directors, four non-executive Directors, and three INEDs. All executive Directors and the chief financial officer of the Manager are licensed by the SFC as Responsible Officers of the Manager for the purposes of the SFO.

For further information on the Board and its committees, see the section headed “Corporate Governance” in this Offering Circular.

#### *Directors*

The Board is entrusted with the responsibility for the overall management of the Manager. The following table sets forth information regarding the Directors:

Name	Age	Position
<i>Chairman and Non-executive Director</i>		
KAM Hing Lam .....	64	Chairman and Non-executive Director
<i>Executive Directors</i>		
CHU Stephen Henry .....	50	Chief Executive Officer
KWAN Man Fai, Louis .....	43	Chief Investment Officer
<i>Other Non-executive Directors</i>		
IP Tak Chuen, Edmond .....	58	Non-executive Director
LIM Hwee Chiang .....	53	Non-executive Director
YIN Ke .....	47	Non-executive Director
<i>Independent Non-executive Directors</i>		
CHENG Hoi Chuen, Vincent .....	62	Independent Non-executive Director
LEE Chack Fan .....	65	Independent Non-executive Director
CHOI Koon Shum, Jonathan .....	53	Independent Non-executive Director

Information on the business and working experience of the Directors is set out below:

#### *Chairman and Non-executive Director*

**KAM Hing Lam**, aged 64, has been the founding Chairman of the Manager since 21 December 2010. He is also the founding Chairman of BOP and the founding Chairman of all the Hui Xian companies, including Hui Xian BVI, Hui Xian Cayman, Hui Xian Holdings and Hui Xian Investment.

Since the early 1990’s, Mr. Kam has overseen the development of Oriental Plaza from the initial planning, design and construction stages to its present state of being one of the leading commercial complexes in Asia. He has been personally very involved in strategic development, general management, as well as leasing activities of Oriental Plaza and has frequently travelled to Beijing — about three times a month over the past ten years — to oversee and monitor the business. Under Mr. Kam’s leadership, Oriental Plaza now boasts an experienced management team strong in tenant mix planning, lease negotiation as well as marketing and promotion.

Mr. Kam has been the Deputy Managing Director of Cheung Kong (Holdings) Limited since 1993. Mr. Kam possesses extensive experience in the real estate sector in Hong Kong and PRC. He was responsible for the innovative and successful sales and marketing campaigns of Kingswood Villas, the

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largest residential development estate in Hong Kong in the 1990's and was the Chairman of Hong Kong Property Services (Agency) Holdings Limited from 1996 to 2000.

In the PRC, beyond Oriental Plaza, Mr. Kam has considerable involvement with similar mixed-use developments in a number of cities. In Beijing, he is also the Deputy Chairman of Lido Hotel Co. Ltd., which owns Lido Place, the first complex in Beijing to feature offices, serviced apartments, a shopping mall, hotel, clubhouse and international schools. The development has a site area of around 100,000 sq. m., approximately the same size as Oriental Plaza. In Shanghai, Mr. Kam is a Director of Shanghai Westgate Mall Co., Ltd., which owns the Westgate Mall Shanghai (featuring offices and a shopping mall). In Chongqing, he is a Director of Hutchison Enterprises (Chong Qing) Limited, which owns the Metropolitan Plaza Chongqing (featuring offices, a shopping mall and hotel).

Mr. Kam is also a Director and Deputy Chairman of Beijing Po Garden Real Estates Development Co., Ltd., which owns the 445,000 sq. m. Le Grande Ville residential development in Beijing.

Mr. Kam is the Chairman of Shenyang Lido Business Co. Ltd. and Chengdu Changtian Co. Ltd., which own Sheraton Shenyang Lido Hotel and Sheraton Chengdu Lido Hotel respectively. Similar to Grand Hyatt Beijing at Oriental Plaza, both Sheraton Shenyang Lido Hotel and Sheraton Chengdu Lido Hotel have been voted the best hotels in their respective cities by a number of tourism-related organisations for a number of consecutive years.

Mr. Kam's wide breadth of experience in the PRC also extends to his role as Group Managing Director of Cheung Kong Infrastructure. He was instrumental in the company's listing in 1996, and since then has continued to direct the company's business projects, including those in China.

In addition, Mr Kam is the President and Chief Executive Officer of CK Life Sciences, and an Executive Director of Hutchison Whampoa Limited and Power Assets Holdings Ltd., all of which are listed on the main board of Hong Kong Stock Exchange. Prior to joining the Cheung Kong Group, he had more than 20 years of experience in a senior and regional capacity at several major US multinational companies, including Managing Director of Johnson and Johnson (Hong Kong) Limited; Vice President, Marketing & Sales of American Express International Inc; and General Manager of Franklin Mint Ltd.

Mr. Kam is a member of the 11th Beijing Committee of the Chinese People's Political Consultative Conference of the People's Republic of China. He is also an Honourable Citizen of Shenyang, Jiangmen, Foshan and Nanhai.

Mr. Kam holds a Bachelor of Science degree in Engineering from the University of Hong Kong and a Master's degree in Business Administration from the Chinese University of Hong Kong.

Mr. Kam previously held directorships in CrossCity Motorway Pty Ltd, CrossCity Motorway Nominees No. 1 Pty Ltd, CrossCity Motorway Nominees No. 2 Pty Ltd, CrossCity Motorway Holdings Pty Ltd and CrossCity Motorway Finance Pty Ltd (collectively the "CrossCity companies") (*all resigned on 22 December 2006*), all incorporated in Australia. The principal business of the CrossCity companies was the design, construction and operation of the Cross City Tunnel in Sydney, Australia. A voluntary administrator and a receiver and manager were appointed in respect of the CrossCity companies on 27 December 2006 as they were insolvent. Following a competitive tender process, ownership of the project contracts in respect of the Cross City Tunnel was transferred to a new consortium formed by ABN AMRO and Leighton Contractors, under sale contracts which were executed on 19 June 2007 and completed on 27 September 2007.

### **Executive Directors**

**CHU Stephen Henry**, aged 50, has been a Director since 21 December 2010. He is also the Chief Executive Officer and a Responsible Officer of the Manager. Prior to joining the Manager, Mr. Chu was

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the chief executive officer and a director of ARA Asset Management (Prosperity) Limited, the manager of Prosperity REIT, where he was responsible for the performance and direction of Prosperity REIT. He was the chief executive officer of ARA Asset Management (Fortune) Limited (formerly known as ARA Asset Management (Singapore) Limited), the manager of Fortune REIT prior to joining ARA Asset Management (Prosperity) Limited.

Mr. Chu has more than 20 years of international property experience in the fields of leasing, sales, facility and property management and marketing work covering the retail, residential, hotel, and commercial sectors of the real estate market.

**KWAN Man Fai, Louis**, aged 43, has been a Director since 21 December 2010. He is also the Chief Investment Officer and a Responsible Officer of the Manager. Mr. Kwan received a Master degree of Business Administration in Financial Management from the University of Exeter in the United Kingdom in 1993. He further obtained a Master of Arts in Quantitative Analysis for Business from the City University of Hong Kong in 1997. Mr. Kwan began his career as a research/investment analyst, focusing on Hong Kong property sector and stocks, in Goodwill Research Services Limited, South China Research Limited and MeesPierson Securities (Asia) Limited from January 1994 to February 1998.

From February 1998 to June 2006, Mr. Kwan worked with the First Shanghai group. He was a director of First Shanghai Asset Management Limited (from 1998 to 2006) and also a director of First Shanghai Investment Management Limited (from 2001 to 2006), responsible for making direct investments, analysing target companies for investment and monitoring the performance of the investment portfolio, many of which were PRC investments. For the period from February 2002 to June 2006, Mr. Kwan was responsible for establishing and managing the portfolio of the China Alpha Fund, a fund focusing on PRC investments, for which First Shanghai Investment Management Limited acted as the investment adviser.

When he was with the First Shanghai group, Mr. Kwan also took part in a number of PRC direct investment projects of the listed parent company, First Shanghai Investments Limited, including a property development project in Pudong, Shanghai and a hotel development in Kunshan, Jiangsu Province. For those projects, he was mainly responsible for preparing earnings projections, valuation models, investment proposals and market analyses.

From June 2006 to May 2008, Mr. Kwan was the deputy managing director of CCB International Asset Management Limited (CCBI) and was responsible for equity portfolio management, SFC authorised fund establishment and QDII product design, including funds and other products focusing on or investing in the PRC. During that period, as a member of the Investment Committee of CCBI's Private Equity Division, Mr. Kwan also participated in the Division's high level decisions in relation to a number of PRC property-related investments.

Since May 2008 and until he joined the Manager, Mr. Kwan had been the managing director of the Investment Management Division of CITIC Securities International Company Limited. He supervised the Investment Management Division and was responsible for monitoring the operation and performance of the funds invested by CITIC Securities International Company Limited and its associated companies, including funds with investments in the PRC.

### ***Non-executive Directors***

**IP Tak Chuen, Edmond**, aged 58, has been a Director since 21 December 2010. Mr. Ip has been an executive director of Cheung Kong since 1993 and deputy managing director since 2005, responsible for overseeing all financial and treasury functions of Cheung Kong and its subsidiaries, particularly in the fields of corporate and project finance. He has been an executive director of Cheung Kong Infrastructure since its incorporation in 1996 and deputy chairman since 2003, and the senior



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vice president and chief investment officer of CK Life Sciences since 2002. He oversees matters relating to corporate finance, strategic acquisition and investment of both Cheung Kong Infrastructure and CK Life Sciences. Mr. Ip is also a non-executive director of TOM Group Limited (“**TOM**”), AVIC International Holding (HK) Limited (“**AVIC**”), Excel Technology International Holdings Limited (“**Excel**”), Ruinian International Limited (“**Ruinian**”) and Shougang Concord International Enterprises Company Limited (“**Shougang**”). Cheung Kong, Cheung Kong Infrastructure, CK Life Sciences, TOM, AVIC, Ruinian, and Shougang are listed on the Main Board of Hong Kong Stock Exchange. Excel is listed on the Growth Enterprise Market of Hong Kong Stock Exchange.

He is also a non-executive director of ARA and ARA Asset Management (Fortune) Limited (manager of Fortune REIT), and a director of ARA Trust Management (Suntec) Limited (the manager of Suntec REIT). Both ARA and Suntec REIT are listed on the Main Board of SGX-ST. Fortune REIT is listed on the Main Board of SGX-ST and Hong Kong Stock Exchange.

Prior to joining Cheung Kong, Mr. Ip held a number of senior financial positions in major financial institutions and has extensive experience in the Hong Kong financial market covering diverse activities such as banking, capital markets, corporate finance, securities brokerage and portfolio investments.

Mr. Ip holds a Bachelor of Arts degree in Economics from Ripon College, United States, and a Master of Science degree in Business Administration from University of British Columbia, Canada.

Mr. Ip previously held directorships in CrossCity Motorway Pty Ltd, CrossCity Motorway Nominees No. 1 Pty Ltd, CrossCity Motorway Nominees No. 2 Pty Ltd, CrossCity Motorway Holdings Pty Ltd and CrossCity Motorway Finance Pty Ltd (collectively the “CrossCity companies”) (*all resigned on 22 December 2006*), all incorporated in Australia. The principal business of the CrossCity companies was the design, construction and operation of the Cross City Tunnel in Sydney, Australia. A voluntary administrator and a receiver and manager were appointed in respect of the CrossCity companies on 27 December 2006 as they were insolvent. Following a competitive tender process, ownership of the project contracts in respect of the Cross City Tunnel was transferred to a new consortium formed by ABN AMRO and Leighton Contractors, under sale contracts which were executed on 19 June 2007 and completed on 27 September 2007.

**LIM Hwee Chiang**, aged 53, has been a Director since 21 December 2010. He is the Group Chief Executive Officer and Executive Director of ARA. He has been the Group Chief Executive Officer and Executive Director of ARA since its establishment. He is also a director of ARA Asset Management (Fortune) Limited (the manager of Fortune REIT), ARA Trust Management (Suntec) Limited (the manager of Singapore-listed Suntec REIT), ARA Asset Management (Prosperity) Limited (the manager of Prosperity REIT), Am ARA REIT Managers Sdn. Bhd. (the manager of Malaysia-listed AmFIRST REIT), ARA-CWT Trust Management (Cache) Limited (the manager of Singapore-listed Cache Logistics Trust), and the chairman of APM Property Management Pte. Ltd., and Suntec Singapore International Convention & Exhibition Services Pte. Ltd. In addition, Mr Lim is an independent director and member of the audit committee of Singapore-listed Teckwah Industrial Corporation Limited. He is also the vice president of the Hong Kong-Singapore Business Association, the senior vice president of the Asian Public Real Estate Association, a council member of the Singapore Chinese Chamber of Commerce & Industry and a member of the Valuation Review Board of the Ministry of Finance of Singapore.

Mr. Lim has close to 30 years of experience in real estate. Prior to founding ARA, from 1997 to 2002, he was an executive director of GRA (Singapore) Pte. Ltd., a wholly-owned subsidiary of Prudential (US) Real Estate Investors. From 1996 to 1997, he founded and was the managing director of The Land Managers (S) Pte. Ltd., a Singapore-based property and consulting firm specialising in feasibility studies, marketing and leasing management in Singapore, Hong Kong and the PRC. He was the general manager of the Singapore Labour Foundation Management Services Pte. Ltd. from 1991 to 1995, and was with DBS Land Limited (now part of CapitaLand Limited) from 1981 to 1990.

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Mr. Lim holds a Bachelor of Engineering (First Class Honours) in Mechanical Engineering, a Master of Science in Industrial Engineering, as well as a Diploma in Business Administration, each from the National University of Singapore.

**YIN Ke**, aged 47, has been a Director since 21 December 2010. He is the chief executive officer, executive director and vice chairman of CITIC Securities International Company Limited. He is also a executive director and vice chairman of CITIC Securities Co., Ltd., a PRC company listed on the Shanghai Stock Exchange. Moreover, he is a non-executive director of CITIC Pacific Ltd., Dah Chong Hong Holdings Limited and CITIC Dameng Holdings Limited, companies listed on the Main Board of the Hong Kong Stock Exchange. Mr. Yin began his career as an assistant to the chief executive officer of the Shenzhen Stock Exchange. He has previously served as executive director of Jun An Securities Limited, an executive director of Guo Tai Jun An Securities Company Limited, the executive director and president of China United Securities Limited, a director of ACT 360 Solutions Limited, a director of CCB Principal Asset Management Company Limited, a director & deputy chief executive officer of CITIC Capital Holdings Limited and a director of Zhongxing Shenyang Commercial Building Group Company Limited. Mr. Yin has extensive investment banking experience in both the PRC and overseas. He is also actively involved in various professional associations including the Securities Association of China and the Securities Association of Shenzhen. Mr. Yin graduated with a bachelor degree in electrical engineering and a master degree in Economics from Zhejiang University.

### ***Independent Non-executive Directors***

**CHENG Hoi Chuen, Vincent**, aged 62, has been an Independent Non-executive Director since 4 April 2011. He is also chairman of HSBC Bank (China) Company Limited, chairman of HSBC Bank (Taiwan) Limited and an executive director of HSBC Holdings plc. He was previously chairman and a director of The Hongkong and Shanghai Banking Corporation Limited and HSBC Global Asset Management (Hong Kong) Limited. He is also an independent non-executive director of Great Eagle Holdings Limited and MTR Corporation Limited, and a non-executive director of Swire Properties Limited.

Mr. Cheng is a career banker with extensive international business experience particularly in Asia. He is Vice President of the Hong Kong Institute of Bankers and Vice Chairman of the China Banking Association. He is also Chairman of the Independent Commission on Remuneration for Members of the Executive Council and the Legislature, and Officials under the Political Appointment System of the Hong Kong Government. He was previously Chairman of the Process Review Panel for the SFC, Chairman of the Standing Committee on Directorate Salaries and Conditions of Service of the Hong Kong Government, and a member of the Exchange Fund Advisory Committee of the Hong Kong Monetary Authority.

Mr. Cheng is a member of the National Committee of the 11th People's Political Consultative Conference of the PRC (the "CPPCC") and a senior advisor to the 11th Beijing Municipal Committee of the CPPCC. He was also a member of the Executive Council from 1995 to 1997, Hong Kong Affairs Advisor to the People's Republic of China from 1994 to 1997 as well as a member of the Legislative Council from 1991 to 1995. He is also Chairman of the Council of The Chinese University of Hong Kong.

Mr. Cheng was awarded the Gold Bauhinia Star by the Hong Kong Government in 2005. He was conferred the degree of Doctor of Social Science, *honoris causa*, by The Chinese University of Hong Kong and the degree of Doctor of Business Administration, *honoris causa*, by The Open University. Mr. Cheng holds a Bachelor of Social Science degree in Economics from The Chinese University of Hong Kong and a Master of Philosophy degree in Economics from The University of Auckland.

**LEE Chack Fan**, aged 65, has been an Independent Non-executive Director since 4 April 2011. Professor Lee is the Chair Professor of Geotechnical Engineering and Director of the School of Professional and Continuing Education, The University of Hong Kong. He is an Academician of



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Chinese Academy of Engineering. He is also an independent non-executive director of Paul Y. Engineering Group Limited.

Professor Lee is an internationally renowned expert in geotechnical engineering. Professor Lee served as a consultant and technical adviser to numerous energy and infrastructure projects in China and overseas, including the construction of the Three Gorges Dam of the Yangtze River. He worked for Ontario Hydro in Canada for more than 20 years before he joined The University of Hong Kong in 1994. He participated in the design of many massive dams and nuclear power stations. He has served as a specialist consultant or an advisor to many international bodies such as the United Nations Development Plan, World Bank and Asian Development Bank on numerous energy and infrastructure projects in many parts of the world.

Professor Lee is the Chairman of the Council of the Lord Wilson Heritage Trust, Chairman of the Hong Kong Institute for Promotion of Chinese Culture, and the President of the Fu Hui Charity Foundation. He is a member of Board of the West Kowloon Cultural District Authority. He is a past Chairman of the Harbourfront Enhancement Committee, and past Chairman of the Veterinary Surgeons Board. He previously also served on the Commission on Strategic Development and the Cultural and Heritage Commission.

Professor Lee's eminent achievement in civil engineering has been highly recognized. He was awarded the K Y Lo Medal in 2000 by the Engineering Institute of Canada and was elected the Academician of the Chinese Academy of Engineering in 2003 in recognition of his contributions to the engineering profession. He was appointed as Justice of the Peace by the Hong Kong Government in 2003 and was awarded the Silver Bauhinia Star in 2005.

Professor Lee graduated from The University of Hong Kong with a Bachelor degree in civil engineering and received his Master's degree from The University of Hong Kong and a Doctor of Philosophy degree from The University of Western Ontario, Canada, in the field of geotechnical engineering. He served as a Fullbright Distinguished Scholar in 2005, and was awarded an Honorary Doctorate of Science by The University of Western Ontario, Canada, in 2006. He was awarded the Gold Medal of the Hong Kong Institution of Engineers (HKIE) in 2009 and elected to the Hall of Fame of the HKIE in 2010.

**CHOI Koon Shum, Jonathan**, aged 53, has been an Independent Non-executive Director since 4 April 2011. He is also Chairman of the Sun Wah Group, Chairman of Sunwah International Limited, formerly known as Kingsway International Holdings Limited, Chairman of SW Kingsway Capital Holdings Limited and Chairman of Sun Wah Hi-Tech Group. Dr. Choi has extensive experience in the financial services business, food industry, real estate development, international trade and technology.

Dr. Choi is a member of the National Committee of the Chinese People's Political Consultative Conference. He also holds a number of public positions including Chairman of the Hong Kong Chinese General Chamber of Commerce, Standing Committee Member of the All-China Federation of Industry and Commerce, an Economic Advisor to the President of the Chinese Academy of Sciences, PRC, a Council Member of the Hong Kong Trade Development Council, Chairman of the Hong Kong-Japan Business Co-operation Committee, Chairman of the Hong Kong-Vietnam Chamber of Commerce, Chairman of the China-India Software Association, and Chairman of the China Hong Kong Israel Technology Cooperation and Promotion Center. Dr. Choi is also a Court/Council Member of a number of universities including United College of The Chinese University of Hong Kong, The Hong Kong University of Science and Technology, The Hong Kong Polytechnic University, Fudan University, Nanjing University and Northeastern University in Liaoning.

Dr. Choi was elected on 25 July 2003 and officially appointed on 29 July 2003 as a director of VinaCapital Vietnam Opportunity Fund Limited (listed on the AIM Market of the London Stock Exchange). His resignation was effective in 2010.

Dr. Choi is a Justice of Peace and has been awarded the Bronze Bauhinia Star by the Hong Kong SAR Government. He has also received the World Outstanding Chinese Award by the United World

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Chinese Association and is an Honorary Citizen or Advisor of Guangzhou, Shenyang, Wuhan, Jinggangshan and Changjiajie.

In 2005, Dr. Choi was conferred the Honorary Doctor of Humanities by Michigan State University in the United States. He became a University Fellow of The Hong Kong Polytechnic University in 2007. He was also conferred Honorary Professor by The University of Glamorgan in the United Kingdom in 2009.

***Independence of Directors***

In assessing the independence of a non-executive Director, the Audit Committee and the Board will take into account the following factors, none of which is necessarily conclusive. Independence is more likely to be questioned if the Director:

- (a) holds more than 1.0% of the total issued Units or more than 1.0% of the total issued share capital of the Manager. Any candidate for appointment as an INED who holds an interest of more than 1.0% must satisfy the Board, prior to such appointment, that the candidate is independent. A candidate holding an interest of 5.0% or more will normally not be considered independent. When calculating the 1.0% limit, the Board must take into account the total number of Units held legally or beneficially by the Director, together with the total number of Units which may be issued to the Director or his nominee upon the exercise of any outstanding options, convertible securities and other rights (whether contractual or otherwise) to call for the issue of Units;
- (b) has received an interest in any Units as a gift, or by means of other financial assistance, from a connected person of Hui Xian REIT or Hui Xian REIT itself (however, subject to the limit set out in paragraph (a) above). The Director will still be considered independent if he receives an interest in Units (but not from connected persons of Hui Xian REIT) as part of his Director's fee or pursuant to any option schemes established by Hui Xian REIT or the Manager;
- (c) is a director, partner or principal of a professional adviser which currently provides (or has, within one year immediately prior to the date of his proposed appointment, provided) services, or is an employee of such professional adviser who is or has been involved in providing such services during the same period, to:
  - (i) Hui Xian REIT or any connected persons of Hui Xian REIT; or
  - (ii) any person who was a significant holder or, where there was no such significant holder, any person who was the Chief Executive Officer or a Director (other than an INED), of the Manager within one year immediately prior to the date of the proposed appointment, or any of their associates;
- (d) has a material interest in any principal business activity of, or is involved in any material business dealings with, Hui Xian REIT or with any connected persons of Hui Xian REIT;
- (e) is on the Board specifically to protect the interests of an entity whose interests are not the same as those of the Unitholders as a whole;
- (f) is or was connected with a Director or the Chief Executive Officer of the Manager or with a significant holder of Hui Xian REIT within two years immediately prior to the date of his proposed appointment;
- (g) is, or has at any time during the two years immediately prior to the date of his proposed appointment been, an executive or Director (other than an INED) of the Manager or of any other connected persons of Hui Xian REIT; or
- (h) is financially dependent on Hui Xian REIT or any connected persons of Hui Xian REIT.

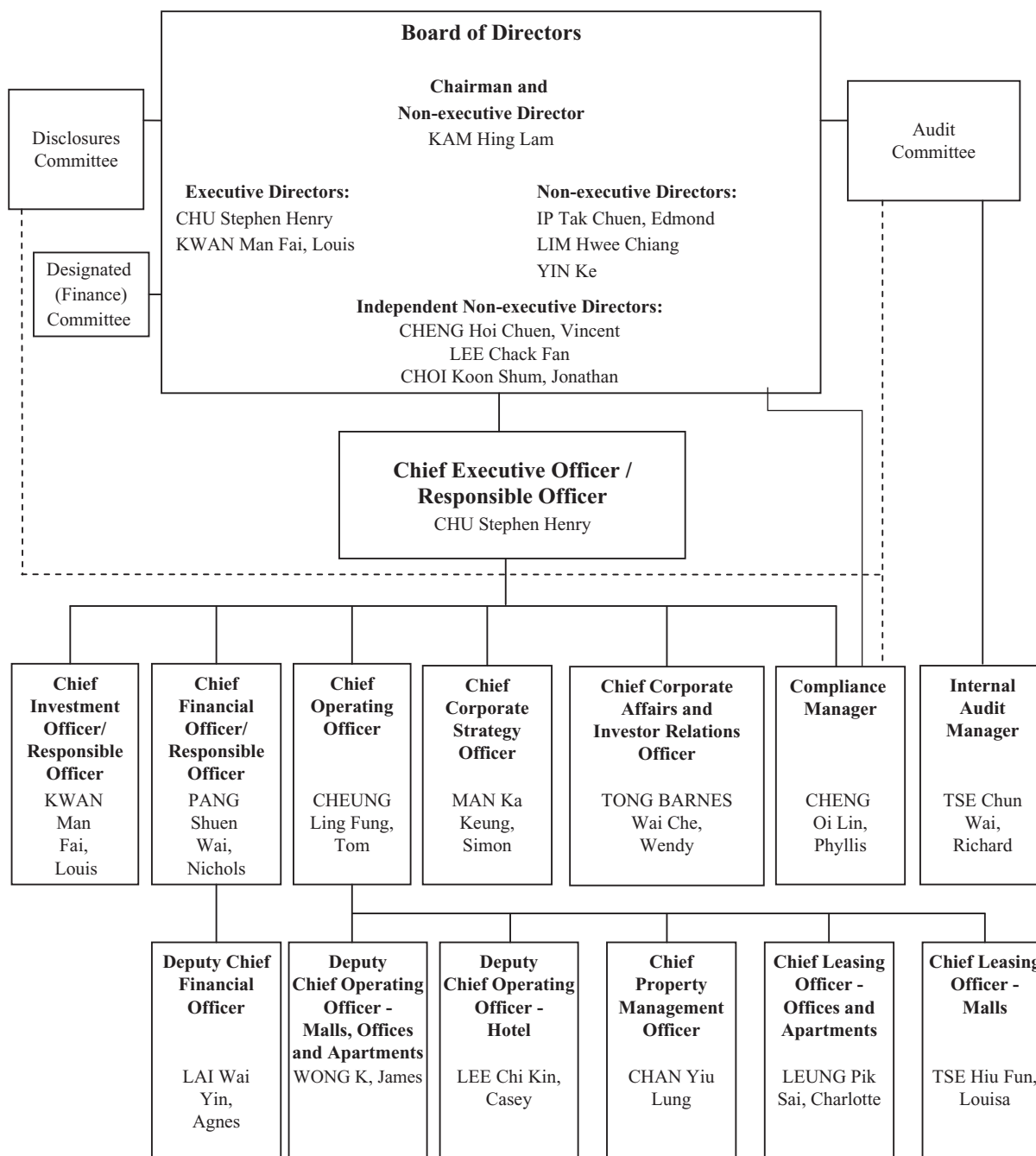
The factors set out above are included for guidance only and are not intended to be exhaustive. Any factors relevant to a particular case in assessing independence may be taken into account.

## THE MANAGER AND THE PROPERTY MANAGER

Investors should refer to the full details of the assessment of the independence of non-executive Directors set out in the corporate governance policy of the Manager (a copy of which is available for inspection as referred to in Appendix X to this Offering Circular).

### Organisational and Reporting Structure of the Manager

The following diagram sets forth the organisation and reporting structure of the Manager:



Dotted lines represent ad hoc reporting on a case by case basis.

### **Roles of the Executive Officers of the Manager**

The **Chief Executive Officer** of the Manager is responsible for working with the Board to determine the strategy for Hui Xian REIT. The Chief Executive Officer will work with the other members of the

## THE MANAGER AND THE PROPERTY MANAGER

Manager's management team to ensure that Hui Xian REIT is operated in accordance with the Manager's stated investment strategy, policies and applicable regulations. Additionally, the Chief Executive Officer is responsible for planning the strategic development of Hui Xian REIT. The Chief Executive Officer is also responsible for overseeing the day-to-day operations of the Manager and will work with the Manager's management team in meeting the strategic, investment and operational objectives of Hui Xian REIT.

The **Chief Financial Officer** is primarily responsible for the financial management of Hui Xian REIT. The Finance and Accounts Team led by the Chief Financial Officer will ensure effective and efficient financial management, including statutory reporting, financial and management accounting, taxation, and cash flow management. The Chief Financial Officer's responsibilities include projecting rental returns, accounting for rental collections and operating expenses incurred in the course of managing and operating the properties of Hui Xian REIT, ensuring that accounting records are prepared, maintained and reported in accordance with international financial reporting standards, and overseeing the preparation of budgets. The Chief Financial Officer will be also responsible for recommending to the Chief Executive Officer proposals relating to financial investments of Hui Xian REIT. The Chief Financial Officer will also maintain capital expenditure controls by overseeing the development of annual plans, monitoring approved expenditures against the plans and ensuring that the assets of Hui Xian REIT are regularly valued according to market practice and in accordance with the regulatory requirements.

The **Chief Operating Officer** is responsible for (i) formulating the business plans of Hui Xian REIT's properties with short, medium and long-term objectives and with a view of maximising the rental income of Hui Xian REIT via active asset management; (ii) formulating asset enhancement strategies and plans with the Property Manager; (iii) planning and developing strategies to meet profit targets of the properties in Hui Xian REIT on its rental premises with the Property Manager; (iv) setting budgets for the performance of the portfolio and working with the asset and leasing management and development management teams to ensure delivery against these budgeted results; (v) formulating and implementing leasing policies, guidelines, terms and conditions for all rental premises with the Property Manager; (vi) working with the Property Manager to implement the leasing and marketing strategies to ensure that objectives are achieved at the properties; and (vii) monitoring progress of asset enhancement projects.

The **Chief Investment Officer** is responsible for identifying, researching and evaluating potential acquisitions with a view to enhancing Hui Xian REIT's portfolio or divestments where a property is no longer strategic, fails to enhance the value of Hui Xian REIT's portfolio or fails to be yield accretive. The Chief Investment Officer analyses the impact on the portfolio of acquisition and development opportunities and their financing and ensures that Hui Xian REIT's exposure to risk is appropriately managed. The Chief Investment Officer also oversees due diligence process in potential acquisitions or disposals of real estate assets and manages the raising of debt and equity finance for asset acquisitions.

The **Chief Corporate Strategy Officer** is responsible for (i) formulating business strategies of the Manager with short, medium and long-term objectives and with a view of maximising the return to the shareholders; (ii) identifying and evaluating potential business opportunities with a view to enhance the growth and profitability of the Manager; (iii) directing the implementation of business development plans with other senior management; (iv) setting targets for the performance of the Manager and working with other senior management to ensure achievement of the targets; (v) directing the development and implementation of marketing strategies and business development plans with the Property Manager; (vi) formulating customer service strategy and standards with the Property Manager; (vii) working with the Property Manager to ensure the quality of the management service providers meets the agreed standard; (viii) dealing with customer services / tenant relations; (ix) vetting the leasing guidelines of the Property Manager prior to implementation (having regard to any special procedures in relation to connected party transactions) which must be complied with by the leasing staff of the Property Manager; (x) making recommendations as to the engagement of the Property Manager and principal valuer and monitoring their performance; and (xi) ensuring the properties of Hui

## THE MANAGER AND THE PROPERTY MANAGER

Xian REIT are regularly valued according to market practice and in accordance with the required procedures and regulatory requirements.

The **Chief Corporate Affairs and Investor Relations Officer** is responsible for (i) assisting the Chief Executive Officer by facilitating and co-ordinating the formulation of strategic plans, promoting and marketing Hui Xian REIT and the Manager; (ii) developing public relations strategies to promote positive image and perceptions of Hui Xian REIT and the Manager; (iii) managing relationships with the media and answering their enquiries; (iv) dealing with all external communications; (v) dealing with all communications with Unitholders and other key stakeholders to provide regular and transparent disclosures and other communications to Unitholders and the market; and (vi) preparing and producing the annual and semi-annual reports as well as other marketing material in conjunction with the Finance and Accounts Team and the Compliance Team.

The **Internal Audit Manager** is responsible for (i) reviewing the accuracy and completeness of records of all operations and transactions of Hui Xian REIT; (ii) ensuring that the Manager's internal control system functions properly; (iii) reviewing and making recommendations to the Board or the Audit Committee (as the case may be) to ensure effective segregation of duties and operational functions of the Manager; and (iv) reviewing and making recommendations to the Board or the Audit Committee (as the case may be) to ensure effectiveness and accuracy of the reporting of irregularities and infringements of the Manager's operational and compliance procedures.

The **Compliance Manager** is primarily responsible for (i) ensuring that in managing the affairs of Hui Xian REIT, the Manager shall comply with, among others, the Trust Deed, the REIT Code, the relevant Listing Rules, the relevant SFC codes under the SFO, the Takeovers Code and other applicable laws, regulations and rules; (ii) ensuring that the Manager is kept up-to-date with any changes in applicable rules and regulations that relate to compliance matters; (iii) establishing an effective compliance framework and conducting regular compliance reviews to monitor its implementation; and (iv) identifying contingency events and escalating them to the appropriate level within the Manager.

The **Deputy Chief Financial Officer** is primarily responsible for assisting the Chief Financial Officer in the financial management of Hui Xian REIT. As a key member of the Finance and Accounts Team, the Deputy Chief Financial Officer will assist the Chief Financial Officer in discharging his/her responsibilities such as ensuring effective and efficient financial management. The Deputy Chief Financial Officer will also assist in ensuring accounting records are prepared, maintained and reported in accordance with international financial standards, overseeing the preparation of budgets, monitoring approved expenditures against the plans and ensuring that the assets of Hui Xian REIT are regularly valued according to market practice and in accordance with the regulatory requirements.

The **Deputy Chief Operating Officer — Malls, Offices and Apartments** is primarily responsible for (i) assisting the Chief Operating Officer in carrying out his responsibility in respect of The Malls, The Tower Offices and The Tower Apartments and (ii) overseeing and monitoring the Property Manager in the management and operation of those three components of Oriental Plaza.

The **Deputy Chief Operating Officer — Hotel** is primarily responsible for (i) assisting the Chief Operating Officer in carrying out his responsibility in respect of Grand Hyatt Beijing and (ii) overseeing and monitoring the Hotel Manager in the management and operation of Grand Hyatt Beijing.

The **Chief Property Management Officer** is primarily responsible for assisting the Chief Operating Officer in the property management of Oriental Plaza, including setting budgets for major renovation and improvement, repair and maintenance, monitoring the performance of the Property Manager and liaising with the Hotel Manager in respect of the overall property management of Oriental Plaza.

The **Chief Leasing Officer — Offices and Apartments** is primarily responsible for assisting the Chief Operating Officer in the formulation and implementation of the leasing strategies and policies,



## THE MANAGER AND THE PROPERTY MANAGER

liaising with existing and potential tenants, and monitoring the rental collection in respect of the leases of The Tower Offices and The Tower Apartments.

The **Chief Leasing Officer — Malls** is primarily responsible for assisting the Chief Operating Officer in the formulation and implementation of the leasing strategies and policies, liaising with existing and potential tenants and monitoring the rental collection in respect of the leases of The Malls.

### *Executive Officers*

Information on the working experience of the executive officers of the Manager is set out below:

**CHU Stephen Henry** is the Chief Executive Officer of the Manager. Details of his working experience are set out in the sub-section headed “Directors — Executive Directors” above.

**PANG Shuen Wai, Nichols** is the Chief Financial Officer and a Responsible Officer of the Manager. Prior to joining the Manager, Mr. Pang was the executive director of the Investment Management Division of CITIC Securities International, and has acquired more than 20 years of experience in the property and investment sectors, both in Hong Kong and the PRC. He began his career as a research analyst of the property sector for the Greater China region in various financial institutions including, among others, ING Baring Securities (HK) Limited and Nomura International (Hong Kong) Limited. He then joined Icapital Limited, an SFC licensed investment adviser and a specialist in China’s industry and business intelligence as a supervisory director and founder in 1999. In 2002, he joined CU Investment Management Limited, an SFC licensed investment adviser to two listed closed-end funds of which the shares are being traded on the Main Board as a responsible officer. In 2006, Mr. Pang joined G.S. Financial Investment Co., Ltd, the investment arm of the holding company of Glorious Sun Enterprises Limited (a company listed on the Main Board) as an investment director and was responsible for conducting strategic investment analysis for acquisitions and constructing investment portfolios. Mr. Pang then joined Striker Capital Management Limited in 2007 as the portfolio manager and was responsible for managing the portfolios of Asian equities for the company. In 2008, Mr. Pang operated 率然翰林諮詢（北京）有限公司 (Striker Research (Beijing) Limited) which was set up for supporting the investment activities of Striker Capital Management Limited and performed investment research and sourced investment opportunities for the company in the PRC. Mr. Pang holds a Bachelor degree in Law, a Master degree in Business Administration, a Master degree in Applied Finance and a Doctor of Philosophy degree in Business and Management.

**CHEUNG Ling Fung, Tom** is the Chief Operating Officer of the Manager and the General Manager of BOP. Mr. Cheung is primarily responsible for supervising the day-to-day operations of Oriental Plaza, as well as overseeing the leasing activities of The Malls, The Tower Offices and The Tower Apartments. He is also a member of BOP’s Executive Committee.

Over the past decade, Mr. Cheung’s managerial duties have rotated him around several departments. He began his career at BOP as General Manager of The Tower Apartments in 2001 and assumed the role of General Manager of The Tower Offices in 2005. He became General Manager of Business Development for the entire complex in 2006, before adopting the position of General Manager of BOP in 2009. As a result of his extensive experience in several different departments, Mr. Cheung is very familiar with all aspects of the development.

Prior to joining BOP, Mr. Cheung spent seven years in Shanghai, where, as General Manager, he set up the first Mainland China branch in Shanghai for CB Richard Ellis, one of the world’s leading international property consultants. He has over 19 years of experience in real estate, encompassing office, retail and residential properties. Mr. Cheung was previously involved in the sales, leasing and marketing of over 20 real estate projects located throughout Mainland China, including Shanghai, Guangzhou, Shenzhen, Hangzhou and Huizhou.

He holds a Bachelor of Business Administration in Finance and a Master’s degree in Business Administration.

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**KWAN Man Fai, Louis** is the Chief Investment Officer of the Manager. Details of his working experience are set out in the sub-section headed “Directors — Executive Directors” above.

**MAN Ka Keung, Simon** is the Chief Corporate Strategy Officer of the Manager. Mr. Man has taken part in the budget process, financial reporting and operation review of BOP since its establishment. Mr. Man joined Cheung Kong Group in December 1987. He is Director, Corporate Strategy Unit, and Chief Manager, Accounts Department, of Cheung Kong and Alternate Director to IP Tak Chuen, Edmond, the Deputy Chairman and an Executive Director of Cheung Kong Infrastructure. He is also a director of Harbour Plaza Hotel Management Limited, a hotel manager in Hong Kong and the PRC. Mr. Man has over 30 years of experience in accounting, tax, finance and auditing. He holds a Bachelor’s degree in Economics and is an associate member of The Institute of Chartered Accountants in Australia.

**TONG BARNES Wai Che, Wendy** is the Chief Corporate Affairs and Investor Relations Officer of the Manager. Mrs. Tong Barnes has been working on the Oriental Plaza project since 1993. From 1993 to 1999, Mrs. Tong Barnes was working as a public relations consultant, planning and implementing pre-opening and pre-leasing marketing communications activities for the project while she was the Managing Director of Bozell Tong Barnes PR (formerly known as Bozell PR). After joining Cheung Kong in 1999, Mrs. Tong Barnes continued to work on the Oriental Plaza project, initially on promotions, advertising and public relations activities for opening and leasing; and subsequently for day-to-day business operations. Mrs. Tong Barnes is also the Chief Corporate Affairs Officer of Cheung Kong, Cheung Kong Infrastructure and CK Life Sciences. She has over 25 years of experience in public relations, marketing communications and corporate affairs. She holds a Bachelor’s degree in Business Administration.

**TSE Chun Wai, Richard** is the Internal Audit Manager of the Manager. Mr. Tse joined Cheung Kong Group in January 2009 and has been a Senior Manager in the Internal Audit Department of Cheung Kong Group. He has over 19 years of experience in auditing. He holds a Master degree in Business Administration, a Master of Science degree in Information Systems Management and a Master of Science degree in Investment Management. He is a fellow member of The Association of Chartered Certified Accountants, an associate member of The Chartered Institute of Management Accountants and a Certified Public Accountant of The Hong Kong Institute of Certified Public Accountants.

**CHENG Oi Lin, Phyllis** is the Compliance Manager of the Manager. Ms. Cheng has over 17 years of experience in legal and compliance work. She has been working in the Legal Department of Cheung Kong where she is primarily responsible for commercial legal works including joint venture matters, sales and purchases of shares, and property transaction related matters. Prior to joining Cheung Kong, Ms. Cheng had been a solicitor in private practice for more than six years. Ms. Cheng holds a Bachelor of Laws degree and a Postgraduate Certificate in Laws from the University of Hong Kong. She was admitted as a solicitor in Hong Kong in 1993.

**LAI Wai Yin, Agnes** is the Deputy Chief Financial Officer of the Manager and the Financial Controller of BOP. She joined BOP as Finance Manager in 2000 and was promoted as Senior Finance Manager in 2006. She has been the Financial Controller of BOP since 2008. Her primary responsibilities involve managing finances and taxation requirements, arranging bank loans, handling treasury functions, supervising rent collections and establishing internal finance controls, as well as accounting, reporting and budgeting. Ms. Lai is a member of BOP’s Executive Committee.

Ms. Lai has over 21 years of experience in accounting and auditing. Prior to joining BOP, she worked at firms such as Arthur Andersen in Hong Kong, as well as Saatchi & Saatchi in Beijing.

Ms. Lai holds a Bachelor’s degree in Business Administration. She is a fellow member of The Association of Chartered Certified Accountants and a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants.

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**WONG K, James** is the Deputy Chief Operating Officer — Malls, Offices and Apartments of the Manager and has been the Deputy General Manager and Chief Corporate Affairs Officer of BOP since 1998. Mr. Wong is responsible for handling budget and operations matters, as well as conducting regular meetings with hotel management. He also handles corporate affairs for BOP, which includes managing stakeholder relations with shareholders, partners, government organisations and media. Mr. Wong is a member of BOP's Executive Committee.

Mr. Wong currently serves as the Chairman of Beijing Citybase Century Property Management Limited and Beijing Goodwell Century Property Management Limited. Mr. Wong has also been the Manager of Business Development for Cheung Kong (Holdings) Limited, as well as Chief Representative of the company's Beijing office since 1994. Prior to that, he worked for Hutchison Whampoa (China) Limited in the capacity of Marketing Executive and Business Manager.

Mr. Wong holds a Masters degree in Management Science.

**LEE Chi Kin, Casey** is the Deputy Chief Operating Officer — Hotel of the Manager. He has joined the Cheung Kong Group since 1998. His duties include assessing new hotel and related properties development opportunities in China, liaising with local PRC authorities, working with banks in respect of project financing and financial restructuring and overseeing the operation of various hotels in the group. He is also responsible for the Cheung Kong Group's investment in Sheraton Shenyang Lido Hotel.

Mr. Lee has over 23 years of experience in management and operations in the hotel industry. Prior to joining the Cheung Kong Group, he worked for various hotel management groups, as well as Coopers and Lybrand.

Mr. Lee holds a Bachelor's degree in Social Sciences. He is a member of The Institute of Chartered Accountants in England and Wales, a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants and a member of the Chinese Institute of Certified Public Accountants. He is also a member of the Chinese People's Political Consultative Conference (Shenyang).

**CHAN Yiu Lung** is the Chief Property Management Officer of the Manager and the General Manager of Property Management of BOP. He joined the Cheung Kong Group in 1987 and began working as Project Manager on the construction of Oriental Plaza in 1994. Mr. Chan's current responsibilities as General Manager of Property Management of BOP comprise both the property management side and the property engineering side. His duties in property management involve budgeting, liaising with government authorities, manpower planning, outlining property management policies, purchasing functions and handling complaints, as well as managing security, the fire service, the car park and the basement. For property engineering, Mr. Chan is responsible for basic budgeting and organisation, reviewing contractors, as well as overseeing repairs and maintenance. He is a member of BOP's Executive Committee.

Mr. Chan has over 25 years of experience in construction management, as well as eight years in property management. Prior to joining the Cheung Kong Group, he worked for various private contractors throughout Hong Kong and Mainland China, specialising in engineering works.

Mr. Chan holds a diploma in Civil Engineering and is a member of the American Society of Civil Engineers.

**LEUNG Pik Sai, Charlotte** is the Chief Leasing Officer — Offices and Apartments of the Manager. She joined BOP in 2001 and is the Chief Leasing Manager of The Tower Offices and The Tower Apartments. She is responsible for all the leasing matters of The Tower Offices, The Tower Apartments, the car park and the training centre, as well as the setup and implementation of leasing and marketing strategies to maximise the portfolio's rental income.

## THE MANAGER AND THE PROPERTY MANAGER

Ms. Leung began working at BOP in the capacity of Leasing Manager of The Tower Offices in 2001, where she was mainly responsible for recruiting tenants and increasing occupancy in the early stages of the development. She became Chief Leasing Manager of The Tower Offices in 2007.

Ms. Leung has over 16 years of experience in the property industry, mainly in commercial property leasing. Prior to joining BOP, she was the Assistant Retail Leasing Manager for Wharf China, responsible for the marketing and leasing of its shopping malls in Beijing. Prior to that, Ms. Leung worked for various property developers and international surveyor firms in Hong Kong, specialising in the areas of office, retail and residential sales and leasing.

She holds a Bachelor of Science degree in Land Management and an Executive Master of Business Administration.

**TSE Hiu Fun, Louisa** is the Chief Leasing Officer — Malls of the Manager and has been Chief Leasing Manager of The Malls of BOP since 2006. She is primarily responsible for overall retail leasing, brand and tenant management, as well as overseeing daily operations, generating promotions, coordinating lease negotiations and implementing renovation measures. She also assists the General Manager of BOP in defining business strategy for the development.

Ms. Tse has over ten years of experience in retail property leasing. She began her career at BOP in 2000 as Business Development Manager of The Malls, where she was primarily responsible for handling leasing activities, supervising contract negotiations, executing sales and marketing plans and coordinating promotions.

Prior to joining BOP, Ms. Tse was the General Manager of Kamstin Development Company Limited, a foreign-owned food and beverage sales and marketing company, where she was responsible for the distribution and marketing of alcoholic beverages in the Beijing and Northern China markets. Prior to that, she worked in similar capacities for firms located in Hong Kong and Beijing.

Ms. Tse holds a Bachelor of Arts degree in Literature.

### ***Personnel of the Property Manager***

It is proposed that, after the establishment of the Property Manager, the executive officers of the Property Manager will be the same as the members of the senior management of BOP. For details of the employment arrangement of BOP, see the section headed “Oriental Plaza and Business — General — Employees” in this Offering Circular for details of their working experience.

## **Fees, Costs and Expenses of the Manager and the Property Manager**

### ***Fees, Costs and Expenses of the Manager***

The Manager is entitled to the following management fees:

- (i) a Base Fee not exceeding 0.3% per annum (and being 0.3% as at the date of the Trust Deed) of the Property Values; and
- (ii) a Variable Fee of 3.0% per annum of NPI (before deduction therefrom of the Variable Fee and, where the Property Manager is a subsidiary of the Manager, the Property Manager's fee) in respect of each real estate held directly by the Trustee or indirectly held by the Trustee through a Special Purpose Vehicle provided however that in respect of Oriental Plaza and as from the date on which the Property Manager is appointed under the Operations Management Agreement and pursuant to which the Manager is delegated certain functions in respect of Oriental Plaza as detailed below, for so long as the Property Manager is a subsidiary of the Manager and with effect from the date on which the Property Manager is appointed, such rate shall be reduced to 2.0% (instead of 3.0% as stated above) per annum.

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In addition, the Manager is entitled to be reimbursed all liabilities, fees, costs, charges and expenses properly suffered or incurred by the Manager in the proper performance of its obligations or the proper exercise of its powers under the Trust Deed.

### **Base Fee**

The Manager shall be entitled to receive, commencing on and from and including the date immediately after the date of the Completion, for its own account out of the Deposited Property in arrears the amount of the Base Fee accrued to it and remaining unpaid. The Manager shall at the end of each quarter of each financial year compute the Base Fee for the quarter, based on management accounts of Hui Xian REIT (if that real estate is directly owned by the Trustee) or the relevant Special Purpose Vehicle (if the real estate is owned by a Special Purpose Vehicle) and the Base Fee shall be paid to the Manager quarterly, subject to adjustment according to the Trust Deed. The Base Fee shall not exceed the rate of 0.3% (and being 0.3% as at the date of the Trust Deed) per annum of the Property Values. For the purpose of calculating the Base Fee, the Property Values shall be taken as the valuation as at the latest published interim report (if any) of Hui Xian REIT or the latest published audited annual accounts available at the time that the calculation in question is made. If the aggregate of the Base Fee paid quarterly to the Manager exceeds the Base Fee due to the Manager in respect of the relevant financial year calculated based on the audited annual accounts for that financial year, then the Manager shall pay Hui Xian REIT the difference within 30 days after the publication of such audited annual accounts. If the aggregate of the Base Fee paid quarterly to the Manager is less than the Base Fee due to the Manager in respect of the relevant financial year calculated based on the audited annual accounts for that financial year, then Hui Xian REIT shall pay the Manager the difference within 30 days after the publication of such audited annual accounts in cash. An announcement will be made by the Manager in relation to such adjustment (if any).

The Manager shall be entitled to alter the rate of the Base Fee to some smaller percentage than that provided by notice to the Trustee in writing provided that the Manager shall give written notice of any alteration of such rate to a higher percentage within the permitted limit to all Holders and the Trustee, not less than three months prior to the date of effect thereof.

Any increase in the rate of the Base Fee above the permitted limit or any change in the structure of the Base Fee shall not be implemented without the approval of a Special Resolution at a meeting of Unitholders, duly convened and held in accordance with the provisions of the Trust Deed. The Manager may lower the rate of the Base Fee to some smaller percentage than the relevant permitted limit specified in the Trust Deed or, where relevant, such other maximum percentage as approved by a Special Resolution in the manner mentioned in the Trust Deed. The Manager may increase the rate of the Base Fee to a higher percentage that the Manager proposes to charge from time to time provided that it is within the relevant permitted limit specified in the Trust Deed or, where relevant, such other maximum percentage as approved by a Special Resolution in the manner mentioned in the Trust Deed by giving at least one month's prior written notice to all Unitholders and the Trustee.

For the period from and including the date immediately after the date of the Completion until 31 December 2011, the Base Fee, only to the extent that it is referable to Oriental Plaza, shall be paid to the Manager as to 80% in the form of Units and as to 20% in the form of cash. The Base Fee referable to Oriental Plaza for the period after 31 December 2011 and the Base Fee referable to any real estate other than Oriental Plaza shall be paid in the form of cash and/or Units (as the Manager may elect). The Manager shall make the aforesaid elections for the payment of the Base Fee in cash and/or Units, and (if applicable) the respective percentages of the Base Fee to be paid in cash and/or Units, annually on or before 15 January of each calendar year by way of notice in writing to the Trustee and an announcement to the Unitholders, such election to be irrevocable during the calendar year in which it was made. In the event that the Manager fails to make such an election in any calendar year, the most recent valid election made by the Manager in a prior calendar year (if any) shall apply and, if there is no such prior calendar year election by the Manager, the Base Fee shall be paid in cash.



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### **Variable Fee**

With effect from and including the date immediately after the date of the Completion, the Manager shall be entitled to receive for its own account out of the Deposited Property a Variable Fee for each financial year in respect of each real estate held directly by the Trustee or indirectly held by the Trustee through a Special Purpose Vehicle. The Variable Fee payable to the Manager in respect of each real estate (whether held directly by the Trustee or indirectly held by the Trustee through a Special Purpose Vehicle) shall be an annual amount equal to 3.0% per annum of the NPI of that real estate (before deduction therefrom of the Variable Fee and, where the Property Manager is a subsidiary of the Manager, the Property Manager's fee) provided however that in respect of Oriental Plaza and as from the date of the Property Manager is appointed pursuant to the Operations Management Agreement and for so long as the Property Manager is a subsidiary of the Manager and with effect from the date on which the Property Manager is appointed, such rate shall be reduced to 2.0% (instead of 3.0% as stated above) per annum. Any increase in the Variable Fee payable to the Manager above the rate aforesaid or any change in the structure of the Variable Fee shall be subject to the approval of the Unitholders by a Special Resolution at a meeting of Unitholders, duly convened and held in accordance with the Trust Deed.

The Variable Fee referable to such real estate shall be paid to the Manager in the form of cash or, at the election of the Manager, entirely in the form of Units or partly in cash and partly in the form of Units in accordance with the provisions in the Trust Deed. The Manager shall make the aforesaid elections for the payment of the Variable Fee in cash and/or Units, and (if applicable) the respective percentages of the Variable Fee to be paid in cash and/or Units, annually on or before 15 January of each calendar year by way of notice in writing to the Trustee and an announcement to the Unitholders, such election to be irrevocable during the calendar year in which it was made. In the event that the Manager fails to make such an election in any calendar year, the most recent valid election made by the Manager in a prior calendar year (if any) shall apply and, if there is no such prior calendar year election by the Manager, the Variable Fee shall be paid in cash.

The Manager shall at the end of each quarter of each financial year compute the Variable Fee for the quarter, based on management accounts of Hui Xian REIT (if that real estate is directly owned by the Trustee) or the relevant Special Purpose Vehicle (if the real estate is owned by a Special Purpose Vehicle), and the Variable Fee shall be paid to the Manager (in the form of cash and/or Units, as the case may be) quarterly, subject to adjustment according to the provision of the Trust Deed. An announcement will be made by the Manager in relation to such adjustment (if any).

Notwithstanding the aforesaid, where any part of the Base Fee or the Variable Fee is to be paid in Units in respect of the last calendar quarter of any distribution period or financial year for which an interim distribution or final distribution (as the case may be) will be paid, such Units shall not be issued to the Manager until after the Record Date for such interim distribution or final distribution (as the case may be). Where any such distribution period is shorter than three months, all Units to be issued by way of payment of the Base Fee or the Variable Fee to the extent referable to such distribution period shall not be issued until after the Record Date for such distribution.

When the Base Fee and/or the Variable Fee is (are) paid in the form of Units, the Manager shall be entitled to receive such number of Units as may be purchased for the relevant amount of the Base Fee or the Variable Fee (as the case may be) at the prevailing Market Price at the time of the issue of such Units as determined in accordance with the Trust Deed rounded down to the nearest whole number of Units, provided that, in the event payment is to be made in the form of Units and (i) the relevant thresholds for the issuance of outstanding Units without Unitholders' approval (including the threshold of 20% (or such other percentage as permitted by the REIT Code) of outstanding Units that the Manager may issue in each financial year without Unitholders' approval pursuant to the REIT Code, and any other limit or threshold specified in any waiver from strict compliance with the REIT Code granted by the SFC) are exceeded and Unitholders' approval is not obtained, or (ii) any thresholds for triggering a mandatory offer under the Takeovers Code will be reached as a result, then payment of that excess part of the Base Fee or the Variable Fee (as the case may be) shall be paid in the form of

<b>THE MANAGER AND THE PROPERTY MANAGER</b>
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cash instead of Units. The amount of the Base Fee and Variable Fee payable to the Manager shall be net of all applicable goods and services tax, value added tax or other similar tax and all other applicable sales tax, governmental impositions, duties and levies whatsoever imposed thereon by the relevant authorities in Hong Kong or elsewhere.

***Acquisition Fee and Divestment Fee***

The Manager is also entitled to receive:

- (i) An acquisition fee not exceeding the rate of 1.0% (and being 1.0% as at the date of the Trust Deed) of the acquisition price of any real estate in the form of land acquired directly or indirectly by Hui Xian REIT (pro-rated if applicable to the proportion of Hui Xian REIT's interest in the real estate acquired). The acquisition fee is payable as soon as practicable after completion of the acquisition. The Manager shall give the Unitholders at least one month's prior written notice of any increase in the rate of the Acquisition Fee that the Manager proposes to charge from time to time up to (but not exceeding) the permitted limit. Any increase in the Acquisition Fee above the permitted limit or any change in the structure of the Acquisition Fee shall be approved by a Special Resolution of a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed. The Manager may lower the rate of the Acquisition Fee to some smaller percentage than the permitted limit, or, where relevant, such other maximum percentage as approved by a Special Resolution by giving the Unitholders at least one month's prior written notice of any decrease in the rate of the Acquisition Fee that the Manager proposes to charge from time to time. The Acquisition Fee will be paid to the Manager in the form of cash or, at the election of the Manager and with the prior approval of Unitholders by an Ordinary Resolution, entirely in the form of Units or partly in cash and partly in the form of Units. When paid in the form of Units, the Manager shall be entitled to receive such number of Units as may be purchased for the relevant amount of the Acquisition Fee at the same issue price of Units used to finance or part finance the acquisition in respect of which the Acquisition Fee is payable or, where Units are not issued to finance or part finance such acquisition, at the issue price that is equal to the highest of the average closing price of Units in the ten trading days of the Hong Kong Stock Exchange immediately prior to the earliest of the following events: (a) the entry into of the agreement for the acquisition of the real estate, (b) the announcement in respect of the acquisition of the real estate, and (c) the completion of the acquisition of the real estate, in each case, rounded down to the nearest whole number of Units and with the remaining amount to be paid in the form of cash. No Acquisition Fee is payable in relation to the acquisition of the Special Purpose Vehicles for the IPO; and
- (ii) A Divestment Fee not exceeding the rate of 0.5% (and being 0.5% as at the date of the Trust Deed) of the sale price of any real estate in the form of land sold or divested directly or indirectly by Hui Xian REIT (pro-rated if applicable to the proportion of Hui Xian REIT's interest in the real estate sold). The Divestment fee is payable as soon as practicable after completion of the divestment. The Manager shall give the Unitholders at least one month's prior written notice of any increase in the rate of the Divestment Fee that the Manager proposes to charge from time to time up to (but not exceeding) the permitted limit. Any increase in the Divestment Fee above the permitted limit or any change in the structure of the Divestment Fee shall not be implemented without the approval of a Special Resolution of a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed. The Manager may lower the rate of the Divestment Fee to some smaller percentage than the permitted limit, or, where relevant, such other maximum percentage as approved by a Special Resolution by giving the Unitholders at least one month's prior written notice of any decrease in the rate of the Divestment Fee that the Manager proposes to charge from time to time. The Divestment Fee will be paid to the Manager in the form of cash or, at the election of the Manager and with the prior approval of Unitholders by an Ordinary Resolution, entirely in the form of Units or partly in cash and partly in the form of Units. When paid in the form of Units, the Manager shall be entitled to receive such number of Units as may be purchased at the issue price that is equal to the highest of the average closing price of Units in the ten trading days of the Hong Kong Stock

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Exchange immediately prior to the earliest of the following events: (a) the entry into of the agreement for the divestment of the real estate, (b) the announcement in respect of the divestment of the real estate, and (c) the completion of the divestment of the real estate, in each case, rounded down to the nearest whole number of Units and with the remaining amount to be paid in the form of cash.

Any payment to third party agents or brokers in connection with the acquisition or divestment of any real estate for Hui Xian REIT shall be paid by the Manager to such persons out of the Acquisition Fee or Divestment Fee received by the Manager, and not additionally out of the Deposited Property or the assets of the relevant Special Purpose Vehicle.

The Trustee, acting in consultation with the Manager, may rely on the recommendation of tax advisers, and authorise the payment of any Acquisition Fee or Divestment Fee, either at the level of Hui Xian REIT or if relevant, at the level of the Special Purpose Vehicle.

### ***Property Manager's Fees***

According to the proposed terms of the Operations Management Agreement, it is proposed that the Property Manager will be entitled to receive from BOP a Property Manager's fee of 1.0% per annum of NPI (before deduction therefrom of the Variable Fee and the Property Manager's fee).

### ***Operating Expenses of the Property Manager***

In addition to its fees, the Property Manager will be fully reimbursed by BOP for the employment costs and remuneration of the employees of the Property Manager, if any, engaged solely and exclusively for the provision of its services relating to the management of Oriental Plaza (other than Grand Hyatt Beijing) to BOP.

The Property Manager, as an agent for BOP, may, at the request of BOP, enter into contracts with third party service providers on arm's length normal commercial terms for the provision of cleaning, maintenance, security, car park management and other services for Oriental Plaza, and the costs and expenses under such contracts will form part of the operating expenses to be paid by BOP.

### ***Retirement or Removal of the Manager***

The Manager may retire as manager of the Trust at any time after giving 60 days written notice, or any other period of notice as agreed to by the Trustee, to the Trustee provided that, and subject to:

- (i) the Manager selecting a new manager duly qualified under the REIT Code, licensed under the SFO and acceptable to the Trustee, the SFC and the Hong Kong Stock Exchange;
- (ii) the requirement in the REIT Code that such retirement will not adversely affect the interests of the Unitholders in any material respect.

The retirement of the Manager will not be effective until the appointment of the new manager (which is subject to the approval of Unitholders by way of an Ordinary Resolution) is effective pursuant to a deed of retirement and appointment among the Trustee, the Manager and the new manager.

The Manager shall be subject to removal by prior notice in writing given by the Trustee in any of the following events (except in relation to (iii) below which requires 30 days' prior notice in writing from the Trustee to the Manager):

- (i) if the Manager goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or if a receiver is appointed over any of its assets or a judicial manager is appointed in respect of the Manager (or any such analogous process occurs or any analogous person is appointed in respect of the Manager);

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- (ii) if the Manager ceases to carry on business;
- (iii) if the Manager fails or neglects after reasonable notice from the Trustee to carry out or satisfy an material obligation imposed on the Manager by the Trust Deed;
- (iv) if an Ordinary Resolution is passed to dismiss the Manager (all Unitholders are entitled to vote on such Ordinary Resolution in respect of the Units);
- (v) if for good and sufficient reason the Trustee is of the opinion, and so states in writing such reason and opinion, that a change of Manager is desirable in the interests of the Unitholders; or
- (vi) if the SFC withdraws its approval of the Manager to act as the manager of Hui Xian REIT.

#### **Exclusion of Liability of the Manager**

In the absence of fraud, negligence, wilful default or breach of the Trust Deed or other constitutive documents of Hui Xian REIT or breach of the REIT Code or other relevant laws and regulations by the Manager, the Manager shall not incur any liability by reason of any error of judgement or any matter or thing done or suffered or omitted to be done by it in good faith under the Trust Deed.

The Manager shall not be under any liability except such liability as may be assumed by it under the Trust Deed nor, in the absence of fraud, negligence, wilful default or breach of the Trust Deed or other constitutive documents of Hui Xian REIT, or breach of the REIT Code or any other relevant laws and regulations by the Manager, shall the Manager (save as otherwise provided in the Trust Deed) be liable for any act or omission of the Trustee, the Hong Kong Unit Registrar or the principal valuer.

#### **Right of Indemnity of the Manager**

Pursuant to the Trust Deed and subject as expressly provided therein and without prejudice to any right of indemnity at law given to the Manager, the Manager shall be entitled for the purpose of indemnity against any actions, costs, claims, damages, expenses or demands to which it may be put as Manager to have recourse to the Deposited Property or any part thereof, save where such action, cost, claim, damage, expense or demand is occasioned by the fraud, negligence, wilful default or breach of the Trust Deed or other constitutive documents of Hui Xian REIT, the REIT Code or applicable laws or regulations by the Manager and any director, employee, servant, agent or delegate of the Manager.

#### **Manager's Right of Delegation**

The Manager may to the extent permitted by applicable regulatory requirements, delegate to any person as it thinks fit, or appoint any agent to carry out, specific aspects (but not the whole) of the management and the administration of the investment and any of the rights, trusts and discretions granted to the Manager by the Trust Deed, provided always that the Manager shall be fully liable to the Trustee (in its capacity as trustee of Hui Xian REIT) for all losses, liabilities, damages, costs and expenses suffered or incurred by Hui Xian REIT arising from all the acts and omissions of its delegates and agents (including delegates or agents appointed by the Trustee at the direction of the Manager) as if the relevant act or omission had been performed by the Manager itself.

#### **Trade Mark Licence**

On 8 April 2011, Hui Xian BVI and the Manager entered into the Deed of Hui Xian Trade Mark Licence, pursuant to which Hui Xian BVI has agreed to grant the Manager (in its capacity as the manager of Hui Xian REIT) a non-exclusive right and licence to use the Hui Xian Trade Marks in connection with the operation, business or affairs of Hui Xian REIT in the PRC and Hong Kong free of any royalty or other payments in accordance with the instructions and directions of Hui Xian BVI. The aforesaid right and licence commenced from the date of the Deed of Hui Xian Trade Mark Licence and shall terminate forthwith upon, among others, the cessation of the Manager to be the manager of Hui Xian REIT or three months' written notice to terminate given by Hui Xian BVI to the Manager or vice versa.

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On 8 April 2011, BOP and the Manager entered into the Deed of BOP Trade Mark Licence, pursuant to which BOP has agreed to grant the Manager (in its capacity as the manager of Hui Xian REIT) a non-exclusive right and licence to use the BOP Trade Marks in connection with the operation, business or affairs of Hui Xian REIT in the PRC and Hong Kong free of any royalty or other payments. The aforesaid right and licence commenced from the date of the Deed of BOP Trade Mark Licence and shall terminate forthwith upon, among others, the cessation of the Manager as the manager of Hui Xian REIT or three months' notice to terminate given by BOP to the Manager or vice versa.

It is proposed that pursuant to the Operations Management Agreement, BOP will also grant to the Property Manager a licence to use the BOP Trade Marks.